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Senate

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

PRAYER

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

Almighty God, we commit this day to You. By Your grace, You have brought us to the beginning of another day. There is so much to do today: votes to cast, speeches to give, and loose ends to be tied. In the rush of things, it is so easy to live with flat ''horizontalism,'' dependent only on our own strength and focused on what others can do for us or with us. Today, we lift up our eyes to behold Your glory, our hearts to be filled with Your love, joy, and peace, and our bodies to be replenished.

Fill the wells of our souls with Your strength and our intellects with fresh inspiration. We know that trying to work for You will wear us out, but allowing You to work through us will keep us fit and vital.

Now, here are our minds, enlighten them; here are our souls, empower them; here are our wills, quicken them; here are our bodies, infuse them with energy. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, 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 PRESIDENT pro tempore. The able Senator from Colorado is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, today the Senate will resume postcloture debate on the motion to proceed to the China PNTR legislation. It is hoped an agreement can be reached to begin debate on the substance of the bill during today's session of the Senate. The Senate will also continue debate on the energy and water appropriations bill during this evening's session. The Schumer amendment regarding an energy commission is the pending amendment.

By previous consent, during today's consideration of the energy and water appropriations bill, Senator DASCHLE, or his designee, will be recognized to offer a motion to strike the language relating to the Missouri River. There will be up to 3 hours of debate on the amendment prior to a vote in relation to the motion; therefore, votes could occur into the evening.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

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

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate now resumes postcloture debate on H.R. 4444, which the clerk will report.

The assistant legislative clerk read as follows:

A motion to proceed to the bill (H.R. 4444) to authorize extension of nondiscriminatory treatment (normal trade relations treatment) to the People's Republic of China, and to establish a framework for relations with the United States and the People's Republic of China.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I yield to my friend from Minnesota for purposes of making a unanimous consent request.

Mr. WELLSTONE. Mr. President, I ask unanimous consent I be allowed to follow the Senator from Montana in this debate.

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

The Senator from Montana.

Mr. BAUCUS. Mr. President, as we begin the debate about whether to grant China Permanent Normal Trade Relations status, PNTR, we need to remind ourselves what the Senate vote is all about and what it is not about.

We are voting on whether American companies, American farmers, American workers, and American consumers will be able to take advantage of the new market opportunities afforded by changes that China will make over the next 5 years once it becomes a member of the World Trade Organization, the WTO. If we grant PNTR, China will have to give Americans all the benefits that we, and other WTO members, successfully negotiated after an arduous 13 years. If we fail to grant China PNTR status, then our Japanese and European competitors will be able to do business in China in ways that will be unavailable to us and at the expense of our exporters, our farmers, our manufacturers, our financial service companies, our Internet companies.

During the Senate debate this month, we will hear a lot about other issues, with Senators offering a plethora of amendments. The list will probably include human rights, worker rights, religious freedom, prison labor, Taiwan security, arms proliferation, and export of American jobs, among others.

Most, if not all, of these subjects are important. They should be of concern to the United States Senate, and to all Americans. A number of issues that go beyond the strict granting of PNTR to China, such as human rights, monitoring and enforcement of Chinese

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

commitments at the WTO, promotion of the rule of law, and Taiwan's accession to the WTO, are included in the bill we are considering. Other issues, such as proliferation and Taiwan security, are best dealt with apart from this legislation.

I share many of the concerns that some of my Senate colleagues will express over the coming days. But we are not voting on whether China is our friend. We are not voting about whether China should be an ally of the United States. And we are not voting about whether China should be a democracy or not.

To repeat, we are voting about whether American workers, farmers, and businesses will benefit from a decade-long negotiation, or whether we will allow our competitors in Japan and Europe to benefit while Americans do not.

That said, there are also broader implications involved in the Senate vote on PNTR. Let me mention a few.

First, a rejection of PNTR will be seen by China as an American policy decision to isolate them, to impair their growth and development, and to prevent China from emerging as a great regional power. That is how they will see it. Our intention should be to incorporate China into the global trading system, to get them to follow the same rules that we all use in international trade, and to make them accountable to an international institution for their trade policies and trade actions. The more China is integrated into the global system, the more responsibly they will act. It is that simple.

Second, a rejection of PNTR will likely lead to an indefinite delay in Taiwan's accession to the WTO. On the other hand, passage of PNTR will result in Taiwan's accession. What will happen after both China and Taiwan accede to—that is, are members of—the WTO?

They will participate together, along with all other WTO members, in meetings ranging from detailed technical sessions to Ministerials. There will be countless opportunities for interaction. Under the WTO's most-favored-nation rule, they will have to provide each other the same benefits that they grant to other members.

Taiwan's current policy limiting direct transportation, communication, and investment with the mainland will likely be found to violate WTO rules. Both will be able to use the WTO dispute settlement mechanism against the other. And WTO-induced liberalization, in both Taiwan and the PRC, will increase and deepen ties between them in trade, investment, technology, transportation, information, communications, and travel. It will promote stability across the Taiwan Strait.

Third, consider Chinese behavior once it joins the WTO. We should not expect to see changes overnight; nobody does. Those people in business and government fighting to maintain their vested interests in the status quo will not disappear. The reformers will be strengthened, but they will still be under constant attack as the battle between the forces of reform and the forces of reaction continues. But it is certainly a vital interest of the United States to do everything we can to support those who favor reform over totalitarianism, to support those who favor private enterprise over state-owned enterprises, to support those who favor incorporating China into the global trading community over autarky.

We need to engage China to promote responsible behavior internally and externally, to encourage them to play by international rules, to integrate the Chinese economy into the market-driven, middle-class-participatory economies of the West. China's entry into the WTO will help anchor and sustain these economic reform efforts and empower economic reformers. China will not become a market-driven economy overnight, but it is in our interest that they move in this direction, and WTO will help.

I look forward to a vigorous debate in the best tradition of the Senate. I urge all my colleagues to support this PNTR legislation without amendments.

I yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I thank my colleague from Montana for his remarks. We are not in agreement on this question, but I have a tremendous amount of respect for his work in the Senate.

Let me, first of all, state at the beginning of this debate that it is commonly assumed the Senate is going to pass PNTR. For most, this is a foregone conclusion, but I think this is an extremely important debate and, as a matter of fact, one of the reasons I am very proud to be a Senator from Minnesota is that, unlike the House of Representatives where it was really difficult to have an extensive debate, we will have that debate in the Senate. I will have a number of amendments I will bring to the floor. They will be substantive. I think my colleagues will believe they are thoughtful, and we will have up-or-down votes.

I also echo the remarks of my colleague from Montana when he says we should be very clear about what this debate is about and what it is not about. This debate is not about whether or not we have trade with China. We do have trade with China. We will have trade with China. It is not about whether or not we communicate with China. We most definitely will. It is not about whether we isolate China. We are not going to do that. It is not about whether we should have an embargo of China, as we do with Cuba. That is not even on the radar screen.

Nobody is talking about any of that. The question before us is whether or not we in the Congress give up our right to have annual review of normal trade relations with China—we used to call it most-favored-nation status—whether or not we give up what has been our only leverage to promote noncommercial values—I emphasize that, I say to my colleagues—noncommercial values in our trading relationships, such as human rights, labor rights, and environmental protection. Do we put human rights, labor rights, environmental protection, religious rights, the right not to be persecuted for practicing one's religious beliefs or exercising one's religious beliefs in parentheses, of no interest or concern to us, or do we maintain some leverage as a country to speak out on this?

The larger question is not whether China is integrated into the world economy. China is a part of the world economy. The questions are: Under what terms will China be integrated? what will the rules be? who will decide those rules? who will benefit from these decisions? and who will be harmed by them?

The trade agreement negotiated by the United States and China last November and the PNTR legislation currently before the Senate provide very discouraging answers to these questions as to who will decide, who will benefit, and exactly who is going to be asked to sacrifice.

Our bilateral agreement contains page after page of protections for U.S. investors. It is a virtual wish list for multinational corporations operating in China and for those who wish to relocate their production there, but it contains not a word about human rights, nothing about religious freedom, nothing on labor rights, and nothing on the environment.

It has been said that the United States could not demand such things because we have conceded nothing in our deal with China. That is far from the truth. With PNTR, the United States gives up our annual review of China most-favored-nation trading privileges, as well as our bilateral trade remedies.

MFN review has not been used as effectively as it should be, I grant that, but it is about the only leverage we have left to speak up for human rights, and when we as a nation do not speak up for human rights in other countries, we diminish ourselves. Just ask Wei Jingsheng, who I hope will receive the Nobel Prize for his courageous speaking out for democracy in China. Ask him the difference it made when every year normal trade relations with China came up for review here while he was in prison. The treatment was better. The Government was worried about what we would do. Now we give up that leverage.

It is also true that our bilateral trade remedies have not been used as effectively as they should, but section 301 remains our only explicit remedy against China's violation of core labor standards.

The United States right now absorbs 40 percent of China's exports. The argument that we could not have done better by way of some concessions on

these basic issues falls on its face. In exchange for the concessions we have made to China, could we not have at least exacted some concessions with regard to human rights? We did not. Yet this year's annual report by the State Department says China's human rights performance continued to worsen in 1999.

Today in the New York Times there is another State Department report which we called for, we required, on the whole question of religious freedom or lack of religious freedom. I quote from just the first two paragraphs of today's New York Times:

> As more and more Chinese seek to practice faiths including Tibetan Buddhism, Christianity and Islam, government officials have increasingly responded with harassment, extortion, detention, and even torture, the State Department said today.
>
> As a result, a ''marked deterioration'' in religious freedom has occurred in China during the last year, enabled by a new law granting state and local officials broad authority to suppress 14 minority religions, including the Falun Gong movement, the State Department said in its second annual report on religious freedom around the world.

We have had more relations, more trade, and this vote is coming up this year, and when it comes to the question of whether people can exercise the right to practice their own religion, there is more persecution.

I will have an amendment that will deal with the whole question of religious freedom. It will mirror the conclusions of a commission we set up to look at religious freedom throughout the world, to look at religious freedom in China, a commission which recommended to the Congress that we not grant automatic trade relations with China unless the Chinese Government meets essential minimum decency requirements when it comes to not persecuting people because of their religious practice.

According to the State Department's report:

> The government's poor human rights record deteriorated markedly throughout the year as the government intensified efforts to suppress dissent, particularly organized dissent. Abuses included instances of extrajudicial killings, torture, mistreatment of prisoners, and denial of due process.

We are talking about hundreds, maybe thousands, of people in China sentenced to long prison terms where they have been beaten, tortured, and denied medical care.

According to Amnesty International, throughout China, mass summary executions continue to be carried out. At least 6,000 death sentences and 3,500 executions were officially recorded last year. The real figures are believed to be much higher. Nor did we obtain any concessions on religious freedom in our negotiations with China. Scores of Roman Catholics and Protestants—I speak as a Jew—have been arrested. A crackdown on Tibet was carried out during the ''strike hard'' campaign. Authorities ordered the closure of monasteries in Tibet and banned the Dalai Lama's image. At one monastery which was closed, over 90 monks and novices were detained or ''disappeared.'' That is why the U.S. Commission on International Religious Freedom recommended delaying PNTR until China makes ''substantial improvement in allowing people the freedom to worship.'' I say to my colleagues, do you just want to turn your gaze away from this question?

We obtained no concessions from China on complying with their existing commitments on forced prison labor which they have not lived up to. Harry Wu, a man of extraordinary courage and character, has documented China's extensive forced labor system. His research has identified more than 1,100 labor camps across China, many of which produce products for export to dozens of countries around the world, including the United States.

We demanded no concessions from the Chinese on their persecution of labor organizers. If you try to form an independent union, if you should want to make more than 3 cents an hour, or 14 cents an hour, if you should not want to work 16 and 18 hours a day, if you should want to be treated with some dignity, and you try to organize a union, then you are faced with 3 to 8 years in a hard labor camp. We pay no attention to this question at all, I say to Senators, Democrats and Republicans alike.

Absent any minimum standards for human rights, for labor, or for the environment, the most likely scenario is for China to become an export platform, attracting foreign manufacturers, with lax regulations, and wages as low as 3 cents an hour.

Unfortunately, many of the concessions that we chose to demand from China will only make it easier for the United States, for multinational corporations to relocate there, paying people 10 cents an hour, 3 cents an hour, 13 cents an hour—I am going to give examples in my opening statement in just a few minutes—in competition with American workers and ordinary people in our country, who, by the way, if they oppose our trade agreements, are accused of being backward, are accused of not being sophisticated, are accused of not understanding this new global economy in which we live.

Please forgive ordinary citizens and wage earners for their skepticism that without some basic standards, what you are going to see is China becoming a magnet for more and more companies to go there and pay people deplorable wages, with deplorable working conditions, while we lose our jobs.

I believe the time has come for a different approach in negotiating our trade agreements and for reforming the rules of the global economy. I want to make it very clear at the beginning of my opening statement, I say to my colleagues, I am an internationalist. I am a fierce internationalist. I am the son of a Jewish immigrant who fled persecution from the Ukraine, who was born in the Ukraine, and then lived in Russia, who spoke 10 languages fluently. I am not an isolationist.

But I will say today on the floor of the Senate that we should be looking forward, and we should be looking to how we participate in this new global economy, and how we can have some rules, some edifice, some kind of framework so this new global economy works for working people and the environment and human rights. Too many of my colleagues want to put all of these concerns in parenthesis.

I think we need to be clear about what is at stake. My colleague from Montana, Senator BAUCUS, said that as well. That is why so many people in this country are concerned about passage of this legislation.

The PNTR is being sold as an agreement to increase U.S. exports. I have heard this said a million times: If we pass PNTR, we will dramatically increase U.S. exports to China, and it will be a win-win—a win-win for agriculture, a win-win for business, a win-win for labor.

This legislation and trade deal with China is much more about investment than it is about exports. It is much more about making it easier for U.S. firms to relocate jobs in China than it is about exports.

First of all, the argument that this debate is all about exports and reducing our trade deficit falls on its face. I say to my colleagues, last August the U.S. International Trade Commission, the ITC, completed a study on the effects of the China deal on our trade balance. The ITC found that the China deal will increase our trade deficit with China, not lower it.

Second of all, it is not at all true that we need PNTR to be able to have trade with China. China is already obligated, under the 1979 bilateral trade agreement, according to our own General Accounting Office, the GAO, to give us all of the benefits by way of tariff reductions that it gives any of the other WTO countries. Even the administration concedes this point.

Third of all, PNTR will lead to more imports from China by encouraging multinationals to invest in China manufacturing to export to the U.S. market. That is what this is all about. Big companies could go to China—I will give many examples—they would not have to worry any longer about annual reviews, about normal trade relations. They could go there.

People can't organize a union. They are thrown in prison. There is no respect for human rights. There is no respect for people to practice their religion. As a result, they could go there and pay people deplorable wages, under deplorable conditions, and then export back to our country.

Let me just be real clear about it. Before the House vote on PNTR—and I hope colleagues will listen—few noticed that the ITC had predicted that the trade deal with China would significantly increase investment of multinational corporations in China. But

after the House vote, the New York Times, the Washington Post, and the Wall Street Journal all carried articles laying out what this legislation is really about.

Now, as it is in the Senate, and we have the benefit of a little bit more wisdom and knowledge, let me just quote, first of all, an article entitled, ''Playing the China Card,'' from the New York Times:

Although the Clinton Administration often listed exports as the headline benefit of broadening trade with China, the real advantage for U.S. companies is probably enhanced rights of investment and ownership there. . . . Most companies try to crack the difficult China market by setting up local operations, often using those plants as export production bases as well.

Here is what the Wall Street Journal had to say the day after PNTR passed the House in an article entitled, ''House Vote Primes U.S. Firms to Boost Investments in China'':

While the debate in Washington focused mainly on the probable lift for U.S. exports to China, many U.S. multinationals have something different in mind. ''This deal is about investment, not exports,'' says Joseph Quinlan, an economist with Morgan Stanley Dean Witter & Co. . . .

In the tense weeks leading up to last night's vote, business lobbyists emphasized the beneficial effect the agreement would have on U.S. exports to China. They played down its likely impact on investment, leery of sounding supportive of labor union arguments that the deal would prompt companies to move U.S. production to China. But many businessmen concede that investment in China is the prize. . . .

Then finally, after the House vote, the U.S. Business and Industrial Council surveyed the web sites of dozens of U.S. multinationals who have been lobbying for PNTR, and they reached similar conclusions:

In contrast to the focus in their congressional lobbying and their advertisements, American multinationals say almost nothing about exports when they describe their China business on their web sites. There, the overwhelming emphasis is on supplying the China market—and often other markets, like the U.S. market—from factories they build or acquire or work with in China. . . .

Mr. President, this should come as no surprise to colleagues. According to the Economic Policy Institute, U.S. investment in Chinese manufacturing—I am talking about before this vote—shot up from $123 million in 1988 to $4 billion in 1998.

The number of U.S. affiliates manufacturing in China rose from 64 in 1989 to 350 in 1997, and the value of their sales rose from $121 million in 1989 to $8 billion in 1997. That is before we pass normal trade relations with China. U.S. agribusiness conglomerates that have been promoting U.S. exports to China as much as anyone are also investing in production facilities there in China. As the Wall Street Journal noted the day after the House vote:

Even agriculture companies are getting in on the act. Poultry giant Purdue Farms, Inc. is ratcheting up its investment in China with a joint venture for a processing plant and hatchery near Shanghai.

Purdue isn't the only one. Cargill operates a fertilizer blending plant and a malt plant and two feed mills in different areas of China and boasted in a press release last year that it is a ''major exporter of Chinese corn and steel.''

I urge farmers in Minnesota to listen to that. Cargill says: We set up operations in China; we are a major exporter of corn. Steel workers in the Iron Range, listen to that. They don't have to worry about environmental rules and regulations. They don't have to worry about fair labor standards. They don't have to worry about human rights standards that the Chinese Government will impose. They can produce corn well below the cost of production of corn growers in Minnesota, and they themselves brag about the fact that they are a major exporter of Chinese corn.

Cargill, Archer-Daniels-Midland, and ConAgra, which have operated in China for years, lobbied hard for a provision in the China trade deal that will let them set up distribution networks that can be used for exports as well as imports. And John Deere has a joint venture with one of China's state-owned companies that sells tractors.

If we look at our trade deficit with China, it tells the story. Our trade deficit with China rose 256 percent from 1992 to 1999. Imports from China more than tripled in real terms, while exports grew only 69 percent. Our trade deficit with China jumped $11 billion last year to $68 billion. In 1999, we had a 6-to-1 ratio of imports to exports.

We do trade with China. There is a huge trade imbalance. And as U.S. investment in China goes up, that is what is going to happen. As our trade deficit gets worse, China is developing into an export platform for foreign firms that seek the world's cheapest labor and access to the world's largest consumer market—not China but ours. People in China are, by and large, very poor. The market is not China. The market is in this country. The U.S. today absorbs about 40 percent of China's exports, and about 40 percent of China's exports, more than $200 billion in 1998, came from multinational firms operating in China.

If this debate is really about investment and not exports, then the question is, Why are so many U.S. corporations so eager to invest in China? The answer that many of these corporations will give is that they want access to China's huge internal market. But as we have seen, most of the production they are investing in is for export to the United States and other foreign markets. There is a good reason for that. This was the same argument made about NAFTA—we want to have this market in Mexico. But the problem is, the wages are so low in these countries, the poverty is so great, we don't have the market.

So why are U.S. corporations so interested in relocating production in China? Why are they so interested that we no longer reserve for ourselves the right to annually review normal trade relations with China? The most important reason is they are interested in low cost, and that is a euphemism. What I really mean to say is, they are interested in low wages and the repression of worker rights. That is what is so attractive about investment in China.

The year 1994 is the last data we have. I am trying to bring to the floor of the Senate in this debate as much empirical data as I can. Chinese production workers who worked in the factories of the U.S. multinationals earned on average of 83 cents an hour. That is the last year for which the data is available. By way of comparison, the average manufacturing worker today in our country makes $16.87.

The State Department human rights report last year confirms the appalling state of labor rights in China. I will quote a few sections.

Independent trade unions are illegal. . . The government has not approved the establishment of any independent unions to date.

The government continues its effort to stamp out union activity, including through detention or arrest of labor activists.

The State Department then goes on to list a number of labor activists who have been imprisoned because they did nothing more than demand the right to be able to form a union so they could bargain collectively and get better wages. They are in prison, and we pay no attention to that.

I cite a recent report by the National Labor Committee which should dispel any doubts whether there are irresponsible U.S. corporations taking advantage of these appalling labor conditions. By the way, there are responsible U.S. corporations as well. However, the shame of it is, without any kind of standards, it is what the irresponsible U.S. corporations get away with.

The conclusion of the NLC:

Recent in-depth investigations of 16 factories in China producing car-stereos, brakes, shoes, sneakers, clothing, TVs, hats, and bags for some of the largest U.S. companies clearly demonstrate that [these corporations] and their contractors in China continue to systematically violate the most fundamental human and worker rights while paying below subsistence wages. The U.S. companies and their contractors operate with impunity in China, often in collaboration with repressive and corrupt local government authorities.

NLC investigators found brand name—Kathie Lee/Wal-Mart—handbags being made in a factory ''where 1,000 workers were held under conditions of indentured servitude, forced to work 12 to 14 hours a day, seven days a week, with only one day off a month, while earning an average of 3 cents an hour.''

I hope my colleagues are not going to vote against an amendment that I am going to bring to the floor that is going to deal with basic human rights and another amendment I will bring to the floor dealing with the problem of religious persecution.

Continuing from the NLC report:

However, after months of work, 46 percent of the workers surveyed earned nothing at all—

They didn't even make 3 cents an hour.

in fact, they owed money to the company. The workers were allowed out of the factory for just an hour and a half a day. The workers were fed two dismal meals a day and housed 16 people to one small, crammed dorm room. Many of the workers did not even have enough money to pay for bus fare to leave the factory to look for other work. When the workers protested being forced to work from 7:30 a.m. to 11:00 p.m. seven days a week, for literally pennies an hour, 800 workers were fired.

Do Members not think in this trade agreement we might not want to have some conditions calling on the Chinese Government to live up to basic standards of decency?

One factory producing brand name sneakers for the U.S. market hires only females between the ages of 18 and 25—another U.S. company in China.

The base wage at the factory is 18 cents an hour, and workers need permission to leave the factory grounds. Factory and dorms—where 20 women share one small dorm room, sleeping on triple-level bunk beds—are locked down at 9:00 p.m. every night. When workers in the polishing section could no longer stand the grueling overtime hours and low pay and went on strike, they were all fired. Factory management then lectured the remaining workers that they would not tolerate unions, strikes, bad behavior, or the raising of grievances.

I will have an amendment that will say we should condition automatic normal trade relations with China on their living up to the basic standard that people should be able to form an independent union if that is what they believe they should do without being imprisoned.

At a plant making brand name—Nike—clothing for American consumers, young workers worked from 7:30 a.m. to 10:30 p.m., 7 days a week. They made 22 cents an hour. Wal-Mart, by the way, is in China. I think they are paying 14 cents an hour. And another factory manufacturing for export to the U.S. market does not hire anyone older than 25; workers are paid 20 cents an hour and work 11- to 12-hour shifts.

I have no doubt that some of our companies—I hope many—want to be responsible employers. But when we don't have any standards and we sign onto trade agreements without any standards whatsoever, we create economic incentives that push in the wrong direction, where the companies wanting to do well by workers are at a competitive disadvantage and it becomes a race to the bottom.

In our country—I am proud to say as a former college teacher—among young people is the best organizing of justice, idealism, and activism I have seen in many years. But how can you support the anti-sweatshop campaign, denounce the rapid proliferation of sweatshops all over the world, and denounce the resurgence of sweatshops here in the U.S. and then turn around and promote unregulated investment in China without any conditions whatsoever?

I simply say that I seriously question, on the basis of some pretty solid empirical evidence, whether this China deal is going to lift living standards overseas to our levels or whether this China deal and some of our other trade policy is going to lower living standards down to theirs. It is not very hard to figure out what this deal is about. It is going to encourage more investment in China under the conditions I have described.

I wish to give two case studies. On July 7, the New York Times ran a story about Zebco Corporation, world-famous makers of fishing reel, which moved most of its production to China in June. Most of Zebco's 240 workers will eventually lose their jobs. They said:

With most of Zebco's competitors having already set up fishing tackle plants in China, allowing them to undercut Zebco's prices at Wal-Marts everywhere, Zebco began a year ago to explore the possibility of moving its own lines to China. The company found that it could commission Chinese factories to produce and deliver reels to the United States for one-third less than it could make them at home, company officials said.

As assembly-line factory jobs go, Zebco offers ordinary pay but solid benefits, including Christmas gifts of stock certificates. Workers returned the loyalty. Turnover was low.

This is what it was all about.

Then, earlier this year, the company pushed assembly-line workers to raise their output by at least 10 percent a month, and China became a cattle prod.

That is in the New York Times piece.

Still, the shop floor fell into stunned silence one Monday afternoon when the president of the company read a brief statement as first-shift workers finished their day. Zebco was moving some production to China. Many of those listening would lose their jobs. Zebco reels no longer commanded an ''adequate profit,'' the statement said.

Many leading United States companies are like Zebco. They face competitive pressure to save money by producing in China—often exporting back to the United States—rather than making goods here to sell in China.

The workers as Zebco are not alone. Warren Davis is a courageous, outspoken United Auto Workers leader. He is their regional director for Ohio and Pennsylvania. In a recent letter, he told me about 90 workers at a plant he represents who are all going to lose their jobs because of the conditions that I have described. He writes:

Nestaway Corporation has been under contract with the Rubbermaid Corporation of Wooster, Ohio. It is losing its critical contract because Rubbermaid claims it can no longer afford to buy Nestaway's sink strainers. . . .

The victims are the workers at Nestaway Corporation in Garfield Heights, Ohio. They are mainly single parents with poor prospects for finding any other job that pay a wage comparable to the $9 an hour they had been paid. . . .

Basically, it is the same thing. They can't compete. I continue to quote from him:

My question to you is, for whom does the bell toll? Because this is not just about the jobs of Region 2 members of the United Auto Workers. This is about all of American manufacturing. And it is about the debate in the Senate.

The stories of workers at Zebco and Nestaway tell a larger story. We have an exploding trade deficit with China, and it is only going to get worse because without any kind of conditions, without any kind of human rights standards, without any kind of fair labor standards, without any kind of minimal standards for human rights, what we are going to see is more and more companies not exporting but investing in China, going to China, paying low wages. This becomes the export platform, and then the products are exported back to our country. According to the EPI, our exploding trade deficit with China cost over 683,000 jobs between 1992 and 1999. This trade deal with China will cost even more—over 870,000 jobs, just looking into the immediate future.

Well, let me now make two final points in my opening statement. It is commonly argued that everybody benefits, that it is exports, and I have tried to take that on. We get the arguments of the trade agreement, and I have tried to take that on. It is argued that, in fact, this is a policy that will help people in China. I have tried to take that argument on. Let me simply talk about the inequality in our country. Even free trade economists have now concluded that existing trade policy is the single largest cause of growing inequality since 1979. We have a booming economy, but we have the widest gap between the rich and the poor of any industrialized nation in the world. Inequality, both within countries and between countries, has dramatically increased.

When we went through the debate on NAFTA, the argument was there will be winners and losers, but we will be better off as a country, and we certainly will be there to compensate the losers; we will have job training and education programs and all of the rest. But do you know what? That was fine sentiment expressed on the floor of the Senate, but after NAFTA was passed and we lost hundreds of thousands of jobs, support for the training and assistance suddenly dried up. All of the Senators and all of the Representatives who I hear say, ''Yes, there will be losers and we are certainly going to have to do better''—I would like to hear those Senators and Representatives talk about health security for people in this country, affordable child care, good education for their children, increasing the minimum wage. But quite often you find just the opposite.

I wish to talk about an amendment I am going to bring to the floor of the Senate, which I think is terribly important. Part of what is going on, unfortunately, with our trade policy—and given the size of China, this will sharply widen the inequality. This will exacerbate this, I think, most serious question of all.

The message is, if you organize, we are gone; we will go to these other countries. The message is that if you want to work for more than 3 cents an hour, you don't get our investment.

But if this is all about workers, and if this is all about coming through for working people in our country—making sure that the jobs we have in our country are good jobs, and there are decent health care benefits for people, and they can support their families—I think we will have to look at the very strong correlation between unionization and good jobs and good working benefits—and that is a well established correlation—and, therefore, the need to give people the right to organize.

Right now in the country during an organizing drive, in 91 percent of the cases employers require employees to listen to the companies but deny the employees any opportunity to listen to both sides. I am going to introduce a right-to-organize amendment. That should no longer be the case. Employees should be allowed to hear from both sides.

In 31 percent of all the organizing campaigns, employers illegally fire union sympathizers with virtual impunity. Ten thousand workers are fired illegally every year. It is profitable to do so. In this amendment, I say if a company breaks the law and illegally fires that worker, that company is going to be faced with stiff financial penalties.

In one-third of the cases, even after the employees say they want to join a union so they can make better wages, the companies refuse to negotiate. This amendment will call, therefore, for mediation to be followed by binding arbitration.

I hope my colleagues will support this right-to-organize amendment.

I think the way our country is going is that people and families are more concerned about the right to be able to organize and bargain collectively, earn a decent living, and support their families.

I say especially to the Democrats that you ought to support this amendment. You ought to support this amendment because this is all about the basic right of people to be able to organize and to do better for themselves and their families. This is all about being on the side of working people. Do I not hear that the Democratic Party is on the side of working people? I have an amendment that will give Democrats, and I hope Republicans, an opportunity to be on the side of working people.

In conclusion, we have a choice. I think the choice is really clear. We are in a global economy. We are in an international economy. The question is, Are there going to be any new rules?

We live in a democracy. My father taught me more than anything else to love my country, and I love my country because we live in a democracy. I get to speak on the floor of the Senate. Citizens get to speak up. We have a voice.

On the one hand, we have the current model of a business trade policy designed to serve mainly the interests of multinational corporations, Wall Street financial institutions, and global business conglomerates. This is the model of globalization that has generated such outrage and certainly skepticism on the part of most ordinary citizens in the country. Good for them.

I think there is a 2-to-1 margin—as I remember the recent polling data—of people who say they don't believe these trading agreements are going to lead to good job prospects but are going to more likely take away good jobs for Americans.

Just think about it for a moment. We passed not too long ago the CBI initiative. That is all about, as my colleague said, helping poor working people in the Caribbean countries. How do you help poor working people in the Caribbean countries where they don't even have the right to work? They can't join a union. The Caribbean countries with the fastest growing exports have experienced—are you ready for this?—the steepest decline in wages.

So often I hear from my colleagues: Well, Paul, we know you support working people but do not seem to be supporting the poor in these developing nations. I say to my colleagues that every time I go to a trade conference, I look for the poor. I never see the poor at these trade conferences. I see the elites from these countries. I don't see the poor represented.

In any case, with the Caribbean countries, let me cite one very interesting correlation. Those countries with the fastest growing exports and that have the lowest wages have seen the steepest decline in wages.

The question is, Who benefits from expanding trade benefits without any enforceable labor standards? Who benefits from trade and investment policies that discourage rather than encourage the right to organize? Not American workers; not workers in the other countries; not the poor in other countries. This is not win-win; this is lose-lose.

I will not cite a lot of statistics about the global economy, but for a moment I want to cite a few to point out to colleagues that many foreign countries have not fared so well under this ''Washington consensus trade and investment policy'' of recent decades.

More than 80 countries have per capita income lower than they did in 1970, lower in 1999 than in 1978 by 200 million poor people living in abject poverty.

Only 33 countries have achieved and sustained 3-percent growth between 1980 and 1996, and in 59 countries the per capita GNP actually declined.

The number of poor continues to grow throughout the world.

There are 100 million people in industrialized countries living below the poverty line, and 35 million of them are unemployed.

There are 1.3 billion people in the developing world earning less than $1 per day and who have no access to clean water for themselves or their children.

You are coming out here on the floor of the Senate and trying to argue that trade policy has been a great benefit for the poor in the world. I don't think the empirical data support that.

Let me conclude where I started.

I am an internationalist. I hear all this discussion about how this debate and this vote is all about whether or not you believe we live and work in a global economy. I take seriously those words that we live and work in a global economy. It certainly is true. But may I point out to my colleagues the implications of this point of view.

If we live in a global economy and if we are truly concerned about human rights, then we can no longer concern ourselves only with human rights at home.

If we live in a global economy and we truly care about religious freedom, then we can no longer concern ourselves only with religious freedom at home.

If we live in a global economy and work in a global economy and we care about the rights of workers to organize and bargain collectively and earn a better standard of living for themselves and their children, then we can no longer concern ourselves with labor rates only at home.

If we truly care about the environment and we live in a global economy, then we can no longer concern ourselves with environmental protection only at home.

Raising living standards is not only the right thing to do, it is necessary if we are to maintain our own living standard. We need to ensure that prosperity is shared more broadly so that the world economy is stabilized and that healthy and sustainable products are created for our exporters. When people make 3 cents an hour and are poor, they cannot buy what we produce in our country.

I am proud to associate myself with those who have been engaged in human rights work. I think I care more about human rights issues than almost any other set of issues in my family background. They have understood a basic truth; it is this: That Americans can never be indifferent to the circumstances of exploited and abused people in the far reaches of the globe. When the most basic human rights and freedoms of others are infringed upon or endangered, we are diminished by our failure to speak out for human rights.

When we embrace the cause of human rights, we reaffirm one of the greatest traditions of American democracy, but we are not embracing the cause of human rights with this trade bill.

There is another truth, and it is reaching a larger and larger public. The well-being of our families, the well-being of ordinary wage earners in the United States of America, depends to a considerable degree on the welfare of people who we have never met, people who live halfway across the planet. Our fates are intertwined.

Some of my colleagues say the global markets will take care of themselves; they cannot be tamed; there is nothing we should do; this is laissez faire economics at its best.

I point my colleagues to the lessons of our own economic history. As we debate this piece of legislation on the floor of the Senate—and I will have an amendment that will deal with religious freedom, an amendment that deals with human rights; I will have an amendment that deals with exports from China from forced prison labor; I will have an amendment that deals with a right to organize in China; and I will have an amendment that deals with the right to organize in our own country—let Members for a moment think about this debate in an historic context. I heard my colleague, Senator BAUCUS, for whom I have great respect, say this is a very important debate. Senator MOYNIHAN, who will retire—and the Senate and our country will miss him—believes this is one of the most important votes we will cast. I agree. I think this is one of the most important debates that has taken place in the Senate.

I deal with a sense of history. One-hundred years ago, our country moved from an economy of local economic units to an industrialized economy. It was a wrenching economic transformation, a major seismic change in our economy. We were moving toward a national, industrialized economy 100 years ago, at the beginning of the last century.

As that happened, there was a coalition—some of them were evangelical, some were populist, some were farmers, some were women, some were working people—that made a set of demands. The farmers said: We want antitrust action because these big conglomerates are pushing us off the land or they were exploiting the consumers. They want a 40-hour workweek. We want the right to organize. We want some protections against exploiting children, child labor. Women said: We want the right to vote. We want direct election of the U.S. Senators. They made those demands, and nobody thought they had a chance.

The Pinkertons killed anyone trying to organize a union. All too often that happened. The media was hostile to this set of demands, by and large. Journalists followed this debate. I am not bashing all journalists, but in general the media was not supportive. And believe it or not, money probably dominated politics even more than it does today.

However, those women and men felt, as citizens of a democracy, they had the right to demand for themselves and their families all they thought was right and all they had the courage to demand. They didn't win everything, but a lot of their demands became the law of the land and their collective efforts made our country better. Their efforts amounted to an effort to civilize a new national economy.

So it is today, 100 years later. These amendments I will bring to the floor of the Senate reflect an effort on the part of people in the United States of America and others throughout the world to say, yes, we live in a new global economy, but just as 100 years ago men and women organized and had the courage to make that new national economy work for them, we make a set of demands. We bring a set of issues before the Senate. We call for votes on amendments which basically say that we need to make sure that this new global economy works for working people, works for family farmers, works for the environment, works for human rights.

Mr. President, we want to make sure we can civilize this new global economy so that it works for most of the people.

I ask unanimous consent that the next two Democratic speakers be Senator DORGAN and Senator TORRICELLI, and that Senator TORRICELLI's statement be considered a morning business statement, after Senator GORTON speaks.

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

The Senator from Washington.

Mr. GORTON. I ask unanimous consent to speak as in morning business.

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

PRIORITIES

Mr. GORTON. Mr. President, after a refreshing though strenuous August recess, we are now in the home stretch not only of this session of Congress but of this Congress.

The previous speaker discussed one of the great national and international priorities, normal trade relations with China on a permanent basis. I have several other priorities, both national and regional, that I will discuss, each of which I think is vitally important for the successful conclusion of this Congress of the United States.

At the very top of my list is pipeline safety. More than a year ago, a tragic accident in Bellingham, WA, occurred with a liquid pipeline. A huge explosion snuffed out the lives of three bright young people and destroyed a magnificent and beautiful park. Ever since the date of that accident, my colleague from the State of Washington and I have focused a great deal of attention on the renewal and the strengthening of the Pipeline Safety Act and of the Office of Pipeline Safety, designed to enforce its restrictions.

We have succeeded in passing a relatively strong Pipeline Act reauthorization through the Senate Commerce Committee with certain objections, with a number of amendments that were seriously contested and closely divided in that committee. We have now worked diligently with all concerned and I believe we are on the verge of a bill that can come before this Senate and can be passed enthusiastically, and I believe unanimously, by the Senate of the United States. It is imperative that we do so quite promptly because while the House has begun to focus attention on the issue, time is very short before the end of this Congress to actually accomplish the goals we seek in increasing pipeline safety.

A dramatic and equally tragic incident during the course of the last month with a national gas pipeline in New Mexico has illustrated most regrettably, once again, the essential nature of our improving pipeline safety standards all across the United States. I am focused particularly on giving a more significant voice in pipeline safety matters to the people who live in the vicinity of these pipelines and whose lives regrettably seem to be very much at risk with respect to either negligence or oversight on the part of those who own and operate these pipelines.

Pipelines, both for natural gas and for the transmission of liquid petroleum products, are a vitally important part of our economy. In some respects, they are safer than other forms of transportation for these commodities. However, accidents are all too frequent, and all too frequently those accidents are devastating and fatal in nature.

The importance of passing this legislation cannot be overemphasized. I am highly optimistic on this subject. I had an extensive discussion last evening with the majority leader and have his encouragement. I believe in the course of the next few days we will be able to take up this bill.

Regrettably, on another high national priority, I find myself frustrated that we have not made a sufficient degree of progress. A number of days, over a period of weeks and months, have been devoted in this body to a debate on education policy and a renewal of the Elementary and Secondary Education Act. For all practical purposes, that bill is being frustrated by extended discussion, led by the unalterable opposition to providing more trust and confidence in our local school authorities on the part of the Democratic leadership and the senior Senator from Massachusetts.

An integral part of the bill, which is still before this body and which has majority support, is Straight A's. Straight A's gives State school authorities several options: One, to continue under the present system. Two, for a dozen or so States to combine a dozen or more present categorical aid programs into one system that comes to the State, is passed through with at least 95 percent of the money to individual school districts on one undertaking and one undertaking only, and that undertaking is that each State that would get this authority will sign a contract pursuant to which there will be an improvement in the skills of the students over a 5-year period; that is to say, by any objective measure that the State uses, our kids will be better educated.

It is a dramatic change. It is a change from process accountability, the form of accountability we have at the present time—that is to say: Did you fill out the forms correctly?—to results accountability: Are our children better educated? I am convinced and a majority of this body is convinced that by providing more trust and confidence in parents and teachers and principals and school board members—the people who know our children's names—that the students' education will improve. There is still time to pass such a bill. I regret the opposition even to a test, optional to each State, is so great it seems unlikely that this vitally important education reform will be passed.

Just last week I spoke to the junior and senior classes at Bridgeport High School, a rural school in Washington State, a very small school, not more than 100 students and faculty combined. They do not need more Federal rules and regulations. They don't need to be told they should use the newest Federal program to hire roughly half a teacher, which is what they get under that program. They need our trust and confidence in the dedicated nature of those teachers and administrators and parents in that community, who know better than we do here in Washington, DC, what the students of Bridgeport, WA, need. The same thing is true of 17,000 other school districts across the United States.

I also note present on the floor today my distinguished friend and colleague from North Dakota. He and I are joined in at least two other priorities with which we are dealing this year. One is the opportunity to end unilateral boycotts against the export of food and medicines from the United States. We represent, I am convinced, a substantial majority of the Members of the Senate, as well as the House of Representatives. We have a termination to those boycotts in the Agriculture appropriations bill that is now before our conference committee. I know he joins with me in believing that it is absolutely essential, and long overdue, that we end those agricultural boycotts at the present time and provide additional markets to American farmers and agricultural producers as at least one modest step toward returning prosperity to the agricultural sector of our economy.

We are also joined in believing that Americans are overcharged for prescription drugs, that we have a system under which American pharmaceutical companies—who benefit from very large subsidies, both indirectly from the National Institutes of Health, and directly through tax credits for the development of prescription drugs—that when those companies charge Americans twice as much or more than twice as much for those drugs as they charge, for all practical purposes, almost anyone outside the United States, that something is absolutely wrong. Again, we have passed in this body at least a significant step in the direction of correcting that injustice. I think it is very important that the appropriations bill to which that important matter is attached be passed and we make at least a significant step, a genuine step forward toward fair and nondiscriminatory treatment of all Americans in the cost of the prescription drugs that are so important to their health.

On two other subjects, this body has passed a bill attempting to ensure the reliability of our electrical transmission system and the supply of electricity to all the people of the United States. We have had unwarranted price hikes. We have had both the existence and threat of brownouts in various parts of this country this year. That situation is only going to get worse until we do something about it. A noncontroversial but vitally important electricity reliability bill has passed this body. I urge my colleagues in the House of Representatives to do the same.

Finally, on a regional issue, the great issue in the Pacific Northwest is the future of our hydroelectric dam system on the Columbia and Snake Rivers, and particularly the four dams on the lower Snake River. Many in this administration have pursued the foolish goal of removing those dams in order, the administration asserts, to save salmon. Nothing could be less cost effective as against the many absolutely first rate programs that are going on in the Pacific Northwest directly to that end, programs that not at all incidentally have been remarkably successful if we measure them by this year's return of spring chinook salmon to the Columbia River system.

The administration and the Vice President have blinked in this connection, knowing the proposal is as unpopular as it is absurd in the Pacific Northwest. One group in the administration said it would be off the table for 8 years. However, the chairman of the White House Council on Environmental Quality was cited in the course of the last month saying that moratorium will only be for 3 years, and the Vice President is not guaranteeing 3 years but just, ''as long as it [the present system] works.'' My own view is that that is until after the November election.

So to the best of my ability to do so, the administration will be given the opportunity to put its money where its mouth is with a prohibition against its using any money in the appropriations bill for fiscal year 2001, not only for removing the dams but for any step or purpose on the road to removing those dams. The debate over salmon recovery, a universal goal in the Pacific Northwest, will be far more constructive and far more productive when that particular view is taken off of the agenda in its entirety.

Finally, as the Senator responsible for the management of the Interior appropriations bill, we must, of course, deal with the remaining fires across the United States in our forests and on our rangelands, and particularly again in the Northwest part of the United States from which my State has not been entirely free but with which it has not been afflicted to the extent that Montana, Idaho, and certain other States have been. Whatever our concerns about the causes of those fires, the expenditures that have been made and are to be made in connection with their suppression are a genuine emergency and will be included in the conference committee report on the Interior Department bill as an emergency. At the same time, due to the very hard work of my friend and colleague, the senior Senator from Idaho, there are dramatic changes in fire prevention policies which will also be included in that bill that are vitally important to see to it that we do not soon have a repetition of the disastrous fires that have consumed so many hundreds of thousands, even millions of acres of our public and private lands during the course of this summer.

Mr. President, that is an ambitious agenda, but I believe it to be a vitally important agenda, not only for my own constituents but for the people of the United States as a whole.

The PRESIDING OFFICER (Mr. HUTCHINSON). Under the previous order, the Senator from North Dakota is to be recognized.

Mr. DORGAN. Mr. President, I ask unanimous consent that the Senator from New Jersey be recognized for 10 minutes, following which I will be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Jersey.

Mr. TORRICELLI. I thank my friend, the Senator from North Dakota, for his consideration.

TELEVISED POLITICAL ADVERTISING

Mr. TORRICELLI. Mr. President, I want to address the Senate today on the question of the national elections and the rising interest by the American people in campaign finance reform. There is no better time to debate the intricacies of how we are financing and conducting national elections than in the midst of the very contests themselves.

Over the next 8 weeks, candidates for Federal office will spend more money than at anytime in American history to attempt to persuade the American people in the casting of their votes. There is one simple, compelling reason for this spiraling increase in campaign expenditures, and that is the cost of televised political advertising, the cost of being on the national television networks.

This Congress has tangentially dealt with some of the campaign finance problems. It is obviously positive that Congress tightened regulations for the disclosure of contributions for section 527 organizations. It was a small victory.

We have, through the years, increased the number of votes in this institution, of which I am one, for comprehensive reform as envisioned by Mr. FEINGOLD and Mr. MCCAIN. But indeed, even if both of these provisions were enacted, the pressure for increased expenditures would not abate. With all of these reforms in place, the pressure to raise more money and spend more money would still dominate the system, which leads to the proposition that to deal with the costs of advertising on television, either this Congress must go beyond the current debate on campaign finance reform or others outside of the Congress must become part of the solution.

Ironically, the principal critique of the campaign finance system is coming from the very people who are driving its costs—the television networks. A 30-second prime time advertisement in the New York City market now costs $50,000. In Chicago, the same advertisement can cost more than $20,000. This is the heart of the problem.

The New York Times estimates the 2000 elections will cost $3 billion. This is a 50-percent increase over the 1996 elections. And $600 million, or 20 percent of those expenditures, will be on political advertisements on television. This represents a 40-percent increase in only 4 years.

During the Presidential primaries, both GORE and Bush spent 46 percent of all of their campaign expenditures just on television ads, twice as much as any other category of expenditures. The evidence is overwhelming. What is driving this increase in expenditures, hence requiring the raising of these exorbitant, even obscene, amounts of money, is the cost of television advertising. It could not be clearer.

Potentially the most expensive Senate race in American history is going to be the current Senate race in New Jersey. A study by the Alliance for Better Campaigns focused on last June's primary in my State. It came to the following conclusions:

Local television stations in New York and Philadelphia took in a record $21 million from New Jersey Senate candidates, but these same television affiliates of the networks devoted an average of only 13 seconds per night in the final 2 weeks of the Senate campaign to actual news.

This chart illustrates what was available to the people of my State in choosing a Senator. In New York, a CBS affiliate—this is in the final 2 weeks of the campaign, only the last 14 days—devoted 10 seconds to coverage of news on the campaign. In Philadelphia, one network gave an average of 1 second per night to actual news about the campaign.

It is, therefore, not unpredictable that this would lead to candidates unable to communicate with voters through the news spending exorbitant amounts of money in advertisements. Indeed, during the final 2 weeks of the New Jersey Senate primary, viewers in Philadelphia and New York markets were 10 times more likely to receive a communication from a candidate through a paid advertisement than they were through an actual news story. They were 10 times more likely, if they were watching the news, to see an ad rather than actually seeing a report from a reporter on the campaign.

Paid advertisements have come to dominate sources of information over actual news reports in American political campaigns.

During the last Presidential primary season, it was much the same. The typical local television station aired less than 1 minute of candidates discussing issues each night. During the month before the Super Tuesday primary on March 7, the national networks aired a nightly average of 36 seconds. The people of the United States were choosing their two nominees in the major national primary, and for the preceding month the television networks devoted 36 seconds to discussing issues. Of the 22 televised Presidential debates held during this year's primary season, 2 were aired on network television. ABC, CBS, and NBC reduced by two-thirds the amount of time that was then devoted to the national political conventions.

This is the source of some obvious changes in the American political culture. Not only is this collapse of news coverage leading candidates to raise more money and buy more advertisements, it is obviously changing how the American people make their judgments.

On average, since 1952, 22 percent of voters have said they decided how to vote based on their observation of political conventions. This is also in a state of collapse. People made judgments on hard news, they made judgments on political conventions, they watched for sources of news that were unbiased or professional, and that is being replaced by political advertisements, not by choice but because there is no choice.

It is extraordinary, given this state of affairs, that the principal force driving allegedly for campaign finance reform has been in the media.

The networks reduced the amount of news coverage, radically increased the cost of advertising, and then complained about campaign financing. It is an extraordinary state of affairs.

Indeed, at this point, the television networks have political advertising as the third most lucrative source of their revenues—only behind the automobile companies and retail advertisers.

Indeed, buying air time for political ads is now 10 percent of the revenues of the television networks. Hence, it will become clear why they may complain about the cost of political campaigns, appropriately—because we all want reform in this institution more than they—but one can see why they are leading by complaint, not by example, in doing anything about the costs. They are themselves living off of and profiting by the system. And it is accelerating.

In the last decade, the percentage of political ads as a portion of total revenue of the television networks has gone from 3 percent of all revenue in political ads in 1992 to 9.2 percent this year and rising.

During the last cycle, network broadcasters accepted $531 million in political advertising. This is a 33-percent increase since 1996 and over a 110-percent increase since a decade ago. It isn't just that they are charging exorbitant money; it is rising in multiples every year. They are driving the cost of American political campaigns.

Candidates have been living, for the last 25 years, with the same $1,000 limit in raising hard Federal dollars—$1,000 per American per election. But the networks are up 110 percent in how much they are taking in, meaning that candidates are spending more and more time, going to more and more people, raising more and more money to communicate with the same voters.

I do not know how we get this Congress to enact campaign finance reform. I trust at some point it will happen. I do not know what else the Democratic Party can do. We have had 45 seats in the Senate for the last 2 years, and every single Democrat has voted for campaign finance reform.

But even if we were to have succeeded in those votes, it would not have solved this problem. We would limit how much would be raised, perhaps, but we would not deal with these expenditures. Ultimately, it is these expenditures that must be addressed.

As my friend, Senator MCCONNELL, stated many times on the floor of this Senate, the Nation does not suffer from too much political debate. It probably suffers from too little. If we lower the amount that can be raised, and the networks keep raising the amount that is required to be spent, all we are going to accomplish is less discussion of issues. If the networks were devoting more time to the impartial discussion of issues, debates, news coverage, conventions, it would be a good substitute for political advertising. But the amount of news coverage is collapsing while the costs go up.

If we control the expenditures, the net result will simply be this: The American people, making vital decisions about the Nation's future, with less and less and less information.

The hypocrisy of this gets worse. It is not just that networks charge more money and have less news coverage. For those of us who believe there should be a requirement for free or reduced-rate air time over the public airwaves, to reduce the need to raise this money, guess who is working against us. The very people who employ Mr. Brokaw, Mr. Rather, and Mr. Jennings, who, every night, are complaining about the cost of political advertising. Their employers are lobbying to stop the reforms. The National Association of Broadcasters, the lobbying arm of

the television networks, spent $2.8 million lobbying Congress in 1998.

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

Mr. TORRICELLI. Mr. President, I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. TORRICELLI. In the year 2000, they have already spent $1.4 million.

As the Washington Post reported on May 2, when it comes to helping solve the political fundraising problem, the broadcasting industry ''doesn't see beyond its own bottom line.'' Exactly.

They are for campaign finance reform, unless they have to make a contribution. They are the principal component of this problem. Every person in this institution is spending time raising money when they should be working on legislation—compromising public confidence in the Congress by raising exorbitant amounts of money to feed the television networks that do not meet their own responsibility in reporting the news, no less in reducing the costs.

This is everybody's problem. The principal burden of solving it is in this Senate. I do not excuse that. The principal burden is here. We should be requiring free or low-cost television. But it is not our problem alone. Everyone in America can make a contribution to this. And it begins with the networks. You have a public license. The airwaves of the United States belong to the American people. In no other democracy in the world does the cost approach what we require for political candidates to raise money to use the public airwaves to communicate with our own constituents—sold at a profit.

I believe this Senate should require the FCC to have the networks offer a reasonable amount of free or reduced-rate advertising to candidates for Federal office as a matter of law. But until we do, the networks, as a matter of public responsibility, need to evaluate how much time they are devoting to political news so the American people are informed, recognizing that is the only way for democracy to reach sound judgments, and to unilaterally meet their responsibility and reduce these costs unless or until this Congress takes action. I believe this is the heart of the campaign finance problem.

Mr. President, I thank the Senator from North Dakota, once again, for allowing me the time.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—MOTION TO PROCEED—Continued

Mr. DORGAN. Mr. President, am I recognized for 30 minutes by previous consent in postcloture debate?

The PRESIDING OFFICER. The Senator has up to 1 hour.

Mr. DORGAN. Mr. President, some long while ago I was at a meeting in North Dakota, and I was talking about senior citizen issues and health care, and a range of things, and I used a statistic. I told the senior citizens who were at the meeting that there are two men for every woman over the age of 80 in the United States. And an older fellow rose from his chair and leaned forward on his cane and said to me: Young man, that is one of the most useless statistics I have ever heard.

I thought about that for a while. There are a lot of useless statistics used in all kinds of different venues. In this discussion about trade, there will certainly be plenty of statistics used. Perhaps plenty of them will be useless. But I do want to talk about some trade statistics today because we are now debating the motion to proceed to the bill that would make normal trade relations with China permanent.

I think there are a lot of wonderful things going on in this country. All of us should count our blessings that we live in a country that is doing so well. The economy is growing, growing rapidly; we have unprecedented economic growth and opportunity. It is a great time. Unemployment is down, way down. Inflation is down, way down. Crime is down. Home ownership is up.

You could look at all of the data. Productivity is up, up, way up. All of the data shows that this country is doing very well. All of us need to be thankful for that.

But there are some storm clouds on the horizon in one area, and that is in the area of international trade. And we should not ignore them.

This is not about Republicans and Democrats. It is about a public policy area this country must address. If we don't address it in a thoughtful way, we will not continue this kind of economic opportunity and growth.

Here is a chart that describes what is happening in trade. This is the merchandise trade deficit for this country; that is, the trade in goods. I have not included the trade in services, only the trade in merchandise goods. This is essentially manufacturing. We eliminated the red ink in the budget. The budget deficits are gone. But the trade deficits are going up, way up. This year especially. In June, the monthly merchandise trade deficit increased to $36.8 billion. The deficit for the first half of this year was $216 billion. That means that at the end of this year we will probably have a $430 billion merchandise trade deficit. We are buying from abroad $1.2 billion a day in goods more than we are selling abroad, and that can't continue forever.

With whom are these deficits? Well, for the first half of the year 2000, the merchandise deficit that we have with Mexico is nearly $12 billion; with Canada, $22.6 billion and increasing dramatically. With the European Union, it is a dramatic increase from $16 billion for the first half of last year to $26 billion this year. With China, it has increased from $29 billion to $36 billion.

These are not yearly figures. These are 6-month figures, January through June. So this is equal to a $72 billion annual trade deficit with the country of China. With Japan, this is almost unforgivable, year after year, forever, we have had these huge budget deficits with Japan. Now they are totaling nearly $80 billion a year.

What is happening is wrong. I am not a classic ''protectionist,'' as the press would describe some of those involved in this debate. I believe we need to expand international trade. I believe we ought to be open for competition and be required to compete. But I also believe the trade ought to be fair; the rules of trade ought to be fair. Globalization attends to it some requirement that we have global rules, not only global markets.

What is happening here, with Japan and China and, yes, others, is they are selling into our marketplace at a record pace in a whole range of areas, yet we are not able to access opportunities in their marketplace. I wonder how many Americans know what the tariff would be on a pound of U.S. beef that is shipped to Japan today? Do you want to ship a T-bone steak that comes from a ranch in North Dakota to Tokyo? What do you think the tariff would be on a T-bone steak going to Tokyo? I will tell you what it is. It is over 40 percent, a tariff of over 40 percent on American beef going into Japan. That is after we have negotiated an agreement with Japan. That shows the failure of our negotiations. A country that has an $80 billion trade surplus with us is allowed to have a greater than 40-percent tariff on American beef going to them. Obviously, there is something fundamentally wrong with the way we negotiate trade agreements.

We recently negotiated a trade agreement with China, a big, old country with 1.2 billion people. One can't help but stand on the Great Wall of China and look at those mountains, at the country, and express wonder at who they are and where they have been, their rich history, and what they will be tomorrow. What an interesting country. But we have a $72 billion merchandise trade deficit with China. We just negotiated an agreement that is a bad agreement. Let's take automobiles as one example: China has 1.2 billion potential drivers, as soon as they all reach driving age, and we want to sell American cars to some of them. So here is what we said when we negotiated the agreement: This is what we will do. You have a $72 billion trade surplus with us, or we have a big deficit with you. So we will negotiate a bilateral agreement with you where we will have a 2.5-percent tariff on any Chinese automobiles you want to send to us, and we will have a 25-percent tariff on any automobiles we send into China. In other words, after the negotiation is done, we will agree that we

will accept a tariff imposed by China that is 10 times higher on U.S. automobiles than will be imposed by the United States on vehicles from China.

Ask somebody, how on Earth can that happen? Was somebody drinking heavily while they negotiated? How can one possibly agree to something that is that unfair? I could go on and on. It will serve no purpose, except to say that these numbers ought to demonstrate that while things are doing well in this country and while we are blessed with a wonderful economy, these storm clouds with respect to the trade imbalance need to be attended to. We need better trade agreements, and we need more attention to trade agreements that require elements of fair trade between our country and Japan, between us and the Chinese, between us and Europe, and between us and Canada.

Last month, The Wall Street Journal had a piece ''Will the Trade Gap Lower the Boom?'' It notes that our trade gap is now about 4.2 percent of our overall economy, and it goes on to say that:

A percentage that high would scare the green eyeshades right off the analysts in many industrialized nations.

We don't hear a whisper about it—not here, not around the country, very seldom in the press. This is a very unusual story. It also says:

But there is a disaster scenario that . . . gets more likely with each breath that fills the trade deficit balloon. . . . On average, the current account gap hits its limit at 4.2 percent of GDP, exactly where the U.S. finds itself today. . . . Confidence in our economy could collapse before the rest of the world is firmly back on its feet.

The point is there is something wrong here, and Congress cannot ignore it. That is why Senator STEVENS, Senator BYRD, and I created in legislation a trade deficit review commission. It has finished its meetings and is now developing recommendations to policymakers both in the administration and Congress, on how to deal with this issue.

I have supported normal trade relations with China in the past. But, the issue for me isn't shall we make it permanent or not. Shall we have NTR with China? Of course, we should. The issue is: Are we going to do something about these deficits? Does anybody think having a $72 billion deficit with China is normal? Is that a normal trade relationship? Of course, it is not. It is abnormal. It is a perversion. How about Japan? Is this a normal trade relationship, having an $80 billion deficit with the country of Japan? That is not normal. It is abnormal. We, as a country, need to understand and say to China and Japan and others, the European Union, that we are all for expanded trade. We have been the leader in expanding trade. But we are also going to be the leader in standing up for our economic interests and demanding that the rules of trade be fair rules.

The first 25 years after the Second World War we could compete with anybody around the world with one hand tied behind our back. It was no problem at all. That was when our trade policy was just flat out foreign policy. The second 25 years, we have seen tougher economic competitors. Countries have developed with strong economies. They have become shrewd economic competitors. Every one of these countries have a managed trade economy in which they say: We will not allow what the United States allows. We will not ever allow the kind of run up of a trade deficit that the United States will allow.

We do it because we don't pay attention to it. We have this philosophy that somehow it will all right itself at some point in the future. It will not right itself without action by the Congress and the administration to say we are the leaders in free, expanded and fair trade, and we insist the rules of trade be fair.

I come to the floor during this discussion about China PNTR to say that there are other elements, in many ways bigger issues, to this trade debate that we must be attentive to and we must do so soon.

While there is a lot of good news—and we will hear a great deal of it during the campaigns by Republicans and Democrats, claiming credit for this, that, and the other thing—but I hope we will all claim credit for the responsibility to begin solving these problems. During good times, it seems to me, is the opportunity to look down the road and see where the storm clouds develop and figure out how to respond to them. We must, it seems to me, decide that it is a significant issue and it is in the interest of all citizens in this country that Congress begin to tackle this issue in a way that reduces these trade deficits, continues to expand our trade opportunities, but puts us on a better footing with our trading partners.

Mr. DORGAN. Mr. President, I ask unanimous consent that I may speak as in morning business.

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

SPRINTING TO THE FINISH

Mr. DORGAN. Mr. President, yesterday I spoke briefly about the agenda that confronts this Congress in the next 5 weeks. This is literally a sprint to the finish. Much of what we will discuss and debate are the most important issues people worry about and are talking about around the supper table. They talk about the issues that affect them every day: Are our kids going to good schools? Are we proud of the schools we send our kids to? Do I have a good job? Does it provide retirement benefits, insurance, security? Will grandma and grandpa have adequate health care when they have serious health problems? Is our neighborhood a safe one in which to live? Can we afford the prescription drugs that the doctor prescribes and says we need to maintain a healthy lifestyle and to control a disease we may have?

All of these things are the things that interest families who discuss what their lives are like these days and how they can be improved.

I want to talk about the agenda and the issues with which we have to deal before this Congress adjourns. Before I do, as a way of introducing that, let me tell you about a television story that appeared on KFYR Television in Bismarck, ND, about 2 to 3 weeks ago. KFYR Television News did a piece about my Uncle Harold. My Uncle Harold, from Dickinson, ND, is now 80 years old, and he is a runner. There are not very many 80-year-old runners, so the television news did a story about him. The story showed him running down the street, with the gold medals he has won, and doing various things.

Here is the story about my uncle. About 6 or 7 years ago, he and my aunt went to the Prairie Rose Games in Fargo, ND, where they have events for everybody in different age brackets. They decided to enter the bowling event because they bowl. Harold also saw that they had races for people who are 70 and above, so he decided to enter one at about age 71. He had never run before, but he decided to enter three races at the Prairie Rose Games, and he won all three easily. He said, ''You know, I never knew I could run like that.'' So he started running. He went to Minnesota to run, and then to South Dakota, and Arizona.

Pretty soon, Uncle Harold started specializing. Now he runs in the 400 meter and 800 meter events. So I have this uncle who just turned 80 running in races all over the country. He now has 45 gold medals. My aunt thinks he has had a stroke. She thinks it is as goofy as the devil that this 80-year-old man is running. Yet he discovered he is the fastest around in his age bracket. He is going to try out for the Senior Olympics and go one more time. He took fifth out of 200-some runners the last time. Now that he is 80 and at the bottom of a new age bracket, he thinks he will get a gold medal in the Olympics. My uncle is a fisherman, so I don't know whether this is true, but he said he runs the 400 meter race in 79 seconds. I run a little as well. One of these days I will figure out whether I can run it in 79 seconds.

I should mention one other thing about Uncle Harold. He also golfs, and he is the strangest golfer I have ever golfed with. I went golfing with my uncle a couple of years ago. He takes a bag and only takes four or five clubs. He hits the ball and, because he is always in training for the Senior Olympics, he sprints on a dead run to the ball. It is a strange looking thing to see a guy who was 78 years old at the time hit a ball and go on a dead run to find out where it rested and then hit it again. In the meantime, my wife and I were driving a cart, and this 78-year-old man is sprinting on the golf course. I have since decided I should never

drive a cart when golfing with my uncle.

The point is, here is this 80-year-old guy jogging 3 miles a day, getting ready to try to qualify to go again to the National Senior Olympics. That is pretty remarkable when you think about it. Thirty years ago, that would not have happened. Usually, when you are 80, you find a chair someplace and relax. But these days people are living longer, healthier lives. My uncle, for example, is training for the Olympics. That is the result of a lot of things: lifestyle changes, nutrition changes, cultural changes, better health care, Medicare. A whole series of things are happening in this country that are pretty remarkable. That really all relates to the agenda that we have in the next 5 weeks in this Congress.

Americans are living longer, living better, at a time when we are so blessed in this country. We have an agenda in the Congress that will have an impact on people's lives. Yes, for my uncle, but for everybody's aunts, uncles, brothers, and sisters—the agenda of health care and education and other things that mean so much to people's lives.

Let me talk for a minute about what we need to do and why. First of all, one of the advancements that allows people to live longer and healthier lives is the increase in the use of prescription drugs. There are so many illnesses and diseases for which, 35 years ago when Medicare was developed by this Congress, there were no medicines. But now there are miracle drugs, prescription medicines. We have decided that it is important to add a prescription drug benefit to the Medicare program. Why? Because being able to afford the right prescription drugs can allow people to lead healthier lives and treat illnesses and stay out of a hospital, which is horribly expensive. It is, in the long run, a bargain for the American people to say let's have a prescription drug benefit in the Medicare program.

Now, some say, well, we cannot afford it. The fact is that it will cost a lot more if we don't have it. People will get sick and go to hospitals and it will cost more. The issue of affordability applies more to senior citizens than to the Government. The reason we need this benefit is that too many senior citizens know they need a medicine, but they can't afford to buy it.

A doctor in Dickinson, ND, testified at a hearing I held in Dickinson. He said he prescribed a drug to a senior citizen who had a mastectomy in order to treat her breast cancer. The doctor said to his patient: This is the drug I am going to prescribe for you because it will reduce the chances of a recurrence of your cancer. She said: What does it cost? He told her and she said: Doctor, I can't afford to take that drug. I will just have to take my chances.

At every hearing I have held, I have heard testimony from people who say: We go to the back of the grocery store where the pharmacy is first because we have to buy our prescription drugs first; only then, will we know how much money we have left over to buy food.

Spending on prescription drugs increased 16 percent last year in this country. Sixteen percent. Some of that is increased utilization and some is increased prices. But too many senior citizens know they need a prescription drug, and they can't afford it. We need to do two things: put on pressure to bring drug prices down and, No. 2, add an affordable, universal, voluntary prescription drug benefit to the Medicare program.

Mr. President, with your permission, I want to show a couple of pill bottles. I ask unanimous consent to be allowed to do that.

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

Mr. DORGAN. I will speak about the prices charged for prescription drugs in this country versus the prices charged elsewhere in the world for the identical medicine.

These two bottles are slightly different but they contain the same pill. Both bottles are for a wonderful drug called Zocor, which is used to lower cholesterol in patients. It is a medication that a lot of people use. I commend all those who did the research to create these kind of drugs. But to those who decided the prices that ought to be charged for these medications to various citizens around the world, I don't say good job.

Let me describe what has happened.

In both bottles are the same pill, in the same dosage, made by the same company, perhaps made in the same manufacturing plant, approved by the FDA. Once the medicine is approved by the FDA, the FDA approves the manufacturing plants, and the company produces the drug for sale. This bottle they sent to Canada. They say to the Canadians: Do you want to buy some Zocor? It will lower your cholesterol. It is $1.82 per tablet.

This other bottle they sent to Grand Forks or Minot, ND, or anywhere else in the U.S. To Americans they say: Do you want to buy some Zocor? Well, you will have to pay $3.82 per tablet. $1.82 and $3.82, why the difference? That is something we ought to ask the drug companies.

I have taken a group of senior citizens to Canada to a little drugstore in Emerson, Manitoba. I stood in that one-room pharmacy, and I saw the prices charged there. I have seen the prices charged for the same medications in North Dakota. I know the drugstores on Main Streets in North Dakota are not charging higher prices because they want to overcharge. They are simply having to pay the drug companies an inflated price far above that which is charged in Canada, England, Germany, Italy, France, and in virtually every other country in the world because the pharmaceutical manufacturers impose that charge on them. This is not the fault of Main Street drugstores.

Again, I ask the question—I have asked this many times—is there anyone in the Senate who wants to stand up and say: Count me in on supporting these prices; I really believe it is fair and right to charge the American consumer $3.82 for the exact same pill for which a Canadian is charged $1.82? Is there one Senator willing to say this? There hasn't been one in the last six weeks that I have asked this question. If there is not any Senator willing to stand up and say this, then will all of them join us to try to change this situation so that the American consumer who needs to purchase prescription drugs receives a fair price?

The amendment that we passed in the Senate is now in conference. I am one of the conferees. What we are saying with this legislation is that pharmacists and drug wholesalers have the same right to reimport prescription drugs into this country that the drug companies already have, provided that the imported medications are FDA-approved and made in FDA-approved plants. It is very simple. We need to do that before this session of Congress ends.

The prescription drug companies are working overtime, of course, to kill this provision. They say the issue is safety. It is not. It is profits. That is what the issue is—profits, not safety. These are pills made in FDA-approved plants. These are medicines approved by the FDA with a chain of custody that can be traced from the manufacturing plant to the drugstores. There is no safety issue at all.

Adding a prescription drug benefit to the Medicare Program and enacting legislation that we passed on the floor with the bipartisan support of Senator JEFFORDS, Senator GORTON, myself, and many others who have worked on this are two things Congress must do before adjourning this year.

The other thing we need to do is pass a Patients' Bill of Rights.

I want to talk a few minutes about that today because we have Patients' Bill of Rights legislation that is in conference.

What is the Patients' Bill of Rights? This legislation says let's even up the odds a little bit between people who are sick and their insurance companies. Let's even up the odds a little bit.

In some cases what has been happening is that a person's medical care has become a function of their insurance company's profit. All too often doctors are not the ones making the decision about what kind of care is provided to a patient. It is an accountant in some insurance office thousands of miles away.

Yesterday, I mentioned a young boy in Nevada. I want to mention him again because it seems to me that he illustrates, as with so many others, the problem. A young man named Christopher Roe died October 12 last year. His mother came to a hearing that

Senator REID and I co-chaired in Nevada. He died on October 12, 1999, on his 16th birthday. The official cause of his death was leukemia. But his mother tells us that the real reason he died was that his health care plan denied him the investigational chemotherapy drug that he needed. He needed a shot, a chance, and the bureaucracy of the managed care organization never gave him that chance. They just took forever to get to that point.

Christopher Roe died, and Christopher Roe's mother came to our hearing. She held up a large picture of Christopher. She wept as she told us about her son who from his sickbed looked up at her, and said, ''Mom, I just don't understand how they could do this to a kid?'' Good question? Christopher died.

Or let me share another example. A woman fell off a cliff in the Shenandoah mountains. She was hauled into an emergency room unconscious with broken bones. She was treated. After a difficult period, she survived, and was then told by her managed care organization that they wouldn't cover her emergency room treatment because she didn't get prior approval. She was hauled in on a gurney unconscious, but the managed care organization said: You did not get prior approval for emergency room treatment.

That is the kind of thing that is happening all too often in this country.

Or, perhaps a better way to describe it is with the story of Ethan Bedrick, a young boy born with cerebral palsy resulting from a complicated delivery who was told that he had only a 50-percent chance of being able to walk by age 5. The managed care organization denied him the therapy he needed because they said a 50-percent chance of a young boy being able to walk by age 5 was insignificant. They considered it insignificant that a young boy had a 50-percent chance of being able to walk with the right kind of therapy.

Is there a reason to question those who are making health care decisions in the sterile offices of managed care organizations 1,000 miles away from where the doctor is seeing the patient and describing the medical treatment that is necessary for the patient's care? Yes. That is why I wanted to make this point.

We had a debate on patients' care in the Senate a while back. We lost by one vote, effectively, because there were some Members missing. We may have turned the tide in the Senate based on that vote, in which case the Presiding Officer may very well have broken the tie. But a substitute Patients' Bill of Rights was offered by our colleague, Senator NICKLES, when we offered the Patients' Bill of Rights.

Dr. GREG GANSKE, a Republican Member of the U.S. House, wrote a letter to all of us about that substitute. In fact, the local papers described the substitute that the Senate passed as the Patients' Bill of Rights. It was not a Patients' Bill of Rights. It was a ''patients' bill of goods.'' But the Senate passed it, and the papers wrote exactly what those who supported it had hoped they would: The Senate passed a Patients' Bill of Rights.

Dr. GANSKE, a Republican Member of Congress, said this Senate legislation virtually eliminates any meaningful remedy for most working Americans and their families against death and injury caused by HMOs.

That is not a Democrat speaking. That is a Republican Member of the U.S. House, Dr. GANSKE.

Let me describe the legal analysis he sent around to every Member of the Senate:

> . . . The measure would appear to undo State law remedies for medical injuries caused by managed care companies treatment decisions and delays.
>
> . . . In the name of patient protection the Senate legislation appears to eliminate virtually any meaningful remedy for most working Americans and their families.
>
> . . . A vehicle for protecting managed care companies from various forms of legal liability under current law.
>
> Viewed in this light, the congressional passage of the Senate bill would be worse than were Congress to enact no measure at all.

I raise this because this is not a Democrat being critical of a Republican proposal. It is a Republican Member of Congress saying that the proposal passed by the Senate was worthless, just worthless.

This is not partisan criticism, it is Dr. GANSKE, a Republican Member of Congress, saying what the majority of the Senate claimed was a real Patients' Bill of Rights was worthless.

Now we could, and should, and I hope will pass a real Patients' Bill of Rights. There is a commercial being run in a northeastern State on behalf of a Member of the Senate who voted for our Patients' Bill of Rights, the Norwood-Dingell Patients' Bill of Rights that was passed on a bipartisan basis by the House. A Member of the Senate who voted for that—a Republican; there were only a very few—is running a commercial paid for by the Republican Senatorial Campaign Committee that says this Senator voted for a real Patients' Bill of Rights—meaning ours.

It is fascinating to me that we now have a circumstance where the Republican Campaign Committee is saying that the Patients' Bill of Rights we proposed was the ''real one.'' We will have more to say about that and have a more aggressive debate about that in the days ahead.

My expectation is that there will be a tie vote when another vote occurs—and it will happen again; we fully intend it to happen again. Fortunately, we will have a Vice President to break that tie. The Patients' Bill of Rights issue is very important.

Let me mention a couple of other issues, and then I will conclude.

We also have a responsibility to deal with the farm crisis and we have not done so very well. We have a farm bill that doesn't work. The Freedom to Farm bill does not work. It has been a failure since it was enacted in 1996. The promise was: Produce what you want; we will sell it overseas and get rid of the farm program and things will be better off.

Since that time, prices have collapsed and family farmers have had an awful time trying to make ends meet. In most cases, they are receiving far less now in real terms than they received during the Great Depression for their product. These are not people who are slothful. These are not people who aren't being productive. They are economic all-stars. They produce in prodigious quantity the food the world needs so desperately. Yet the market says: By the way, your food has no value.

While people climb trees to pick leaves to eat in countries around the world where there is not enough food, family farmers driving a 2-ton truck to a country elevator are told by the grain trader: Your food has no value.

Something is wrong with that. What really has no value is the current farm program. It doesn't work. It is long past time to fix it. We are within three or four votes of doing that. I encourage help from the other side to give us the votes needed to pass a farm program that provides real assistance for family farmers.

While we are on the subject of freedom, those who wrote the Freedom to Farm bill—I didn't, and I voted against it—should understand there is something called the freedom to sell. The freedom to sell means if you want to give family farmers the freedom to produce whatever, let's also give them the freedom to sell their products in markets such as Iran, Iraq, Cuba, North Korea, and others that have been off limits to them because this country has imposed economic sanctions against countries whose behavior we don't like. I am fine with economic sanctions. Slap them with sanctions. But don't ever include food as a part of those sanctions. Using food as a weapon is unbecoming to this country. A country as big and as good and as powerful and as important as this country ought never use food as a weapon.

The freedom to sell is a pretty important principle which we ought to care a bit about. There is an amendment that I put in the appropriations bill now in conference, and I know there are a couple of House leaders who are intending to try to kill that as we get to conference. I am hoping with the bipartisan support we received in the Senate that we will prevail on this issue.

Finally, one of the other important issues we face as we wrap up this Congress is trying to do something to strengthen the education system in our country. We have the opportunity to do that. It is just that we have all of this bickering back and forth. We have things that we know need to be done. Everybody here understands that if you are in a classroom of 15 people, there is more learning going on than if there is a classroom with 1 teacher and 30 kids. Class size matters. We have

proposals to reduce class size which will dramatically improve education.

We also understand you cannot learn in schools that are in functional disrepair. No wonder there is disrepair in the schools. They were built 50 or 60 years ago, after World War II, when we had soldiers coming back, having families, and building schools for their children all across the country. Many of these schools are still in use today and are in desperate need of repair and remodeling. If anyone doubts that, take a trip to the Ojibwa school on the Turtle Mountain Indian Reservation or the Cannon Ball Elementary School, south of Bismarck, ND. Take a look at those schools and ask yourself whether those schools need help.

The third grader who walks through the classroom door in the Cannon Ball School ought to be able to expect the same opportunity for a good education as all kids in this country. Yet these children don't have the same opportunity. We know that. Yet legislation to improve and modernize our schools languish in this Senate because some people don't believe it is important, or some people believe they cannot do it because if they did, somebody would declare victory for a public policy that makes sense.

Let's declare victory for a little common sense in all of these areas: Education, health care, agriculture. There are so many areas. The agenda in this Congress is the agenda we establish. If we are a Congress of underachievers, that is our fault, not something we blame on anybody else.

I wish I were in the majority here, but I am not. The majority establishes a schedule; we don't. I accept that. We have a right, and insist on the right, between now and the 5 weeks when this Congress wraps up its business, to try to bring to the floor of the Senate once again a real Patients' Bill of Rights and have another vote. We have a right to try to push these policies to get them done. We have a right to try to push education policies that we think will enhance and improve education in this country. We have a right to try to push policies that say we want to add a prescription drug benefit to the Medicare program. We have a right to insist that the American consumer pay prices for prescription drugs that are fair—not the highest prices of anyone in the entire world.

We have a right to address all of those issues, and we should. There is time. It is just a matter of will. Will the Members of the Senate who do the scheduling, who plan the agenda, exhibit the will to do what is right in the final 5 weeks and pass this kind of legislation?

As I said when I started, when people sit down at the dinner table and talk about their lives, they are talking about things that matter to them. All of the things I have talked about are things that matter to them: Are our kids going to good schools? Do grandpa and grandma have the opportunity to get decent health care when they are sick? Are the neighborhoods safe? Do I have a decent job? Does it pay well? Does it have security? All of those are things that are important to the American people. All of those are things they should expect this Congress to address in the coming 5 weeks.

I yield the floor.

Mr. GRAMS. Mr. President, what is the order of business pending before the Senate?

The PRESIDING OFFICER. The Senate is debating the motion to proceed on the permanent normal trade relations with China.

Mr. GRAMS. Mr. President, I would like to talk about my support for H.R. 4444, but I just want to respond briefly to one comment of the Senator from North Dakota, Mr. DORGAN. I think he was bragging a little bit, maybe, about his uncle who is 80 years old and running in a marathon. I just congratulate him. How great that our senior citizens, because of the advances of medicine, can do that. I have a friend retiring at the age of 65. He wanted to retire to spend more time playing golf with his dad. Another is an uncle who was 85 last year who got his first hole-in-one, Ray Sandey. I just wanted to put that into the RECORD and congratulate them on their achievements.

Mrs. LINCOLN. Mr. President, I wish to comment on the comments of my two colleagues who have spoken about the important issues facing our aging populations in this Nation. They both commented on the 83-year-olds and the 84-year-olds. I think I have them beat. My husband's grandmother will turn 103 on the last day of this month.

So the issues for the elderly in Arkansas are extremely important to us, a No. 1 priority, and something I hope we will address in the context of a prescription drug piece for the elderly, as well as reauthorizing the Older Americans Act, not to mention the importance of solidifying and preserving Social Security and Medicare.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—MOTION TO PROCEED—Continued

Mr. GRAMS. Mr. President, I rise in strong support of H.R. 4444, which grants permanent normal trade relations—PNTR—to China. We should have passed this in early June, and I deeply regret the delay and hope we can expedite the House bill without amendments.

I believe this is a no brainer. China negotiated a WTO accession agreement with the United States—an agreement in which China has committed to improve market access for most U.S. products and services to China. In exchange, the one thing we are required to grant them is PNTR—the same treatment all WTO members afford each other.

The U.S.-China WTO agreement is a good one. China has made commitments in nearly every sector of our economy—agriculture, goods and services. Strong enforcement measures were included which allow us to not only continue use of our strong trade remedy laws, but China has agreed to allow us to use a tougher safeguard standard than our current ''201'' law and continued use of tougher antidumping laws. This will help us enforce the agreement and generally allow us to use very tough trade remedy laws to address dumping and import surges.

U.S. competitiveness will also be protected since China has dropped its requirement that U.S. companies transfer technology in order to export or invest in China. Exports to China will no longer require Chinese components or performance requirements. China will allow competition through imports for the first time. U.S. exporters can sell directly rather than using a government distribution system. It has made commitments on intellectual property enforcement as well.

For the first time, China will be subject to the multilateral trade disciplines of the WTO. Any WTO member can enter into the dispute settlement process with China if China does not live up to any of its bilateral commitments. We can still use our trade remedy laws against China if necessary, and the Administration has tripled resources to monitor and enforce the U.S.-China WTO accession agreement.

Some may say this week that we can continue our annual Jackson-Vanik review of China and still receive the benefits of the U.S.-China agreement—or they will say the 1979 U.S.-China Bilateral Agreement will provide the same benefits as the 1999 agreement. They will claim we need the annual review to achieve progress on human rights, nuclear proliferation and other areas of differences we have with China. However, virtually none of the concessions achieved in the 1999 agreement are covered in the 1979 agreement. And we will not receive the benefits under the 1999 agreement if we do not grant China PNTR. The annual review is not responsible for the progress we have made in China—so it is time to end it.

Let's examine what PNTR will mean to U.S. farmers and workers. A Goldman Sachs estimate indicates U.S. exports to China will increase by $14 billion per year by 2005. In 1998, U.S. exports to China exceeded $14 billion, which supported over 200,000 high-wage American jobs. Therefore, exports will more than quadruple by 2005—and the potential is enormous as China continues to grow in the future. USDA projects China will account for over one-third of the growth in U.S. ag exports in the next ten years. It will spend over $750 billion for new infrastructure projects.

Since the benefits for Minnesota my home state are particularly important to me, I want to use that as a reference, but I think it represents other States and their opportunities as well. Minnesota's exports to China in 1998

tripled the 1996 volume. China is now Minnesota's 12th largest export destination, up from 22nd in 1993. We are now exporting 25 product groups compared to 21 in 1993. There are many farmers and workers who will benefit from the projected growth in agriculture and infrastructure project sales in China.

Overall, America's farmers will prosper with an end to corn export subsidies, increased corn and wheat quotas, reduced tariffs from an average of 31 percent to 14 percent with greater decreases on soybeans, beef, pork, poultry, cheese, and ice cream. For example, my home State of Minnesota is the third largest soybean producer in the courtry, and China is the largest growth market for soybean products. Minnesota is the fourth largest feed corn producer, and the tariff-rate quota for corn will expand by 2004. China consumes more pork than any other country and will lower its pork tariffs and accept USDA certification. This is a huge boon for Minnesota pork producers. Cheese tariffs will be reduced from 50 percent to 12 percent, which will benefit Minnesota dairy farmers. Potato product tariffs will also be cut in half benefiting Minnesota's potato farmers and processors. Vegetable producers will see their tariffs drop up to 60 percent by 2004. And fertilizer and all ag products can now be distributed without going through a Chinese middleman.

Tariff reductions will help other Minnesota workers export more in the areas of ag equipment, forest products, medical equipment, scientific, and measuring instruments, computers, pumps, machinery of all kinds and environmental technology equipment. PNTR will open markets for our banking, insurance, telecommunications and software services. In fact, the Coalition of Service Industries states:

> It will enable U.S. service industries to begin to operate in one of the world's most important—and until now, most restricted—markets in the world.

Minnesota's largest exports to China now are industrial machinery, computers, and food products. And exports from small- and medium-sized businesses will expand. Right now Minnesota exports 55 percent of its total exports to China from small and medium businesses. Crystal Fresh, American Medical Systems, Inc., Image Sensing Systems, Inc., Minnesota Wire & Cable, ADC Telecommunications, Brustuen International, and Auto Tech International are among Minnesota's smaller companies with success stories to tell. Their China markets are expanding, and the 1999 agreement will only increase their potential. Of course we have long-time exporters such as Honeywell, 3M, Cargill, Pillsbury, Land O'Lakes, and many others who will be able to expand their exports to China as well.

You have heard that the 1999 agreement will not produce overnight results, but I believe it will produce some short-term positive results. And the best benefit will be the longer term prospects. It is important to continue building commercial relationships for the future in order to reap those longer-term benefits. If we are not there early on, we may miss out on important future gains. As China develops and more of its citizens improve their earning power, they will demand more food products, goods and services. PNTR will allow U.S. firms the opportunity to compete for their business.

I would now like to address some of the concerns of our labor union friends who believe PNTR will result in huge job losses in the U.S. That is curious to me since the U.S.-China WTO accession agreement is one sided. Union leaders cite an Economic Policy Institute—EPI—study alleging at least 872,091 jobs will be lost between 1999 and 2010, but the EPI study assumes every Chinese import displaces domestic production. However, a CATO analysis shows most of our imports from China substitute for imports from other countries or are inputs used in the U.S. to produce final U.S. products. If a rising trade deficit causes job losses, why are our unemployment rates the lowest they have been in 30 years?

The Institute for International Economics also indicates that most of the growth of the U.S.-China trade imbalance is due to China taking market share from other East Asian economies rather than from U.S. producers.

The bilateral agreement includes greater protections against unfair imports than we currently have and it will eliminate many Chinese practices that have helped it stimulate its own exports as well as forcing many U.S. companies to invest in China. Any ''giant sucking sound'' we may have seen in the past will be reversed under the U.S.-China WTO agreement. China will be forced to abandon many of its policies which did force or encourage U.S. companies to invest there. The agreement will grow U.S. jobs by allowing us to export more of our products from the U.S. rather than selling through U.S. investments in China.

Union leaders also speculate that U.S. companies want to shift production to China to take advantage of labor rates ''as low as 13 cents an hour.'' The average production worker wage at U.S. companies in China is $4 an hour and $9.25 for higher skilled workers. The World Bank indicates average Chinese wages grew by 343 percent between 1987 and 1997, mainly due to China's engagement with other countries. I believe approving PNTR and allowing more trade with China would continue the trend toward higher wages for Chinese workers.

A group of 12 academicians recently commented on China's low wages and stated that PNTR would help improve China's labor standards. They discussed China's poverty as the main reason for low wages and often poor working conditions. They concluded child labor often is necessary to help families survive. They believe China's entry into the WTO will help it enforce and improve its own laws, and that opposing PNTR undermines China's efforts to improve its labor rights. They concluded by stating:

> Whoever may benefit from a sanctions approach to trade with China, it will certainly not be Chinese workers or their children.

You will also hear claims that the U.S. is being flooded with products made by Chinese forced labor. Both our trade laws and the WTO prohibit forced-labor imports, and the U.S. Customs Service vigorously enforces our law.

Union leaders also talk about PNTR as a reward to China, yet it is hard to see how the bilateral agreements negotiated by China to enter the WTO are a reward. Many, many concessions were made, and those commitments are binding and will be vigorously enforced bilaterally and through the WTO.

I hope union members, who will benefit from the U.S.-China WTO agreement, will listen to their elder statesman Leonard Woodcock, who stated recently:

> I have been startled by organized labor's vociferous negative reaction to this agreement . . . in this instance, I think our labor leaders have got it wrong. . . . American labor has a tremendous interest in China's trading on fair terms with the U.S. The agreement we signed with China this past November marks the largest single step ever taken toward achieving that goal.

In my State of Minnesota, Governor Jesse Ventura, in his March testimony before the Ways and Means Committee, also sent union leaders a message. The Governor said:

> They (unions) better modernize themselves and realize that opening up China to our trade is going to create more jobs here. . . .

I have spoken to union members and others who are also concerned about labor and environmental practices in China. While China, as a developing country, has a way to go on these issues, they certainly have made some progress as well. And I am proud that American companies investing in China have created better jobs, higher wages and better working conditions and have begun to serve as a model for their Chinese counterparts. Many U.S. companies have ''best practices'' of environmental, health, and safety standards which provide good job opportunities for many Chinese citizens. Housing, meals, insurance, and medical care are often included in their employment.

Here is what a Chinese employee of one American company in Shanghai stated:

> I, a common girl, with no power and no money, could hardly imagine all these things could be done several years ago . . . don't let the friendship become cool (U.S.-China). Many of the Chinese people are longing for knowledge, techniques and culture from western countries, especially U.S.

An employee of another American firm in China stated:

> . . . when our local company merged two years ago, my salary was increased five or six times . . .

Another worker said:

After I joined the company, my family's life and living standard improved, I have some deposit in the bank and bought a new apartment which is big enough for my family.

You will hear a lot during this debate about how we are pandering to U.S. companies who want to trade with China, ignoring all of our concerns with China. However, as noted previously, there are many examples of how American companies are helping Chinese citizens improve their lives, and as China privatizes more of its state-owned industries, the new owners will look to our companies as an example of how to succeed. I strongly believe American companies care about their employees and that they do not invest abroad to exploit local workers and ruin the environment. I believe American companies help bring about positive changes in China and other nations, and the exposure to Western ideals and values they bring to China includes a better work experience for those they hire. In fact, American companies are taking their responsibility seriously by setting up programs in their Chinese subsidiaries addressing issues from fair labor practices and environmental standards to community involvement.

For those concerned about human rights, I again ask why they believe human rights would be aided by isolating ourselves from China. Maintaining relationships with the Chinese people through trade and other contact I believe is the best way to help the Chinese people help themselves. They are the ones who will promote changes from within that will improve their lives. Even Martin Lee, the Chairman of the Democratic Party of Hong Kong, who has long fought for human rights in China, recently stated:

The participation of China in the WTO would not only have economic and political benefits, but would also serve to bolster those in China who understand that the country must embrace the rule of law.

The Dalai Lama, also long critical of China's human rights practices, especially in Tibet, states:

Joining the World Trade Organization, I think, is one way (for China) to change in the right direction . . . I think it is a positive development.

Some believe granting PNTR will help promote hardliners in China's leadership. However, a Washington Post story earlier this year noted that China analysts have found hardliners, including PLA officials, worrying that WTO membership will privatize more of China's economy and import more western ideas about management and civil society which they see as a threat to those who want to ensure the longevity of the one-party Communist state.

The U.S. should be part of this, through the granting of PNTR. While China will become a member of the WTO with or without us, I would certainly prefer the U.S. have a part in using our improved trade relationship as a way to make progress on our differences with China.

Many human rights activists support China PNTR. Former political prisoner Fu Shenqi says:

I unquestionably support the (view that NTR and the human rights question be separated because) the annual argument over NTR renewal exerts no genuine pressure on the Chinese communists and performs absolutely no role in compelling them to improve the human rights situation . . .

The China Democracy Party, founded two years ago, issued a statement including:

. . . We declare hereby to support the Unconditional PNTR to China by the U.S. government.

Zhou Yang, Executive director of the China Democracy and Freedom Alliance, states:

Granting PNTR to China is a positive force in promoting China's recognition of world human rights and in improving the human rights situation of the Chinese people.

Noted Chinese human rights activist Bao Tong was more direct, saying: ''Pass permanent normal trade relations with China . . .'' and adding, ''But in the U.S., the 'Seattle coalition . . . have combined their lobbying firepower to oppose the move (PNTR). From here in China, their intellectual counterparts are looking on in dismay . . . it doesn't make sense to use trade as a lever. It just doesn't work.'' There are many others with similar advice.

Included in the definition of human rights is religious persecution. While religious leaders remain concerned about the recent report from the U.S. International Religious Freedom Commission, which points out China has a long way to go toward religious freedom, they point to progress as well. A letter signed by 13 religious organizations concluded:

Change will not occur overnight in China. Nor can it be imposed from outside. Rather, change will occur gradually, and it will be inspired and shaped by the aspirations, culture and history of the Chinese people. We on the outside can help advance religious freedom and human rights best through policies of normal trade, exchange and engagement for the mutual benefit of peoples of faith, scholars, workers and businesses. Enacting permanent normal trade relations with China is the next, most important legislative step that Congress can take to help in this process.

As you know, the House has attached a Commission on China to PNTR, which would monitor human rights progress with an annual report. It would set a U.S. objective to work to create a WTO mechanism to measure compliance, and requires an annual USTR report on the PRC's compliance with the 1999 agreement and also authorizes additional staff to monitor China's compliance. It also includes sense-of-the-Congress language that China and Taiwan should enter the WTO at the same time.

The bottom line is PNTR is easy. China had to do all the heavy lifting. We gave up noting in these negotiations, and PNTR doesn't force us to give up anything. I urge my colleagues to oppose all amendments offered in an attempt to either slow down or kill PNTR. While the amendments point out problem areas we have with China, these matters should be, and are, addressed separately in high-level contact between our two countries. I address them as well in contact I have with Chinese officials.

Particularly, I urge you to oppose the Thompson-Torricelli amendment. While I will have a much longer statement once that amendment is offered, I will only say now that this amendment in any form will drive a wedge through our efforts to improve our relationship with China. It will foster a relationship of mistrust that will not help us improve China's proliferation record or its record on any other differences. The amendment is counterproductive. The amendment will not accomplish its goal of reducing proliferation, and it will create hostility between our countries. As Henry Kissinger stated:

If hostility to China were to become a permanent aspect of our foreign policy, we would find no allies. Nationalism would accelerate throughout the region. Just as American prestige grew with the opening to China, most Asian nations would blame America for generating an unwanted cold war with Beijing.

This amendment will force us on the path of a cold war most of us never want to see again. Also, there have been so many drafts of this amendment, I am not sure any of us will really know what we are voting on. An amendment as controversial as this one deserves to go through the usual congressional committee process, and not be offered in a highly politicized matter on the Senate floor.

There has been progress with China and proliferation, human rights and other issues. Let's work with China toward further progress—and use the laws we already have, if necessary, to address lack of progress. Above all, let's not use trade as a weapon. Let's pass PNTR to provide our workers and farmers the benefits of the U.S.-China WTO agreement. This should be one of the easiest trade votes we will ever take. Let's vote on H.R. 4444 without amendment now—this week—not 2 weeks from now.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Arkansas.

Mrs. LINCOLN. Mr. President, I, too, am here to speak on the issue of permanent normal trade relations with China.

In order to be successful in today's global economy, every industry must market its products overseas. And in order for the United States to continue the unprecedented economic growth we have seen during the last few years, we must adopt policies that open international markets for farmers, small businesses, manufacturers and service industries.

On November 15 of last year, our Government successfully negotiated an

historic trade agreement with the People's Republic of China that will bring China into the World Trade Organization. The potential impact of this arrangement cannot be overstated. China is home to one-fifth of the world's population and is growing by 7 percent each year. Access to China's enormous population will help sustain American economic growth.

But before the United States and Arkansas can reap the full benefits of this agreement, Congress must vote to grant China Permanent Normal Trade Relations status. The WTO requires that its members extend normal trade relations to all other members.

There is a lot at stake depending on whether or not the United States grants PNTR to China. Since February, I have been urging the Senate leadership to bring this issue up for a vote as soon as possible. I had hoped that we would approve this legislation prior to the August recess, but nevertheless, I am anxious to finish work on this bill as soon as possible and get it on the President's desk for signature. There are so many things at stake. We must not lose this opportunity.

China will join the WTO regardless of the congressional decision on PNTR, so a decision to deny this new status to China will only give China license to keep its markets closed to U.S. services and agriculture, and to keep its high tariffs in place on U.S. goods and services while opening it up to all other WTO members.

All sectors of our economy, especially agriculture, will benefit from increased trade with China. Likewise, all sectors of our economy will suffer if we don't trade with China. Chinese accession into the WTO could mean $2 billion more a year in national agricultural exports to China by the year 2005.

On U.S. priority agricultural products, tariffs will drop from an average of 31 percent to 14 percent. China will also expand access for bulk agricultural products, permit private trade in these products, and eliminate export subsidies. In my home State of Arkansas, rice, poultry, soybean and cotton producers will stand to reap enormous benefits from opening markets with China, including lower tariffs and increased trade. For instance, under its WTO accession agreement, China will cut tariffs on rice to 1 percent. Also, China is already the second leading market for U.S. poultry exports. If Congress approves PNTR status, it will cut tariffs in half from 20 percent to 10 percent by the year 2004 for frozen poultry cuts.

In addition to the agricultural changes, China's tariffs on American industrial goods will fall from an average of about 25 percent to less than 10 percent within 5 years. Industries including telecommunications, banking, insurance, reinsurance, and pensions will all gain expanded market access. In information technology, tariffs on products such as computers, semiconductors and all Internet-related equipment will decrease from an average of 13 percent to zero by the year 2005.

In exchange, the U.S. gives up nothing; our trade policies remain the same. The economic reasons make so much sense and are themselves a very powerful reason for passage of PNTR.

But the opportunity we have as a nation to make an impact on the humanity of China only exists if we are engaged with the country and its people. We cannot build a relationship that is effective if we turn our backs on China and isolate them.

Is China a perfect country? No.

I too share the concerns about human rights abuses in China and believe that a greater international presence in the country, fostered by free trade, will help to improve the lives of Chinese workers and citizens. WTO membership will strengthen the forces of reform inside China by exposing the Chinese to better paying jobs, and higher labor and environmental standards.

Finally, permanent normal trade relations with China will force the Chinese to play by the rules in the international marketplace.

Only under this agreement with their accession into the WTO will we have the proper recourse to be able to question their practices.

The WTO's dispute settlement system will force China to explain its actions if other member countries question them. In addition, the WTO's trade policy review mechanism will allow all other members to review a country's entire trade system. This type of scrutiny of China is virtually unprecedented in history.

If we do not approve PNTR status for China, the missed opportunities will be tremendous, not to mention the devastation it could have on our strong economy today. Our producers and industries will not be in a position to openly access the 1.3 billion people who live in China. The United States will not have the ability to challenge China's trade practices or demand better human rights practices. In short, the United States stands to gain enormously if we grant PNTR status to China, and we stand to lose enormously if we do not.

Certainly once China does enter the WTO, there will still be many challenges ahead for all of us, but congressional approval of PNTR for China is a critical first step. It means so much to this Nation and to my home State of Arkansas. We must take this first step in passage of a good, clean PNTR bill in the Senate. Having China in the WTO is a good deal for Arkansas and a good deal for this Nation.

I encourage my colleagues to approve the House-passed bill granting permanent normal trading relations with China—soon, not later—and that we send it to the President to be confirmed so we can continue building a relationship which will benefit both countries.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. 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. FEINGOLD. I rise today, Mr. President, to express my opposition to granting permanent normal trade relations to the People's Republic of China.

The recent history of U.S.-China relations has been a study in self-delusion. The administration and this Congress do not lack for evidence or information about the nature of the Chinese government. But I am afraid the siren song of vast Chinese markets has deafened too many ears to the news of oppression and abuse inside China. Too often, the U.S. has chosen to ignore the realities before us and, as in this trade debate, has engaged in political and intellectual contortions to compartmentalize and seal off a host of important issues so that the promise of vast profits can stand alone and unencumbered.

But I urge my colleagues to remember today—the mythological sirens' song served to lure sailors onto the rocks that crushed their ships. And refusing to look at the whole picture of U.S.-China relations in the single-minded pursuit of trade is, I submit, both foolish and dangerous. I fear that this country will find its policy in shambles unless we force ourselves to see the facts before us.

The fact is that China continues to be one of the most oppressive states in the world.

The State Department acknowledges that the human rights situation in China has deteriorated over the past year—a year in which the U.S. has extended normal trade relations with China, casting doubt on the claims that trade will lead to greater openness and therefore greater civil and political rights in China.

The list of abuses committed by the Chinese government is so lengthy, so encompassing, as to be numbing. Thousands of political prisoners remain in prison—many sentenced after unfair trials or no trial at all. Torture is regularly used to extract ''confessions'' from detainees. Authorities continue to use the brutal laogai system of ''re-education through labor'' to detain dissidents and others deemed dangerous to this paranoid state. Religious freedom does not exist in China; from global faiths like Catholicism to more obscure sects, the leadership in Beijing has sought to force its will and its agenda on spirituality. Nowhere is this more egregious than in Tibet, where thousands of monks and nuns still are arbitrarily detained, where something termed ''patriotic education'' is forced on Tibetans at their monasteries, where individuals have been arrested and sentenced to imprisonment for activities such as displaying the banned

Tibetan flag, where an entire culture is at risk. And forced abortion and forced sterilization are realities in the PRC.

The Chinese government has waged a campaign to destroy all sources of dissent. Leading members of the China Democracy Party have been sentenced to lengthy prison terms for ''conspiring to subvert state power.'' Activists in Xinjiang have been the target of a campaign of arrests, substandard trials, and executions. Leaders of laborers and peasants daring to call for worker's rights are detained. Expression, in virtually all of its forms, is restricted. The government of China has zealously launched into a campaign to monitor and control content on the internet. According to Human Rights Watch, ''last fall, local newspapers and magazines were put under Communist Party control. And the State Press and Publications Administration banned foreign investment in wholesale book publication and distribution, and limited the right to distribute textbooks, political documents, and the writing of China's leaders to a handful of enterprises.''

My colleagues, this is the state that seems so promising to the supporters of PNTR. This is the China with which we are urged to engage. This is to be our full partner.

That very abbreviated list of abuses sounds awfully bad, doesn't it? But the Administration's material on PNTR sounds so good. It is full of promises and optimism. How, I wonder, do they imagine getting from here to there—to that promised land in which our relationship with China is all about good news and profits?

I would suggest that the influence of money in politics goes a long way toward explaining the peculiar nature of this debate and U.S. policy toward China more broadly.

The push for PNTR legislation is one of the most expensive lobbying campaigns in history. Business interests are pitted against labor unions, as they make PAC and soft money contributions, and wage huge lobbying campaigns on television and in the halls of Congress. So before we go any further with this legislation, I would like to Call the Bankroll on the PNTR issue, to give my colleagues and the public an idea of the spending spree that has gone on to lobby us on this bill.

Labor unions have donated heavily to the parties as they have fought against Permanent Normal Trade Relations with China. The Center for Responsive Politics estimates labor's overall soft money, PAC and individual contributions at roughly $31 million so far in this election cycle in a May 24th report. In particular, the AFL–CIO and its affiliates, which have campaigned hard against PNTR, have given $60,000 in soft money through the first 15 months of this election cycle.

And then there's the other side of the debate. On the side of PNTR we find corporate America, which, according to a New York Times report, engaged in its ''costliest legislative campaign ever'' to win this fight—including an $8 million advertising campaign. The ''costliest legislative campaign ever'' by corporate America—now that's saying something.

As we know, corporations typically spend the most in the political money game, and often win as a result. And it looks like PNTR will be no exception, Mr. President.

For example, take the Business Roundtable, a well-known business coalition eager to get this bill passed. The Center for Responsive Politics' May 24th report put the collective contributions of Business Roundtable members at $58 million in soft money, PAC money and individual contributions so far in the election cycle. And that is in addition to the Roundtable's $10 million dollar advertising campaign to push PNTR, according to the Center.

Business Roundtable members are corporations like Boeing, Philip Morris, UPS and Citigroup. These are heavy hitters who regularly write checks to the political parties for $50,000, $100,000, even a quarter million dollars. These companies have to ante up to stay in the game, Mr. President—PNTR is a high stakes game, and the ante is bigger than ever.

I will quickly run down the soft money contributions of these companies, Mr. President. These are huge numbers, and they are just through the first 15 months of this election cycle: Boeing has given more than $465,000 in soft money through the first 15 months of the election cycle, including 10 contributions of $25,000 or more.

UPS, its subsidiaries and executives have given more than $960,000 in soft money through March 31st of the current cycle. That includes two contributions of a quarter million dollars.

Citigroup, its subsidiaries and executives gave more than one million dollars in soft money through the first 15 months of this election cycle, including six contributions of $50,000 or more.

And of course who could forget Philip Morris, Mr. President? Long known as the granddaddy of political donors, Philip Morris and its subsidiaries have given more than $1.2 million in soft money through March 31st of the election cycle, including more than eight donations of $100,000 or more.

Since I've mentioned Philip Morris' contributions here, let me take a moment to discuss the impact of contributions of large multinational corporations with many legislative interests. Some might argue that is unfair to mention Philip Morris in this calling of the bankroll because its main interest is tobacco legislation.

That is exactly the beauty of soft money contributions from the point of view of the corporate donor. They buy access for the company that makes them. They aren't payment for a particular piece of legislation. No, they are more powerful than that because they are so large, and so sought after by the parties. They further the interests of that company on all pieces of legislation. There can be no doubt that Philip Morris has an interest in PNTR.

China is a huge untapped market for cigarettes. So Philip Morris's soft money contributions open the doors for its lobbyists on this issue, just as they open the doors for its anti-tobacco control arguments.

Everyone knows that PNTR is the very top legislative priority for the business community in this country. There is absolutely no dispute about that. The lobbying effort has been extraordinary. And Philip Morris's legislative and lobbying muscle, supported by their huge campaign contributions, have been put at the service of that priority, as well as of its own particular interest in tobacco legislation.

Mr. President, corporations such as Philip Morris, and the other members of the Business Roundtable pay to play—they get visibility in the debate, and they get their voices heard loud and clear. The shape of the PNTR debate so far is exactly what we should expect from a campaign finance system that is rigged to value money above all else.

So it is clear that some people do stand to gain from PNTR and China's accession to the World Trade Organization. But I think that camp has vastly overstated its case. These forces, which have paid to pipe the siren song into the halls of the Senate for months now, claim, for example, that America's farmers will benefit greatly from PNTR for China. They wave impressive graphs, they promise access to vast markets. But I for one, as a Senator from a very important agriculture state, am not convinced that those claims are more than just empty promises. China's Vice Minister of Trade has already noted publicly that market-opening promises for U.S. wheat exporters are only a theoretical opportunity—not an actual one. The fact is that China's promises to import more agricultural products conflict with internal Chinese political and cultural dynamics—dynamics that are affected by longstanding fears about dependence on foreign food and by employment-creation imperatives. China has produced a glut of agricultural goods for years. Beijing now has massive stockpiles and a three-to-one ratio of exports to imports. Chinese prices will likely continue to be lower than American ones for years. I am not convinced that there is a big pay-off in store for American agriculture.

Ask Wisconsin's ginseng growers about the Chinese commitment to rule-governed trade. They will tell you that the Chinese have continued to mislabel their ginseng as ''Wisconsin-grown ginseng.'' As a result of this misleading practice, the price paid to actual American ginseng farmers has steadily declined. Recent press reports even suggest that the Chinese are now smuggling ginseng containing dangerously high levels of harmful pesticides and chemicals into U.S.—again inaccurately labeled as Wisconsin ginseng.

I concede, Mr. President, that profits are within the reach of some. And I recognize that the business community is responsible to its shareholders. Seeking profitable opportunities is their very purpose, and there is nothing wrong with that. But this Senate is responsible to all of the citizens of the United States, to the core values of this country, and to future generations of Americans. And the United States of America does not stand only for profit. Even if I were convinced that Permanent Normal Trade relations with China and Beijing's accession to the WTO would bring significant new economic opportunities to a large number of Americans—and I am not convinced of this fact—I still believe it is my responsibility to weigh that factor against others—including the fact that the Chinese government's human rights record is unquestionably appalling. I still believe that certain economic gains are not worth their moral price. I still believe that the prosperity we all seek for our great country should never be a prosperity that also brings shame.

But de-linking trade from human rights and prohibiting an annual debate on this issue suggests that I do not have the right to weigh these factors, that I cannot consider the totality of U.S.-Chinese bilateral relations when matters of trade arise. Apparently, we are all simply supposed to follow the music.

I argue that to compartmentalize our national values is to cordon off our national identity, to subordinate what we stand for so completely that it no longer affects how we behave. That is dangerous. I think it is an abdication of the responsibility I accepted when I took this office.

So apart from the question—and it is a good question, a question not answered nearly so easily as the Administration would like—of whether or not a significant number of Americans will reap economic benefits from PNTR for China—and apart from legitimate questions grounded in the historical record about whether or not China will stick to its trade-related commitments—apart from these issues, we are debating whether or not to draw a sharp, impenetrable division between one of our interests—economic gain—and what we believe and who we are. That is the question that has been evaded in the mountains of pro-PNTR literature and the countless pro-PNTR briefings that have become a fixture on Capitol Hill in recent months. I cannot support such a division. I will not abdicate my responsibilities in the hopes of avoiding tough choices and decisions. I cannot support this bill.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, in making opening comments relative to permanent normal trade relations with China, I feel compelled to sort of qualify as a witness in that we have over the years in these particular debates about international trade made very little progress, whether with Democratic administrations or Republican administrations.

My rising in opposition and my amendments will be to the thrust of not having permanent and not having normal trade relations with anybody because our normal trade relations are a $350 billion to $400 billion trade deficit which is destroying the middle class in our society, weakening our democracy, and diminishing our influence in world affairs. With all of the pep talk about the wonderful economy, we are actually, on this particular score, in tremendous decline.

I say ''as a witness'' in a sense because I can remember when southern Governors started computing. People up in New Hampshire and other places say that they are from down south and that they are blind protectionists; they do not understand the importance of manufacturing and international trade and exports. So I hearken back to the day when I represented the northern textile industry from New Hampshire as well as the southern textile industry. I appeared before the old International Tariff Commission. Who ran me around the room? None other than Tom Dewey. This was back in 1960. The subject was textiles—that 10 percent of the American consumption of textiles in clothing was represented in imports, and if this continued at the pace that it was going, before long we would be out of business.

By the way, they told me at that particular hearing: Governor, what do you expect? For those emerging Third World countries in the Pacific rim and everywhere else, what do you expect them to make? Let them make the shoes and the clothing, and we will make the computers and the airplanes.

Fast forward 40 years: They are making the shoes. They are making the clothing. They are making the airplanes and they are making the computers. They are making all of it. Actually, we have high tech. I want to get into that in a minute. High tech—they think that is saving us. We have a deficit in the balance of trade with the People's Republic of China in high technology.

This Congress doesn't have any idea where we are on this particular score. Everybody is outside talking about the new economy. True it is, we are all proud of that new economy, particularly on this side of the aisle. They were afraid to say they raised the Social Security tax in 1993 when Clinton came into office. But I wasn't afraid. I brought it in line with all other pension plans. We are afraid to say we raised gasoline taxes. But we did. We cut spending $250 billion. The taxes that were supposed to be $250 billion are now up to $370 billion. Then we cut some taxes very minimally. We reduced the size of government by some 377,000 Federal employees.

They have the new economy. But the new economy has a private side and a public side. The private side is doing extremely well. High employment, low unemployment, low interest rates, booming economy, booming stock market, strong bank system—but the public side is almost a disaster. I say that advisedly. The reason I say it is so that, for one thing, they are talking surplus, surplus. Everywhere, someone cries ''surplus.''

The public debt to the penny according to the U.S. Treasury Department shows that, as of September 1, the debt is $5.676 trillion. At the beginning of the fiscal year of September 30, 1999, it was $5.656 trillion.

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

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

THE PUBLIC DEBT TO THE PENNY

	Amount
9/01/2000	$5,676,516,679,692.56
Prior months:	
8/31/2000	5,677,822,307,077.83
7/31/2000	5,658,807,449,906.68
6/30/2000	5,685,938,087,296.66
5/31/2000	5,647,169,888,532.25
4/28/2000	5,685,108,228,594.76
3/31/2000	5,773,391,634,682.91
2/29/2000	5,735,333,348,132.58
1/31/2000	5,711,285,168,951.46
12/31/1999	5,776,091,314,225.33
11/30/1999	5,693,600,157,029.08
10/29/1999	5,679,726,662,904.06
Prior fiscal years:	
9/30/1999	5,656,270,901,615.43
9/30/1998	5,526,193,008,897.62
9/30/1997	5,413,146,011,397.34
9/30/1996	5,224,810,939,135.73
9/29/1995	4,973,982,900,709.39
9/30/1994	4,692,749,910,013.32
9/30/1993	4,411,488,883,139.38
9/30/1992	4,064,620,655,521.66
9/30/1991	3,665,303,351,697.03
9/28/1990	3,233,313,451,777.25
9/29/1989	2,857,430,960,187.32
9/30/1988	2,602,337,712,041.16
9/30/1987	2,350,276,890,953.00

Source: Bureau of the Public Debt.

Mr. HOLLINGS. Mr. President, that shows that the debt has increased $20 billion—no surplus. They don't want to say where they get the surplus from. I can tell you where they get the surplus from. We had an increased measure of taxation over the years. When we had the 1983 Social Security settlement, we wanted it to increase to build up a trust fund to take care of the baby boomers in the next generation—which is now. In 1992, the Social Security surplus was $50 billion; now the Social Security surplus is $150 billion.

Over the last 8 years—because of what we did back in 1983—we have an additional $100 billion surplus, if you please, for the Social Security trust fund. We voted it here—section 13–301 of the Budget Act—that you shall not use Social Security surpluses in your budgets. Section 12 of the Greenspan commission said it should be set aside. It took us from 1983 until 1990 in order

to get that done, but we finally got it done. Ninety-eight Senators voted for it. Almost all the Members of the House voted for it. It was signed into law on November 5, 1990, by President George Bush.

But all of them are running around saying we are going to save Social Security while they are spending it with all kinds of monkeyshine plans—invest a little, invest a lot, do this, or do that to save Social Security. They set up the straw man in violation of the law—the policy of the Greenspan commission and talking about surpluses when there is not any surplus. The debt is increasing. If there is a surplus, why has the debt increased $20 billion? With all the wonderful income tax from which we had revenues on April 15, with all the good corporate tax revenues in June, we are still increasing the debt some $20 billion.

All of them say tax cut, tax cut, but if you cut the estate taxes, you have increased the debt. All tax cuts are increasing the debt. They are all saying pay down the debt, pay down the debt. It is Alice in Wonderland. It is double talk. They are not talking sense with relation to what is actually going on.

Everybody says we are paying down the debt. But they are for all of these taxes. Whether it is middle class, or targeted, or estate, or gasoline, or capital gains, or marriage penalty, any of those tax cuts under present circumstances obviously amount to an increase in debt. They talk about surplus that doesn't exist, and they talk about paying down the debt as they regularly increase it. They don't mention waste.

As a result of this charade, interest costs have gone up to $366 billion for this fiscal year. I remember when we balanced the budget in 1968 and 1969 under President Lyndon Johnson. The interest cost on the national debt was less than $1 trillion; the interest cost was only $16 billion. That was the cost of all the wars from the Revolution, to the Civil War, the Spanish-American War, World War I, World War II, Korea, Vietnam. We had a debt of less than $1 trillion and they had interest costs of only $16 billion. Now we are up to $5.7 trillion, with $1 billion a day being spent. Wait until the whopping payment is made in September.

I ask unanimous consent to have printed in the RECORD the interest expense as of this minute.

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

INTEREST EXPENSE ON THE PUBLIC DEBT OUTSTANDING

The monthly Interest Expense represents the interest expense on the Public Debt Outstanding as of each month end. The interest expense on the Public Debt includes interest for Treasury notes and bonds; foreign and domestic series certificates of indebtedness, notes and bonds; Savings Bonds; as well as Government Account Series (GAS), State and Local Government series (SLGs), and other special purpose securities. Amortized discount or premium on bills, notes and bonds is also included in interest expense.

The fiscal year Interest Expense represents the total interest expense on the Public Debt Outstanding for a given fiscal year. This includes the months of October through September.

INTEREST EXPENSE—FISCAL YEAR 2000

	Amount
July	$19,332,594,012.00
June	75,884,057,388.85
May	26,802,350,934.54
April	19,878,902,328.72
March	20,889,017,596.95
February	20,778,646,308.19
January	19,689,955,250.71
December	73,267,794,917.58
November	25,690,033,589.51
October	19,373,192,333.69
Fiscal Year Total	321,586,544,660.74

AVAILABLE HISTORICAL DATA—FISCAL YEAR END

	Amount
1999	$353,511,471,722.87
1998	363,823,722,920.26
1997	355,795,834,214.66
1996	343,955,076,695.15
1995	332,413,555,030.62
1994	296,277,764,246.26
1993	292,502,219,484.25
1992	292,361,073,070.74
1991	286,021,921,181.04
1990	264,852,544,615.90
1989	240,863,231,535.71
1988	214,145,028,847.73

Mr. HOLLINGS. It is $321 billion without the August and September payments. When we get those particular payments, it will go up, up, and away. And that is under low interest rate circumstances.

We have the worst waste of all. I served on the Grace Commission under President Reagan. We were going to cut out waste, fraud, and abuse. Now we have caused the greatest waste of all.

After President Clinton early this year made the State of the Union Address, the comment was made by the distinguished majority leader that it was costing $1 billion a minute. The President talked for 90 minutes; that is $90 billion. Governor Bush wants to give a $90 billion tax cut. We could give President Clinton $90 billion in spending. We could give Governor Bush $90 billion in tax cuts and still have $170 billion left for all the increases to the Department of Health, for class size reduction and school construction and any and every kind of research at NIH that we wanted.

The point is, we are spending the money and we are not getting anything for it and we don't talk about it on the campaign trail. What do they avoid talking about? The $350 to $400 billion—and it will probably be nearly $400 billion—deficit in the balance of trade. The economists say that costs us at least 1 percent on our GNP. Instead of 4.1, we would have 5.1, and more jobs.

This is ignoring the failure of the United States to compete in international trade. I emphasize that for a reason, for those who say we are blind protectionists, that we don't understand the global economy, the global competition and do not want to compete and want to start a trade war. No. 1, we have been in a trade war and we have been losing. They don't understand that. No. 2, on globalization, I don't want to sound like the Vice President, but I helped invent it 40 years ago. I went as a young Governor to Europe. I have that Deutsche Telekom bill that they talked about in the paper the other day. The truth is, I called on the Germans in Frankfurt. Today we have 116 German industries in the little State of South Carolina. I will never forget calling on Michelin in downtown Paris in June of 1960 with 11,600 Michelin employees. We have Hoffman-LaRoche from Switzerland. And Honda broke ground a few years ago. I was amazed to hear that Honda produced and exported more vehicles than General Motors.

I have been in public service 50 years. I have been debating this issue in all five textile bills that passed here. Four of them passed the House also and were vetoed by Presidents over the years. When we come to trade and globalization, I think it behooves me not to talk about permanent, not to talk about normal, but use this opportunity to sober up the Congress and the leadership of the United States, making them realize that we are in a real competition, but not for profit. That is, the American multinational. They could care less. They don't have a country. Boeing came out the other day and said in the United States, we are not a U.S. company but an international company. Caterpillar has been holding in Illinois. But they were international. They think it is fine. The Chamber of Commerce has forgotten about Main Street America and gone with the multinationals. NAM and the Business Roundtable—we are in the hands of the Philistines. We are losing our manufacturing base because we don't understand that the global competition is not for profit but for jobs and market share.

Let me talk a minute about jobs. At the fall of the wall, 4 billion workers came from behind the Iron Curtain, ready to work for anything, anywhere, at any time. In the last 10 years, with computerization and satellites, you can transfer your technology on a computer chip, you can transfer your financing by satellite. You can produce anything anywhere that you please. That is the global competition and international trade.

While our American producers for the so-called profit want to manufacture, say, in the People's Republic of China, for 10 percent of the labor costs than it is paying in the United States, we have been losing, losing, losing. In manufacturing, they say 30 percent of volume is in the cost of labor. Or you can save 20 percent of your volume by moving the manufacturer of your product offshore or down to Mexico. Simply put, you can maintain your executive and your sales force here but put your manufacturing elsewhere. If you have $500 million in sales, at 20 percent, before taxes, you can save $100 million. Or you can continue to work your own people and go broke because your competition

is headed that way. That is the job policy of the U.S. Congress today. It is to accelerate the exodus and the export of jobs.

I will never forget when they told us that NAFTA was going to create 200,000 jobs. I just looked at the figure from the Bureau of Labor Statistics. It is more than just that 38,700 figure, but in textiles alone we have lost 38,700 jobs since NAFTA; in North Carolina, 90,000. I will never forget when they came down to Charlotte and said they wanted to talk about the digital divide. They are the ones dividing it. You think if you lost a job you are going out and buying a $2,000 or $3,000 computer? ''It's the economy, stupid.'' That is where we are. You just can't understand we are here, when they think it is a productivity thing on jobs: Productivity, productivity, productivity—We have global competition.

The U.S. industrial worker was the most productive industrial worker in the world, all during the 60s, all during the 1970s, all during the 1980s, all during the 1990s, and is today still the most productive industrial worker. They are not the highest paid. They pay much more in Germany and a bunch of other countries—and I will have a word to say about that, where the rich are getting richer and the poor are getting poorer and the middle class is disappearing. But the point is, we are losing our manufacturing strength and capability. We are losing our economy.

America's security and strength is like a three-legged stool. You have the one leg which is the values of a nation, and that is unquestioned. We commit for freedom in Somalia and down in Haiti, Bosnia, Kosovo. There are nine peacekeeping missions currently and we are adding four more around the world. People admire the United States of America and its high principles and values.

The second leg is one of the military, and that is unquestioned.

But the third leg is a fraud—intentionally so. You see, after World War II we had the only industry, so with the Marshall Plan, that really started globalization. We not only sent the money, we sent the technology and the expertise—and capitalism has defeated communism. In the People's Republic of China, which is the present subject, they are tending more every day towards capitalism. That is a wonderful thing.

The question is, Can we afford to give away the store? We have sacrificed and sacrificed so that now Boeing of Seattle, WA is moving production of airplanes—the most prominent of export industries—out of the country. Why do you think the machinists at Boeing led the strike not to break up in Seattle last December? That was a crowd that came out of Oregon, if I remember correctly, the Ruckus Society, or something like that. But the AFL–CIO march, at that WTO meeting in Seattle in December was led by the Boeing machinists. Why? Because 70 percent of the Boeing 777—McDonnell 90–10 is made overseas. In order to sell the Boeing plane in the People's Republic of China, according to Bill Greider, 50 percent of the Boeing 777 is made in downtown Shanghai.

So we are losing the best, the best of the jobs. We know about jobs. We know about globalization. We are looking at this constant drain, so to speak, over the 50-year period. At the end of World War II we had 41 percent of our workforce in manufacturing. Last month, we lost another 69,000 manufacturing jobs. Go to the Department of Commerce—ask them.

So we have gone from 41 percent down to 12 percent. Akio Morita, the former head of Sony said: Wait a minute, that world power that loses its manufacturing capacity ceases to be a world power. That is why we stand opposed to permanent normal trade relations with China.

I know full well—I live in the real world—we are going to have trade with China. I am not opposed to trade with China. I am opposed to permanent, normal. When I say ''permanent,'' that is exactly what these CEOs of the Fortune 500 companies want. Because they know if they go over and invest in China and it has been permanent, they can come back appealing, ''Don't change anything,'' and they can get a foothold there and they can really make a wonderful profit. But, of course, that puts us more and more in jeopardy because we cannot shout ''productivity'' to the most productive industrial worker while at the same time saddling him with all the penalties.

What are the penalties? What are the costs of productivity? We, the Congress of the United States, say: Before you open up the XYZ manufacturing company you have to have a minimum wage, Social Security, Medicare, Medicaid, clean air, clean water, safe working place, safe machinery, plant closing notice, parental leave. We might add on prescription drugs. Everybody is for prescription drugs. That is the cost of doing business.

You can go down to Mexico for none of that, 58 cents, $1 an hour. You can go, for 10 percent of the cost, to China. We run around here like we understand something when we are totally off base, operating in the dark, on one of the most important issues confronting the United States. They think: Technology, high tech, high tech. Let's talk about jobs. High tech jobs? Do you know that a third of Microsoft's workers are part time? At one time they were all full time and lower-level workers sued and said: We are going to get some of these stock options and other benefits. And they won the case in court. So Gates and Microsoft turned around and gave them a 364-day contract. They are part time; 40 percent of the employees in Silicon Valley are part time. They don't give them any jobs. Gates has 22,000 up there in Redmond, WA and Boeing has 100,000. But what jobs they do have don't produce anything to export.

We had a deficit balance of trade in advanced technology products with the People's Republic of China of $3.5 billion in 1999. This year it will be almost $5 billion. So don't give me anything about high tech—the high tech is going to save us. That is not going to save us at all. Advances in technology has spurred productivity. We all acknowledge that. The Japanese, after all, are the ones that taught us that with their advances in robotics in the early 80's. The BMW plant in Spartanburg, SC has been able to incorporate cutting edge technology and machinery. That is why over half the employees came off the farms within 50 miles and the other little textile industries and have been able to produce very efficiently. The quality of the Spartanburg plant exceeds the quality of Munich BMW. As a result, BMW is doubling the size of its operations at the Spartanburg plant.

Open your eyes. The most productive automobile plant in the world, according to J.D. Power, is not in Detroit, it is down in Mexico—the Ford plant. We know about productivity and we know about jobs. While we lost 69,000 manufacturing jobs this August, we took on some 127,000 service jobs. We are going just the way of England.

At the end of the war, they told the Brits: Don't worry; instead of a nation of brawn, this will be a nation of brains; and instead of producing products, we will provide services. Instead of creating wealth, we will handle it and be a financial seller. And England has gone to hell in an economic hand basket. Even Land Rover is leaving there now, and there is some question with the BMW plant there.

I am not anti-British. I love the Brits. But London has become a downtown amusement park. I like to go there like everybody else. What I am talking about here is economic strength. The British Army is not as big as our Marine Corps. We are running around here puffing and blowing about the world's superpower. You cannot use and you would not use the hydrogen bomb. They couldn't care less now about the 6th Fleet or our military superiority.

So what counts? Money. Money talks in international affairs. I will never forget when in the U.N. there was a resolution to examine China with respect to human rights and they were preparing to set up the hearings. This was 1993.

The last time I checked 5 years later, 1998, they did not have the hearings. Why? Because the Chinese are the best diplomats. The Chinese are the best negotiators. They are the best business people. They have the best commercial minds. They went all around Africa, down into Australia and everywhere else. They never called for the hearings. Why? Because everybody wants to get into that rich market of $1.3 trillion. At the moment, we have the richest market in the world, and we refuse

to use it and whine: Be fair, fair trade, level the playing field.

Come on. Trade is not Boy Scouts. There is no morality to trade—be fair. I know what they are talking about. I know the word ''trade'' itself. ''Free trade'' is an oxymoron, but they hope there will be no barriers, no tariffs, no limitations.

As we shout for free trade, the same thing we shout for is world peace. I do not believe we are going to get either one in my lifetime. Maybe in Strom's. The fact of the matter is, the father of this country said the best way to preserve the peace is to prepare for war. The best way to get free trade is to compete, raise the barriers and then remove them. The Chinese do that. They use their market.

Some come to the floor and talk at length with respect to how the agreement is so good and it will not do this and it will not do that. I will touch on one thing this afternoon because I am limited in my time. My colleagues will remember, they said there would not be any more forced technology transfers. That is what Qualcomm thought when it invested in China. Ambassador Barshefsky, the Special Trade Representative, said:

The rules put an absolute end to forced technology transfers.

This was November of last year after they had the agreement. I have an article from the Wall Street Journal with regard to ''Qualcomm learns from its mistake in China'':

U.S. mobile phone maker listens to Beijing's call for local production.

This is dated June 7 of this year. The Ambassador is telling us the agreement does one thing, but the reality is quite another. Qualcomm, trusting it would not have to transfer, has to have local production before it can sell. So it is with all of these other industries.

I am not anti-Chinese. I am anti this policy. I have been against this particular policy for years on end. We had a GAO report—about which I could go on at length—that the agreement is indecisive and complex. When we negotiate, we find out again and again it is normal trade relations; namely, you have to give before you can take. You have to give the Chinese the technology, and move production to China. I do not fault China. The Chinese are doing only what we did to build this great United States of America.

In the earliest days, we had just won our freedom, and the Brits corresponded with the fledgling Colonies and said: Now that you have won your freedom, why don't you trade with us what you produce best, and we will trade back with you what we produce best—the doctrine of comparative advantage these economists will tell you about.

Alexander Hamilton had the wisdom, outlined in the Report on Manufactures. There is one copy left at the Library of Congress. That little booklet in a line told the Brits to bug off: We are not going to remain your colony. As a result, the second bill that ever passed Congress—the first being the Seal of the United States—was a protectionist measure passed on July 4, 1789, a tariff bill of 50 percent on 60 different articles. From there we began to build our own economic strength, our own industrial capacity, carried on by President Lincoln. When plans were being made to build the transcontinental railroad, some said buy the steel from London. Lincoln said: Oh, no, we are going to build our own steel plants, and then when we get through, we will not only have the railroad, we will have a steel capacity.

Again, that crowd that comes around here whining about free trade, getting all the protection you can possibly imagine—the farmers—are solid for this. They are going to learn a lesson—be careful what you wish for. Maybe I will get on to that in a minute.

It was Franklin Delano Roosevelt who instituted marketing quotas, protective import quotas, price supports—protectionism that built up. Yes, I am for the farmer and we are the greatest agriculture producer in the world. But do not tell me about free trade. There have not been any price supports for my textiles and my 38,700 textile workers who have lost their jobs since NAFTA. Incidentally, I remind people just exactly what happened. Yes, they are having to turn to service jobs if they can.

I remember Onieta Industries in Andrews, SC. They made T-shirts. Everybody can understand it. They closed the plant in the early part of last year. There were approximately 480 employees with an average age of 47. Do it Washington's way; do it the way Congress lectures: Education, education—we have to reeducate. They sound like a bunch of Mao Tse-tungs. So we reeducate, and tomorrow we have 487 expert computer operators. Are you going to hire the 47-year-old or the 21-year-old?

Those 47-year-olds are out of a job. The average employer is not going to take on the pension costs and health costs for the 47-year-old when they have relatively none to consider for the 20-year-old. So they are sidelined. And that is the anxiety explored recently in Business Week: ''The Backlash Behind the Anxiety of Globalization.''

President Clinton, himself—this is from the Los Angeles Times in May of this year. I quote:

So Clinton asked rhetorically, why are we having this debate on PNTR? Because people are anxiety ridden about the forces of globalization.

I just finished reading David Kennedy's ''Freedom from Fear,'' the legacy of Franklin Delano Roosevelt. The legacy of William Jefferson Clinton is fear and fear itself. Global anxiety. Why? Because that 47-year-old who worked at a plant for 25 years was saving his money, making his home payments, his car payments and had a little boat down on the Black River—now he is high and dry. At best, he is trying to get a job at McDonald's or at the laundry or somewhere else in the service economy that doesn't pay.

Talking about those jobs, I think we ought to really emphasize the fact that we are separating, if you please, the society. In Fortune magazine, dated September 4 there is the article entitled, ''Are the Rich Cleaning Up?'' It is by Cait Murphy:

Blue-collar workers make less than they did a generation ago while the earnings of professionals have soared.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

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

[From Fortune, Sept. 4, 2000]

ARE THE RICH CLEANING UP?

(By Cait Murphy)

The average price of a Manhattan apartment south of Harlem has hit more than $850,000—at a time when two-fifths of New York City's residents make $20,000 or less a year. In Silicon Valley teachers struggle with the rent while dot-com-rich parents wonder how to cope with ''affluenza''—the perils of new and great wealth. (Hint: Just don't buy that helicopter.) In leafy suburbs nurses and cops commute from 50 miles away: They cannot afford to live near their work.

This dichotomy—between new wealth and the not-so-wealthy—has lately become something of an academic and political obsession. Economists and social scientists have turned the study of income inequality into a thriving cottage industry. And while the rich-poor gap has not cropped up explicitly in the presidential campaign, it is the stubtext for a number of front-burner issues like tax cuts, educational reform, and the ''digital divide.'' When a politician uses the word ''fairness'' in an economic debate, that's often shorthand for ''inequality.''

Why the concern about inequality? Basically, because there's more of it. From 1977 on, the cash earnings of the poorest fifth of the U.S. population fell about 9%, estimates the Center on Budget and Policy Priorities; middle-class earnings rose 8%; and upper-income earnings, 43%. The exact numbers are hotly contested, but it is clear that the distance between the top and the bottom tiers of the income distribution has grown strikingly since the 1970s. By some measures, Americans' earnings are more unequal today than at any time in the past 60 years; at best, even after the past several years, when income has grown throughout the income distribution, the gap has plateaued at or near record levels.

Of course, no serious person would argue that everyone should get the same-sized piece of the economic pie. That would be unfair to those who work hard, as opposed to those who watch reruns of *Gilligan's Island* all day. And if spectators want to pay more to watch a baseball game than, say, a badminton match, there is no reason both sets of athletes must be paid alike. At the same time, no serious person would deny that inequality can hit such levels (think medieval societies) that it comprises both an ethical problem and a threat to social peace (the peasants revolt). Finally, there is little disagreement about whether inequality has increased. It has. But there is also massive mud-wrestling about how much it has grown, why, and what it all means.

FORTUNE will spare you the arcane details—for now, anyway. But the fundamental argument about inequality is simple. The

pessimists contend that income distribution has grown so lopsided that all society is worse off. Richard Freeman of Harvard speculates that there is a link between inequality and crime. He notes that high school dropouts fill the nation's jails—and that these men have lost the most ground economically. Edward Wolff of New York University contends that if young men had a better shot at earning a stable living they might be more willing to marry and stop having children on a freelance basis. Robert Greenstein of the Center on Budget and Policy Priorities argues that earnings disparities are one of the reasons that almost one in five children lives in poverty. America's lowest-paid workers make less, as a percentage of the median wage (the point at which 50% are above and 50% below), than their counterparts in any other country (38%, compared with 46% in Britain and Japan and more than 50% in France and Germany). This means that many low-skilled parents just cannot earn enough to escape poverty. ''If there were somewhat less inequality,'' Greenstein concludes, ''more would have a better standard of living.''

There is also considerable (but contentious) literature that more-equal societies are healthier. And there is the inchoate but deeply felt belief that inequality at current levels is simply un-American. It gives the rich too loud a voice. It makes it too hard for those at the bottom to rise to prosperity. And it allows the wealthy to separate themselves from society through private clubs, private schools, and gated communities.

The optimists respond to that critique with a polite yawn. Or perhaps a rude word along the lines of ''Rubbish!'' Sure, inequality has grown, but so what? As long as people at the bottom have not become absolutely worse off, goes this set of arguments, it doesn't matter that the rich got richer faster. And no, the poor are not worse off. Though men's earnings seem to have fallen since 1973 (and maybe they haven't), women's have clearly risen. That trend and smaller households mean that family income and income per head have increased all along the income distribution. Housing quality and access to medical care have improved markedly for the poor since 1973.

Besides, people don't necessarily stay in the same position. They move up and down the income ladder: Horatio Alger was not just making stuff up. Today's income distribution is the result of long-standing economic forces and social trends. Nothing is broke, so don't fix it.

Those are the broad outlines of a debate in which the devil is most definitely in the details. What follows is a primer of the arguments, followed by a suggestion about how to get out of this thicket.

What are people so concerned about? Students of inequality use several tools in their trade. One is the Gini coefficient; a 0 coefficient is perfect equality (everyone has exactly the same share of the economic pie). A coefficient of 1 is perfect inequality (Bill Gates gets it all). In America the coefficient has risen from 0.323 in 1974 to 0.375 in 1997, according to the Luxembourg Income Study, higher than in any other rich country. Britain's is 0.346, Germany's 0.300, Canada's 0.286, and Sweden's 0.222.

Matters naturally are not quite that straightforward. Alan Greenspan has pointed out that while the Gini coefficient is comparatively high for income, when applied to consumption it is about 25% lower. In other words, poorer people are spending more like the rich; they are, for example, almost as likely to own such things as dryers and microwave ovens. So the economic distance between the top and the bottom may be narrower than the income numbers suggest. And Europe's greater equality may simply reflect the widely accepted premise that while America has adapted to economic change by allowing inequality to rise, Europe has adjusted by allowing higher unemployment. Which is better?

Another favored analytical tool for measuring inequality is to divide the population into fifths, or quintiles, and see what share of the nation's earnings each fifth took home. According to the Census Bureau, in 1998 the bottom 20% earned only 3.6% of total income (4.2% in 1973), compared with more than 49% for the top 20% (44% in 1973).

But wait a minute. The Heritage Foundation points out that the Census defines quintiles in terms of households—and households in the bottom quintile are much smaller than those at the top. Therefore, while there are 64 million people in the richest quintile, there are fewer than 40 million in the poorest one. Adjust for population, and the share of the bottom fifth grows. Also, many Americans have income that is not in the form of wages or cash transfers—food stamps and housing subsidies for the poor, realized capital gains for the better-off. Adjust for that, and the distribution narrows again, as it does after accounting for taxes. Should the adjustment include Medicaid and Medicare? If so (and that is debatable), the gap shrinks further still; put it all together, and Heritage figures that the bottom quintile takes in 9.4% of national income, and the top 39.6%.

There is, then, no consensus on how to measure inequality. There is, however, broad agreement that it has indeed grown. Since the early 1970s the cash incomes of the rich have indeed risen faster than those of the poor, with the middle class hanging in there; the higher up the income ladder, the faster the growth. That may help explain why the poverty rate, now 12.7%, has still not dipped to 1973 levels (11.1%). Median household income (the point at which 50% are above and 50% below) has grown grudgingly, rising about 9% in real terms from 1973 to 1998 and passing its 1989 peak only in 1998.

Men have had a particularly dismal time. The median income of men is significantly lower than in 1973 ($27,394 then vs. $25,212 in 1997, in 1997 dollars). Men under 45 are making less now, in real terms, than they did in 1967, and blue-collar workers have taken the biggest hit. Blacks and women, however, have seen their earnings rise.

Why is inequality increasing? Income inequality is increasing because wage inequality is. The U.S. economy has evolved to reward highly educated people even more than in the past—a trend that social scientists, in a flight of whimsy, call ''skill-biased technological change.'' This means that demand for labor has shifted toward the skilled and away from the unskilled. Brains beat brawn—hands down.

That explains the rise in the college premium—the extra income college graduates can expect to earn compared with those who finish only high school. The premium rose much faster in the U.S. than in Europe because the supply of graduates in the U.S. did not rise as fast in the 1980s and 1990s as the demand for them; Europe came closer to matching demand and supply. It sounds like a tautology, and perhaps it is: Income shifted toward the more highly skilled because employers would pay more for their services. But it really is that simple.

Of course, that by itself doesn't explain the income gap. Another significant factor has been family structure. Weighing on the downscale side of income distribution has been the burgeoning number of single-parent families, particularly those headed by never-married mothers; overall, single-parent families earn about half as much as two-parent households. On the upscale side, there has been an increase in families in which both spouses make lots of money. To put it another way, there are almost 2½ times as many people working in the richest fifth of households as in the poorest fifth. Less than a third of the people in the bottom quintile live in households headed by a married couple; the rest are single (55%) or in single-parent families. In the top quintile some 90% live in married-couple families.

Changes in family structure account for more than a third of the increase in income inequality since 1979, figures Gary Burtless of the Brookings Institution, making it a slightly more important factor than the widening wage gap. Lynn Karoly of the Rand Institute in California calculates that the wage gap is a bigger deal, but no matter: No one disputes that both factors are crucial.

Other suspects in the inequality lineup are the declining minimum wage (lower in real terms than in 1973), declining unionization among men (accounting for as much as 20% of the gap, estimates Freeman), deregulation (protected industries kept wages high), immigration (which can depress wages), and trade (that giant sucking sound). Higher levels of entrepreneurship may also be associated with higher inequality.

All those things probably count, but to a minor degree compared with the changes in earnings patterns and family structure. Immigrants, for example, can drive down wages in local labor markets, particularly among the low-skilled, but that effect is muted across the country as a whole. When it comes to trade, the effect is even more difficult to identify. While some companies have certainly shipped jobs to cheaper climes, most U.S. trade is with other rich countries, and most low-paid jobs are domestic, such as cleaning or food service. Remember, too, that to critique immigration and trade strictly in terms of their impact on inequality is to look through a cracked mirror: Doing so ignores the contributions immigrants make to America and the opportunities wrought by freer trade.

What is more important than any of these individual factors, Karoly notes, is how all of them have reinforced one another. At the same time, there have been few countervailing forces. The U.S. could have tried to slow these trends, as Europe has done, through high minimum wages or centralized wage bargaining or protective trade barriers or high taxes. It chose not to.

What can be done? The primary rule of economic policy should be like that of medicine: First, do no harm. And the problem with many of the knee-jerk policy responses to inequality is that they cannot pass that test. Looking at the list of culprits responsible for the run-up in inequality, for instance, one could argue for less technological change, less trade, more regulation, and less entrepreneurship. Would America really be better off with such an economic blueprint? To ask the question is to answer it.

Even the more plausible approaches carry side effects worth thinking about. Take unions. Unions are an essential part of a free society, and they do an excellent job of raising wages for members. But they can also be associated with not-so-good things, such as protecting their workers at the expense of those trying to get into the labor market—an important factor in the high level of European unemployment. In July, Alan Greenspan contended that it was America's greater labor-market flexibility that had allowed it to take advantage of information technologies faster and more fully than Europe; tech-led productivity has been the bedrock of America's recent wage and productivity surge. In this context, the case for actively encouraging more unionization begins to weaken.

What about raising the minimum wage? That's plausible too, and the increased minimum wage probably played a role in steadying inequality in the past few years. Moreover, countries like France, which has a high minimum wage, have seen inequality grow much less. America may be robust enough to swallow the proposed minimum-wage increase to $6.15. But there is clearly a point where a minimum wage can become burdensome, killing job opportunities, as has happened in Europe. And raising the minimum wage is an awkward way to lessen inequality. Most minimum-wage workers do not live in low-income households (think of suburban teens), and many poor households have no workers at all. So most of the gain from a higher minimum wage goes to families that are not poor. Worse, the Organization for Economic Cooperation and Development has documented a connection between the minimum wage and youth unemployment: the higher the wage, the more idle youngsters. That has to be a large part of the reason a quarter of France's under-25-year-olds are out of work.

Is all this simply an argument for complacency? Not quite. It is really an argument for looking at the issue from a different perspective. Let's face it: Normal Americans do not fret about rising Gini coefficients or quintile displacements. They do however, worry if hard-working people, even professionals, cannot find a home of their own that fits their means. They don't want children suffering, even if their parents made bad choices. They believe that opportunity is available to all and that government should not hinder people's ability to take care of themselves. Americans, in short, are hapless at class warfare (perhaps because they are so absorbed in racial and ethnic issues). If they were better at it, they would be howling, say, at the proposed death of the death tax, which applies to only a tiny share of estates. Instead, most people want it killed. The attitude seems to be, ''Hey, that might be my estate someday.''

Given such attitudes, a plausible list of goals for government might go something like this: Enhance the prospects of poor children, improve living conditions, reward work, bolster family responsibility, keep taxes from impoverishing people and ensure mobility.

And surprise, surprise: American social policy in the 1980s and '90s has done almost precisely that. The Reagan Administration can take credit for the 1986 tax reform, which released many lower-income Americans from federal income-tax liability. The earned-income-tax credit (EITC), also a Reagan-era initiative, supplements the pay of low-wage workers with children through a refundable tax credit of up to 40% of earnings. The Bush and Clinton Administrations expanded the EITC (the latter in the teeth of strong Republican opposition). Both also expanded the provision of support services for poor children outside the home—child care, foster care, Head Start, and so on. Child-support enforcement expanded under all three (with, it has to be said, spotty results), and health insurance and child-care subsidies for poor children expanded under Bush and Clinton. The welfare reform of 1996 (in the teeth of strong Democratic opposition) explicitly connected working to the receipt of benefits. Overall, these policies make up a broadly consistent approach that Americans are in tune with—and that has delivered real improvements.

Perhaps, then, the way to remedy inequality is not so much to try to lessen the Gini coefficient—through redistributive taxation, for example—but to ameliorate the problems of those snagged at the bottom. One such problem is clearly housing. There is a gap between the growing numbers of low-income renters (10.5 million in 1995) and the shrinking numbers of low-cost rental units (6.1 million). A record 5.4 million households spend more than half of their income on rent or live in substandard housing. The feds can and should do more in this regard by boosting the number of housing vouchers. (Congress eliminated new housing vouchers for four years in the 1990s; the 2000 budget envisions expansion.)

But inequality begins at home. It is not coincidental that two cities with massive affordability problems—New York and San Francisco—may also have the most tortured housing markets in the country. Byzantine regulations suppress new construction and raise its cost. Insiders—those who have scored a price-controlled apartment—benefit at the expense of outsiders, who pay prices exaggerated by the artificially induced constraint in supply. So while rent decontrol rarely makes the egalitarian to-do list, it deserves to be on it. And Silicon Valley and other wealthy communities should take a hard look at regulations—two-acre zoning and the like—that put up a keep out sign for the unrich.

Expanding the EITC further—by increasing the credit (particularly to families with three or more children) and extending it to childless full-time workers—would also help. The EITC is first-rate social policy. Essentially it promises parents that if they work, their income will exceed the poverty line. In 1998, EITC supplements lifted almost five million people out of poverty, and that money has proved an important carrot to get former welfare recipients into the job market. A further expansion would put more dollars in low earners' pockets and reduce the ranks of the working poor, without the scattershot effect of the minimum wage. It also makes perfect equity sense in the context of the tax cuts both parties are fiddling with. Don't believe the fluff: Tax cuts would benefit the better-off most, for the very good reason that they pay the lion's share of taxes. The top 1% of earners, for example, pays almost a fifth of all individual federal income taxes, according to the Congressional Budget Office, and the top fifth almost 60%. The bottom two quintiles contribute 8%. An expanded EITC, in combination with tax cuts, would spread tax largesse all the way up and down the income distribution. Along the same lines, states that are considering cutting taxes would do well to cut sales taxes, which hit the poor hardest, rather than income taxes. Or they could start or expand their own versions of the EITC, as more than a dozen states have already done.

Third, surely a country as rich and talented as America can figure out some way to ensure reasonable, regular health care at a level of access that, say, Ireland provided in the 1960s. There has been expansion of guaranteed medical provision for poor children, but about 15% still slip between the cracks. A system with fewer gaps could also promote mobility; it is scary for low-income people in a job with health coverage to try to improve their position by moving to a new job without it.

Fourth, let's remember that not every problem comes with a ready solution, from government or anywhere else. For example, it would be an unambiguously good thing for America as a whole if families formed more readily and stayed together more reliably. This would also narrow wage inequality and boost family income. It's just far from obvious how to get there from here.

Social policy is not a field of dreams; miracles are rare. Across the rich world, estimates Ignazio Visco of the OECD, the long-term poor are some 2% to 4% of the population. But at any given time, these families make up half of the population living in poverty—everyone else moves up and out. The major problem in such homes is not lack of money but disorganization, illness, lack of social skills, and general cluelessness. In her book *What Money Can't Buy*, Susan Mayer of the University of Chicago argues that after basic needs are met, additional income has little effect on children's prospects. Using a form of regression analysis that only a social scientist could love (or indeed understand), Mayer estimates that doubling the income of the poor would reduce high school dropout rates by one percentage point, increase education by a few months, have no effect on teen pregnancy, and possibly worsen male idleness. ''Any realistic redistribution strategy,'' she concludes, ''is likely to have a relatively small impact on the overall incidence of social problems.'' Enhancing living standards to provide dignity and reasonable comfort is a social good in itself. But humility is warranted in terms of the long-range benefits of doing so.

In the long run, because so much of inequality is connected with the higher returns on skills, it is crucial that Americans learn the things they need to know in order to succeed. Which brings us to education, the most important component of the mobility that is the bedrock of the American dream. Poor people in poor communities are educationally short-changed, and the problems begin early. That Americans of almost any intellectual level can find a college to accept them does not excuse the lack of basic skills too many high school graduates demonstrate. Money may be part of the answer, but only part. Cash can be spent wisely or stupidly; there is, at best, an ambiguous correlation between spending and achievement. But evidence indicates that increased attention to education in early childhood brings enduring and positive results. It's clear that there has to be more emphasis on accountability and outcomes—what children actually learn—as opposed to how much is being spent. That's beginning to happen. And it's hard to believe that competition—vouchers, charter schools, and the like—would not be a goad to improvement.

Finally, let's remember that nothing good is going to happen if the economy goes into the tank. Tight labor markets have done more to make welfare reform work than any aspect of its design; productivity has driven up wages since 1993 faster than any transfer program could have done. Remedies to inequality that hurt the economy as a whole will hurt the poor first and worst.

Laura D'Andrea Tyson, former head of the Council of Economic Advisors under President Clinton, offered a striking way of looking at these issues at a Federal Reserve conference in 1998. Imagine the income distribution, she suggested, as an apartment building in which the penthouse is more and more luxurious, and the basement, in which a number of dwellers (and their children) are stuck year after year, is rat infested. What to do? Well, some social critics, offended by the presence of wealth amid such distress, would like to pillage the penthouse. Tyson simply notes, ''We need to do something about that rat-infested basement.'' Taking care of the rats and making sure people can climb out of the cellar: That seems about right.

Mr. HOLLINGS. You begin to understand—when we talk about jobs, when we talk about pay, when we talk about our society, when we talk about our economic strength, when we talk about the middle class—that the strength of our democracy is disappearing.

So, yes, we are going to trade with China. But if you make it permanent

and you make it normal and you want to compete with China, you are going to be in one heck of a fix, is all I have to say.

Let me say a word about market share. Japan has been practicing this for a long time. They have a society that sacrifices at the home market in order to take on the international market, the market of the United States. There is no question about it.

That Lexus that costs $34,000 in the United States costs $40,000 to $44,000 in downtown Tokyo. That camera that sells for $300 here—a Japanese camera—sells for $600 to $1,000 in downtown Tokyo. That Handycam that sells for $640 in the United States—made in Japan—sells for almost $2,000 in downtown Tokyo.

We do not have that kind of society. This is a spoiled society. We are supposed to give you tax cuts even though we have hardly any taxes to cut. And they can't be punitive, because look at the economy. By the way, we are paying down the debt, but we do not tell them we are increasing the debt at the same time.

I really have not had but one person ask me about the estate tax. Nobody has asked me about the Social Security tax because we put it in line with all other pension plans. Nobody has bothered about gasoline. Overseas, they regularly sacrifice $4.20 for a gallon of gas. When we get to $2 a gallon, we go ape and hold Federal investigations, TV shows, and everything else.

So the competition in globalization is one of sacrifice. In China, they call it communism; sacrifice, in Japan, in Korea, and even in France and Germany. They have all kinds of rules and regulations. Try to buy a year 2000 Toyota in France. They keep it at the Port of Le Havre and inspect it a year or so, and you can buy the year 2000 model on January 1, 2001.

They have all kinds of barriers and different tricks. We talk about globalization and productivity as if we know something about it and that all we have to do is reeducate and get more engineering graduates. Come on.

I am talking about middle America, the blood and guts of this society, the blood and guts of this democracy. That is what keeps us a strong country. That Fortune magazine article that came out the day before yesterday will tell you about that divide, will tell you that the take-home pay of that industrial worker is less than what it was 20 years ago, adjusted for inflation. It is a devil of a trend, but they are not talking about that or even mentioning trade. But when it comes to market share, the Japanese set the pace.

What is going on in telecommunications?

I have a bill which is a reminder because the law is there. I am going to testify tomorrow that it is nothing more than a reminder. No communications bill is going to pass unless they put it as a rider on one of these appropriations bills. Because they do not want to debate these things.

All you have to do is look at Deutsche Telekom's SEC reports and know they call themselves a monopoly and that the German government is in control.

When you are a country in control, you can print money. We know that better than anybody. We have been running deficits since 1968, 1969 under Lyndon Johnson; now the debt is $5.7 trillion. So we know about governments printing money.

Deutsche Telekom had its stock at $100 earlier this year, in March. Now it is down to $40. Do you think Ron Sommer, the CEO of Deutsche Telekom, is worried? He could care less. He says: I have $100 billion.

He just had a bond issue of $14 billion. Everybody got into it. We could not get a $14 billion bond issue going in this country. But a government-controlled company can easily get it because that company can't go broke. It is bound to win.

Sommer says: I have $100 billion. And I am ready to buy AT&T or MCI or Sprint or VoiceStream or any telecom company I please. If his stock was down in the regular market to $40, and he had $100 billion, there would be a footrace between Boone Pickens and Carl Icahn. They would be in there in a flash. There would have been a takeover long ago. You see, they can come in with all kinds of capital and distort the competitive market.

That is why we deregulated telecommunications from U.S. Government control in 1996. We certainly did not do it to put it under German Government control. That is why we have the World Trade Organization, in order to get competition, not to set up government-controlled companies to take over in the private market.

But why do they do that? Who does offer the highest price, they tell me, per subscriber in one of these communications entities. Previously the highest bid was $12,000 per subscriber. Deutsche Telekom comes in with $21,000 to $22,000. Money is nothing to them. Why? Because they want market share. They battle. And the whole fight in globalization is for either jobs on the one hand, market share on the other hand, or both.

That is the globalization. That is the trade. And we do not have a trade policy.

They talk about free trade, and they get together. Unfortunately, our Democratic leadership gets together with the Republican leadership on this score.

They put out the white tent and they fixed the vote. The New York Times wrote the article about it. The New York Times put in there that they got the NAFTA vote by giving our friend, Jake Pickle, a culture center; another Congressman two C–17s; another one a golf match. They had 26 gimmies to fix the vote. So they fixed the vote here in the Finance Committee and fixed the vote with the leadership, and they have the unmitigated gall to come and say: No amendments, don't discuss it, when can we vote, let's get this thing over with, free trade, free trade, free trade.

I am going to join my friend, our leader from West Virginia, Senator BYRD, and others, and hope we bring some sobriety to this crowd up here in Washington. Let's start competing and let's start being productive. Congress berates the U.S. industrial worker. You must become productive. But we can't pass an increase in the minimum wage. We can't pass a patients' bill of rights. We can't pass gun control. We can't pass campaign finance. We can't do anything.

Remember, we are competing with ourselves. I think that is one of the main points to be understood. I will never forget those industrialists who traveled all the way to Europe and back with jet lag to implement the Marshall Plan. Now with the profit the corporations make, they don't mind the jet lag. They don't mind moving for a while to Japan and Korea and other places. And as of 1973, the banks—Citicorp and Chase Manhattan—made a majority of their revenues and profits outside of the United States. They became more or less multinational. Then, of course, the corporations themselves started traveling over there and they organized in order to support this so-called free trade, which they knew historically was a bummer. They organized the Trilateral Commission and the Foreign Policy Association. If you run for President, the first thing you do is get a gilded invitation to go up and pledge on the altar of almighty free trade your loyalty and your fealty to free trade. So you become sophisticated. You become knowledgeable. Yet you don't know what you are talking about.

Then they give the contributions to the college campuses so that you not only have the companies and the banks, but you have the campuses. There was a Ms. Jacobson who put out a study back in the 1980s where the majority of the contributions, I think, on the Harvard campus were Japanese. So you get all the campuses. You get the consultants. You get the Washington lawyers. We don't hear too much from our friend Pat Choate. I wish he would run again. Pat Choate wrote ''The Agents of Influence.''

The agents of affluence were our special Trade Representatives, whether it was Eberly or Brock or Strauss, those representing us immediately went to represent the other side. It would be like General Powell going to represent Saddam Hussein and Iraq. But that is what has been going on. To Mickey Kantor's credit, he has not done that. But I have been here long enough to watch all of them. Carla Hills, who gets all of these awards and everything else, represented the other side, the competition.

Then you have the retailers. We used to debate a bill, Mr. President. I would go down to Bloomingdale's, and I would get a lady's blouse made in Taiwan and

one made in New Jersey because they are trying to fill up the order. They were never the same price, and the American manufacturer wasn't the lower price. I went to Herman's and got a catcher's mitt, one made in Michigan, one made in Korea—the same thing, the one from Korea was cheaper. So they make a bigger profit, the retailers. And the retailers pay the newspapers through advertisements. That is the source of the majority of newspapers' profits. The business manager of that newspaper says you have to be for free trade because the retailers are their clientele.

I just heard the distinguished Senator from Arkansas talk about free trade. She was very much for this particular bill. Their biggest industry? Wal-Mart, import industry. They are going to sell a few chickens in Arkansas. Tyson hopes he can sell a few chickens. But they are not producing anything else there. So we have to go over to the retailers.

We have the banks, the corporations, the consultants, the societies, the campuses, the lawyers, special trade representatives and, yes, the lawyers. The Commerce Committee does not consider a bill that your office does not fill up with this crowd. In fact, these folks are confusing the Deutsche Telekom bill that my distinguished colleague cosponsored with me, running around the whole month of August trying to figure out how to get this vote and how to get that vote.

Section 310(a) says you cannot license a foreign government in telecommunications. It has been that way since 1934. We argued and debated it in the 1996 bill. We ultimately left it alone. In spite of the White House and the FCC and all the other legal shenanigans they have ongoing, the law is still there, but they are trying to confuse that.

It is like Spain with the fifth column. We have the enemy within, like Bobby Kennedy wrote about. I mean, I am not worried about China. I would run it the same way they are running it. They have a $68 to $70 billion plus balance of trade. We have got $70 billion minus balance of trade and it has been growing each year. It is going to continue to grow.

This is not about jobs in the United States. It is about jobs in China. The Wall Street Journal had a big headline that said investors are racing now to invest in downtown Beijing, get a foothold there and then get the protection of the WTO—because you know who the WTO is going to rule in favor of. Fidel Castro can cancel your vote, Senator, my vote, the U.S. vote. I mean, come on, the WTO setting our trade policy?

I have introduced a bill in each of the last sessions of Congress and I will introduce it again next year. I am trying to get the 28 Departments and the Agencies coordinated in a department of trade and commerce so that we can have a coordinated assault on the needs of this Nation. At the present time, it is all spread around, disparate. You have the policy from the Trade Representative. No, it is the Commerce Secretary. No, it is the Secretary of Defense. No, it is the White House. No, it is some other ruling that the administrative body, the FCC, has made. That is why we have these booming 60,000 lawyers at the bar in the District of Columbia—not 6, 60,000. I believe 59,000 of them are communications lawyers.

If we could just coordinate and get one trade policy for this country and get competitive like the old Yankee trader; otherwise, we are losing our jobs, our manufacturing. We are in economic decline. We are losing our middle class. Unfortunately, we are losing the strength of our democracy. I really believe that.

My friend, the Senator from New York, says this is a most important vote. Well, I think it is just as important for the exact opposite reason, that we kill it, not pass it, kill this thing, have regular trade, not normal, because we have been losing. I want to start competing. I certainly don't want a permanent trade agreement. Don't have one Congress try to bind the other Congresses. ''Permanent'' was put in there by the NAM Business Roundtable and the downtown lawyers. They are trying to get predictability to that investment over there, and they want to come back and tell ensuing Congresses: Look, you told us it was permanent and so we have our money over there.

And so just like the Senator from Arkansas protects Wal-Mart, which he should, maybe I would be here trying to protect a textile company that wants to produce in downtown Beijing.

The PRESIDING OFFICER (Mr. GREGG). The time under cloture has expired.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

Mr. CRAIG. Mr. President, I come to the floor of the Senate this afternoon to discuss a motion to proceed on what many of us believe to be a very important issue, and that is Permanent Normal Trade Relations (PNTR) for China.

While this issue has been a long time in coming to the floor of the Senate, its time has come. Our Nation, for a good number of years, has pursued a relationship with mainland China to improve the trade and commerce flows that are critical to this country. The agreement that we are here to ultimately get to final debate and passage on, is an agreement that allows an unprecedented access to the China market.

I support PNTR for China because it will seal the deal on the U.S.-China Bilateral Agreement and finally allow U.S. business and farmers the access to Chinese markets that the Chinese have to our market. In other words, America has had a relatively open market to China while China's market has been, for all intents and purposes, closed—except by category and by definition. Passage of PNTR will help pave the way for China's eventual membership in the World Trade Organization.

I think, as you would probably agree, all of these are critical in our relationship to this very large country and the role that it will inevitably play in our future world. This deal cuts the barriers to trade that U.S. farmers and businesses have unfairly encountered for decades. It serves Idaho because it slashes tariffs on exports critical to Idaho's economy.

Let me give a couple of examples. On U.S. priority industry products, tariffs will fall to 7.1 percent. Tariffs will fall on several products that are critical to my State, including wood and paper, which are critical to my State; chemicals, a growing industry in my State; and capital and medical equipment. In information technology—now a very important part of Idaho's economy—the tariff on products, such as computers, semiconductors, and all Internet-related equipment will fall from an average of 13 percent to zero by the year 2005.

On U.S. priority agricultural products, tariffs will be reduced from an average of 35.1 percent to 14 percent by January of 2004, at the latest. It will also expand market access for U.S. corn, cotton, wheat, rice, barley, soybeans, meat, and other products.

I think we all know the current state of the agricultural economy, and while we will set policy, to hopefully help production agriculture, we have always known that knocking down trade barriers and expanding the world marketplace for our producers in agricultural products remains critical. We have long since passed the day when we are the consumers of all that we produce. Now, well over 50 percent of everything a farmer or rancher produces on his or her property has to be sold in world markets to maintain current economies and to improve the profitability of those individual operations.

China, without question, is struggling today to determine what it will do in agriculture. Without question, it will want to feed itself and to continue to do so. Any nation worth its own gravity wants to provide food and fiber for its own citizens. But as that economy improves—and it is improving—the ability of disposable income in the hands of the mainland Chinese means that they will want to buy more of a variety of products that our tremendous agricultural economy produces. This is merely a step, and that is why I say dropping tariffs from 31.5 percent to 14.5 percent by the year 2004 is significant. As we work with them, those

tariffs could actually drop more rapidly in that area with additional agreements. There is no question that future Administrations in this country will continue to pressure the Chinese to move in the direction of even lower tariffs, but that significant drop of over 15 percent will rapidly enhance agricultural opportunities for sales to China.

The United States needs this deal. We are the strongest economy in the world and, as a Senator, would I stand here and say we need this deal? Yes, because we do. The U.S. trade deficit with China is large and continuing to widen. The deficit surged from $6.2 billion in 1989 to nearly $57 billion in 1998. And it continues to rise.

That statement alone is proof that our economy has been a largely open economy and theirs has been a relatively closed economy. This agreement, however, rapidly moves them toward a much more open economy and, therefore, spells in very simple language an opportunity for American business and industry and America's working men and women to expand the products they produce to sell into the Chinese markets.

In addition to reducing barriers to trade, it will also force China to play by the rules.

There is, I guess, a bit of a saying that when you deal with the Chinese on the mainland, you sign the contract, and then you begin to negotiate. In this country, when you sign the contract, you have made the agreement. The negotiation is complete. That is why bringing them on line with PNTR and into WTO means that not only will they have to ultimately play by the rules, but there will be a learning process for them as well. In working with the dispute mechanisms of the WTO they will obviously learn that as they move more aggressively into world markets, there is a rule of law that we have all trading nations of the world play by; that is, a rule of fair trade based on the standards established and negotiated within the agreements.

Let me give you an example of the problems we face today.

Idaho is known for its beautiful orchards. Of course, the State of Washington—our neighbor—is known for more orchards and that fine red apple that many of us see on the shelves of the produce markets and supermarkets of our country. Today, many of those orchards that produce those marvelous apples in Idaho and Washington are being pulled out and replaced by other crops. Why? Because the Chinese have flooded the United States market with concentrated apple juice—that when you buy apple juice in the marketplace, the apple juice could well be produced from a Chinese concentrate shipped into our markets, then processed and bottled and sold into the American market.

The only way we can control the Chinese flow of concentrated apple juice into our market today would be to either openly threaten or close down our markets—close down our borders to the Chinese. That makes very little sense when you are working to expand markets because they then would counter by closing down access to another portion of their markets only to hurt another segment of our agriculture.

If they were in the WTO—if we accept this agreement—then they come under entirely new standards so that they have to regulate the flow of their concentrated apple juice into our markets, and without question, substantially improve the overall economy of the fresh fruit industry of this Nation and of the State of Idaho, and the State of Washington.

PNTR also means better opportunity for Idaho business-people and for the Idaho workforce.

For several years now Idaho has exported to China on a growing basis. We are 1.2 million strong in the State of Idaho. We are not a large State—at least population-wise.

In 1993, my State exported just about $2 million worth of goods and services to China. But by just 2 years ago, in 1998, that number had grown to $25 million. That is a 1,000-percent increase in the flow of goods and services leaving Idaho and going to mainland China, which just shows you the tremendous expansiveness in the marketplace that still remains relatively closed. This agreement rapidly opens that market and allows us greater access.

This last year, in December of 1999, I had the opportunity to lead an Idaho trade mission to China. I asked 13 different businesses and industries to go along with me and my wife, Suzanne, and some of our staff. Representatives from agricultural companies and building material companies and the high-tech community went along with us. We were all united, not only in our recognition of the importance of China's entry into the WTO, but all of these companies that went along went to look for opportunities to expand the marketplace of products built in Idaho for expanding the economy of my State and expanding the workforce and the job opportunities that exist in my State.

While we were there, we had the distinct privilege of meeting with President Jiang Zemin. President Jiang gave us the courtesy of nearly an hour of his time in a direct discussion with myself and the trade delegation. During that time, he talked about China's future and he expressed it this way. He said China is serious about a transition to a more market-based economy, although the President made it very clear that China was not going to fall for the Russian model. In other words, they weren't going to throw out the old and assume that the new would just naturally take its place.

What they recognized and what they are doing at this moment is a progressive step-by-step approach for greater access in the marketplace, greater flexibility in the marketplace, without collapsing their economy, and without destroying the job base they currently have. There is no question that China is eager to gain the economic benefit and the political prestige of a WTO membership.

During that tour, we also went to an area and a province to the coastal city of Xiamen. There you can see firsthand what happens when an economy that was once guarded, protected, and limited by state-owned companies and by political control is turned, relatively, loose to join the world economy. Xiamen is one of six free-trade zones in China that was created by Premier Deng Xiaoping a good number of years ago. Their gross domestic product is phenomenal with average GDP of 20 percent, and job creation of the kind that is tremendously significant in giving the workforce of China the kind of upward mobility that all of us seek for all peoples of the world.

While we were there, we toured a brand new Kodak plant that was built on about 19 acres of ground. It was once a rice paddy for water buffalo and cobra snake. In just 19 months, this rice paddy was transformed into a very modern company that met all of the building codes, standards, and safety requirements as if they were built in my backyard, or in your backyard, or anywhere in this Nation. It was the home of thousands of workers, working for a much higher wage given the kind of power that a higher wage gives, and even given the opportunity to buy and own their own apartment.

If we really want to see China change, we must help give their workforce this kind of an economy, give them more money in their pockets, a chance to own private property, and then we will watch, over the years, a political change that will take place.

PNTR for China will improve the standard of living for many Chinese who have endured very poor standards of living.

PNTR isn't just a good deal for the farmers of Idaho, or the business men and women of Idaho. It is a good deal for the Chinese people who have suffered poverty beyond compare, and who are now beginning to experience through the marketplace, the opportunity of upward mobility, and the opportunity of private property ownership that truly begins to transform the political base and the landscape of a country.

Over the last year, as this issue developed and certainly over the last 6 months as we have known and as the Nation has known that we would ultimately debate the issue of permanent trade status for China and debate their entry into the WTO, I have received a multitude of letters from Idaho from all kinds of constituents who for one reason or another see the issue of permanent trade status the same way I do. While we agree that some of the human rights issues in China, and some of the other kind of concerns that we have are important, we also agree that our

Nation must be continually engaged with the Chinese to change the world and to change their role in the world. Building a wall or turning our backs on this huge population base is no way to gain those kinds of ultimate changes or benefits.

These letters, and letters from my Governor, Dirk Kempthorne, I think note, at least for the moment, that I share them with you. Let me give you a couple of examples.

Here is one from David Sparrow, of Boise, ID.

He writes:

DEAR SENATOR: As a constituent and a member of the agricultural community, I continue to urge your strong support of PNTR legislation with China.

He goes on to say:

PNTR for China is vital to the farmers and other agricultural interests in our district. Your vote is critical.

Another one is just a simple one-liner from a gentleman in America Falls, when he said:

Support trade with China. Nothing to lose except a market to other countries.

That is exactly right. If we don't compete effectively, then our producers and our American workforce will be the loser as other economies of the world continue to increasingly engage the Chinese marketplace in their bid for consumer products and a role in the world markets.

Doug Garrity from Blackfoot, ID, wrote this Senator:

DEAR SENATOR: As your constituent, I urge you to vote in favor of Permanent Normal Trade Relations with China. Congress must approve PNTR this year in order to secure unprecedented access to world markets for my company and others across America.

He was talking about a company in American Falls, ID, that is an agriculture-based company.

When the Idaho trade delegation and I met with President Jiang Zemin it was very clear from what he was saying that they believed this time, it was their turn to make the concessions. He openly talked about why they had made these concessions, why they were lowering their trade barriers, why they would phase them in over a period of time, and openly discussed even freer markets than the kind that are proposed in the current agreement Ambassador Charlene Barshefsky negotiated in late October and early November. President Jiang Zemin recognizes that the strength of his country in the future is not going to be based on the strength of a government but the strength of an economy and the right of his people to share in that economy, both individually and collectively as a country. He spoke very openly about that.

It was an amazing experience to visit for well over an hour with a man who had walked behind Mao in the great revolution. He did not mention that once, but instead talked in terms of open and free markets and talked about China's role in a world economy and our role and our companies' roles and our national economy's influence over them and their economy. It was a dialog I would not expect to have. Yet it is a dialog that is now pursued nearly every day of the week in China by U.S. companies who are openly and actively gaining a piece of that market.

Another letter from Marlene Sanderlin of Lewiston, ID, which is a forest products and agricultural town. It is the location of our seaport where ocean-going barges come all the way up the Columbia and Snake Rivers into the heart of Idaho to take out Montana and Idaho grain, forest products, paper, and coal from Montana. All of that is moving out to the Pacific rim and some of it ultimately going to China. The vitality of that seaport, in the heart of Idaho, is in large part connected to the vitality of our trade in the Pacific rim and China. And China's economic growth, without question, is an opportunity for that seaport and for every seaport in the United States and the men and women who work in the maritime industries.

As your constituent, I urge you to support PNTR legislation for China. This legislation benefits real people: Me, my family, and my country. It guarantees economic growth for America and promotes the growth of democracy in China.

She speaks from my experience and my limited exposure in China, and the absolute truth when she says it addresses the growth of the democracy or the democratic actions within China itself.

Potlatch Corporation happens to be a company that is a large paper and fiber producer in Lewiston, ID. They write, asking that we support this. Why? Because of the thousands of workers they have at Potlatch and the products they can supply into the Pacific rim and into the Chinese market.

I have a good many letters from Idaho. We have received thousands. I know that nearly every Senator has received phenomenal communiques from their State in support of this particular issue that is now before the Senate itself. Establishing a permanent trade relationship with China means establishing a permanent, but also growing and developing relationship with the most populated country in the world. Without question, it is a vast opportunity for the sale of our products, and for an ongoing and working relationship with those Chinese people that can do nothing but help improve the ongoing relationship.

We will have some important tests in the coming days as other votes on other issues directly related to China come up. I will take a serious look at some of them because we need to make very clear, straightforward statements to our friends in China as to what we can and will expect and what we don't expect as it relates to their role in the world community and our role along with theirs.

If PNTR were voted down, the real losers would be the American business person, the American farmer, and the American workforce. We have a vibrant economy today, and our economy is vibrant because we can sell in an ever-opening world market. It has not cost us jobs, it has continually improved and built a stronger economic base and a greater job opportunity for nearly every citizen in our country who seeks it. While that economy is strong, in the agricultural communities of Idaho and across the Nation, it is weak. It is weak because nearly 20 percent of the world market is off limits or in some way restricted to direct access for our production agriculture.

This is a quantum leap forward to not only gaining greater access but improving the economy of hometown, smalltown America. Idaho, my State, has a good many of them. PNTR is a critical link in providing that business economy, jobs, and growth relationship with China and China's future. Rejecting permanent normal trade relations would, in my opinion, have a dramatic impact on the economy for all the opposite reasons I have expressed that passage would have a positive impact.

Lastly, if we reject this, we largely freeze our relations with China. We can't afford to do that as a country. We can't afford to do that as a world leader. I, along with a lot of my colleagues, have been very stressed in the last several months with some of the utterances coming from China and some of what appear to be their activities here. Shame on us if we ignore this and if we ignore all of those other utterances. Full engagement is the only way we can deal with the Chinese. Full engagement economically, full engagement in trade, dealing with defense matters, openly stating our positions in unequivocal ways as to how we will deal with our friends, neighbors, and potential adversaries around the world.

It is that kind of leadership that is incumbent upon this country, it is that kind of leadership that is asked for in the Senate now in the passage of a permanent normalizing trade relationship with mainland China. I hope as we move to this vote we can get there, pass it, pass it as cleanly as possible, and get it to the President for his signature.

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

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

Mr. BYRD. Mr. President, the Senate is presently considering the extension of permanent normal trade relations status, or PNTR, to the People's Republic of China contingent upon China's accession to the World Trade Organization, WTO. Earlier this year, it appeared that China might seek to join the WTO this fall, but now, in the first blush of autumn, that possibility has

receded. And so has the urgency for us to consider granting PNTR on a permanent basis or on a temporary basis to China. Yet, here we are, with but a scant handful of days left in this Congress and a large number of must-pass appropriations bills awaiting our attention, discussing the merits or demerits or lack of merits of forevermore foregoing our annual ritual of reviewing and extending normal trade relations to China.

It might be worthwhile for the Senate to so consume its time, if we were taking this debate seriously. After all, it is quite a significant vote, the outcome of which may have long-lasting effects on our economy, on American jobs and on American workers. Proponents of extending PNTR to China note with some alarm that, should China join the WTO, the United States could be subject to sanctions by China because we do not currently treat it exactly the same as we do other trading partners, both in the WTO and outside the WTO. And that is true. We do not treat China the same as, say, the United Kingdom or Japan. We put conditions on our trade with China, human rights conditions and labor conditions and nonproliferation conditions. We do so out of concern for those issues with respect to China.

Our annual debate and vote to extend for another year normal trade relations, with conditions or without conditions, allows us, here in Congress, to comprehensively review our relationship with China. The annual vote on NTR is important to China, more important, perhaps, than any other single piece of legislation might be. The United States is a huge market, an attractive market, and an important market for Chinese goods. The competitive advantage of NTR tariff rates is consequential. It is both a carrot and a stick to persuade China to alter its behavior with regard to issues near and dear to Americans, such as religious freedom, such as nonproliferation.

I would be happy to spend many hours on this debate, and discussing this important trade and security relationship. I consider it an important debate. But I am somewhat dismayed to read news accounts about a cabal among Senators to stifle one of the most important rights granted by the Constitution to the Senate. That is the right to offer and have debate on and votes on amendments. In the House, the rule guides debate and the number and content of amendments that might be offered to a bill. That is perhaps necessary in a body with 435 Members. But the Constitution says: Each House may determine its own rules. The framers made the Senate a place where minority views, and small States, had an equal voice.

Thus, West Virginia, a State consisting of 24,000 square miles—as a matter of fact, 24,231.4 square miles—is not a very large State when placed beside, on a geographic map, the great State of New York, which is so ably represented and which has been so ably represented by the senior Senator from New York, Mr. MOYNIHAN.

I oppose this legislation with due apologies to my friend. And he is my friend—a man of great wit, of great stature, a man of natural grace, a student, a scholar, a teacher—PAT MOYNIHAN. I apologize to him for having to vote against this bill, but I shall do it with gusto.

The framers established the Senate as a forum for unlimited debate and unlimited amendment. Or did they? They certainly did so with respect to unlimited amendments. But for several years, there was the previous question here in the Senate by which debate could be limited. But when Aaron Burr completed his tenure as Vice President of the United States and made his farewell address to the Senate, in early March of 1805, he recommended that the previous question be dropped from the rules. It had only been used 10 times in the previous years from the inception of the Republic. When the rules were revised in 1806, the previous question was dropped. It was then that unlimited debate reigned pure and undefiled and unchallenged in the Senate of the United States. So this is a precious birthright.

By the way, there were no limitations placed upon debate from that time—1806 or 1805—until 1917, when the present rule XXII—not exactly the present rule; it has been changed some since then—but a rule providing for the invoking of cloture was adopted in the Senate in 1917.

But this group of Members—I do not know who they are, and I am not sure that such a group exists, but I will take rumor for truth at this point because it very well could occur to some Members to want a ''clean'' vote, up or down.

This group of Members, I read, want a ''clean'' vote, up or down, on the House-passed bill. They, and a number of House Members, do not want a conference. And they do not want a second vote in both Houses on a conference report. So these Senators—well-intentioned, well-meaning—are determined to defeat every amendment, I hear, to this bill, regardless of merit. So having heard it, let me accept it as the truth and proceed accordingly. I am embarrassed to read that. I hope that it is not true, that Members of this body would relinquish a critical Senate prerogative, especially over so important an issue. Perhaps they would say: Well, it isn't exactly relinquishing a prerogative. Other Senators may call up amendments, but we will vote them down. They shall not pass.

If it is true, then we are just spinning our wheels here, are we not, by trying to fulfill our Constitutional role of regulating foreign commerce? We are just spinning deep ruts in the Senate floor by attempting to offer amendments to improve this bill before we close off our opportunity to annually review and affect our relationship with China.

I have reviewed the House bill, somewhat cursorily, I admit. It is not that the House-passed bill is a bad bill. It contains a number of reporting requirements that attempt to assuage concerns about human rights and labor rights in China. But without the goal of an annual renewal of NTR status behind it, what force does a report have to affect behavior in China? How can a report protect American workers whose jobs are in jeopardy because of unfair actions in the trade field by China? How can a report protect American missionaries in China or Chinese citizens who wish to practice their religious beliefs? How does a report turn back a shipment of missile technology? How does a report turn back threatening words and actions directed at another nation like Taiwan?

The goal of this administration, and of the past few administrations—and I say this most advisedly; I have been in Congress now 48 years—and every administration since I came to Washington, Democratic and Republican, has been the same way, always singing the same old tune, and is guided, it seems to me, by the State Department.

The goal of all of these administrations, including the present one, has been to, bit by bit, eat away at the constitutional powers of this body to regulate foreign commerce. This is the message behind limiting mechanisms such as fast track. The argument is that our trading partners do not like agreements to be amended so it is take it or leave it for the Senate. But the Senate must make judgments based on our national interest.

Trade is a matter of increasing national interest. No one would dream of making the argument that we cannot vote for reservations or changes in arms control treaties because it would upset our negotiating partner. The Soviets promptly renegotiated the changes we made with respect to the INF treaty, a very fundamental change on the question of the very definition of the missiles that were the subject of the treaty. So are we to conclude that we can amend arms control treaties but not trade agreements, or even legislation dealing with trade agreements?

Trade has now become a varsity sport in America, especially here in Washington. It is very important to our well-being, important to millions of workers, important to the quality of our environment, important to the world's environment. It is important to large industrial and service sectors, a matter of such importance that we should at least pay careful attention to our constitutional responsibilities. The final product will be more in the national interest and Senators will have done their duty to their constituents and to our Nation, as it was envisioned by our Founding Fathers, if we debate this matter at length and if we offer amendments, debate them in good faith, and have votes up or down on them and let the chips fall where they may.

Is it not possible that we might improve this legislation by the vote of a

majority here in the Senate? Suppose one were to offer an amendment vital to our security interest. It is not germane, but there is no rule of germaneness in the Senate except under rule XVI with respect to appropriations bills or when time agreements obtain or when cloture is invoked. So why not? Why not offer subject matter that is important to our national security interest?

If there is a group of Senators who have, by tacit understanding, by a wink and a nod, or by words openly declared that they will oppose any and every amendment regardless of its complexity or its complexion or whether it is good or bad or in between—if there is such a group of Senators, why not abstain from that and let us vote? Let us have a vote up or down and have a vote based on the subject matter of the amendment without any prior agreement, without any wink or nod, if there be such. Let us see where the chips fall.

Are we to say that this particular bill is the acme of perfection and we should not have any further amendments of any sort regardless of merit? I don't think that would be the right way to commence.

Once granted, PNTR will be difficult, though not impossible, to retract. Any attempt to withdraw PNTR status in the future, if it is granted now, will cause an uproar, and not just in China. The diplomatic crowd in the aptly named Foggy Bottom here in D.C. will bleat that rejecting PNTR will upset delicate negotiations with the Chinese. The big business crowd will complain about lost opportunities to sell or invest in China. The Administration at the time will prate erroneously about Congress interfering with their sovereign right to conduct foreign affairs. And even in Congress, bills might be introduced, only to die an unremarked death in some committee or on some calendar. I have been here a long time. I have seen a lot of bills die and I know a thing or two about how to kill them. So I know that undoing a thing is much harder to do than doing it in the first place. It will be much harder to undo PNTR than it will be to grant it.

So why are we apparently so gung-ho to have this sham debate and vote now, this year, this week or next? There is no great urgency. The bill will not even take effect until China's accession to the WTO is voted upon. Why do it now, just weeks after a damning report has been issued about China's role in the proliferation of missiles and missile technology? Why do it now—why not next week sometime or next month or next year sometime—mere weeks after Chinese authorities conducted another raid on a so-called Christian sect that resulted in three Taiwan-born American citizens and approximately 100 Chinese citizens being arrested for meeting in worship? Why do it now, just months after Chinese officials have made still more threatening gestures toward Taiwan?

Why do it now, before the final negotiations on the bilateral U.S.-Chinese trade agreement, particularly the trade subsidy portions, have been ironed out?

Perhaps someone was listening to that advertisement I have heard on the TV so many times: Do it now, do it here. Well, we don't do it now.

China's record on trade agreements is not stellar. Since 1992, six trade agreements have been made—and broken—by China. In the last two years, we have seen the effects of dumping on the U.S. steel industry, as well as on the apple industry. So why are we rushing this vote? Why now? Why are we rushing this in such haste that we will not even seriously consider amendments that might improve the legislation? It is hardly perfect, sprung like Minerva, fully formed, from the forehead of Jove, or like Aphrodite from the ocean foam.

In that vein, I have several amendments prepared which I believe could improve this agreement. One concerns prospective U.S. investments in the Chinese energy sector. This amendment, if adopted, supports the market for clean energy technology in China's admittedly booming economy. I believe this amendment would pass the Senate. I think it would command a decided majority in the Senate, if left to its own merits. Sales of such clean technology helps U.S. firms, of course, but also provide a mechanism for the Chinese to improve their air and water quality, a necessary step if China is ever to step up to what should be leadership role for her among the world's developing nations with regard to climate change.

Now I am all for dealing with global warming. I am for the Kyoto Protocols, if China will get on board. So why not have an amendment to that effect. Let's have a vote here in the Senate.

After all, by the year 2015 at the latest, China is expected—let's see, I will be serving in my tenth term; that will be my tenth term. After all, by 2015 at the latest, China is expected to surpass the United States as the world's leading emitter of greenhouse gases. For her own sake, as well as for the future of all of us, China needs to step up to the plate and tackle her role in addressing the global issue of climate change. The United States would also benefit from this effort, as increased volume of clean technology sales helps to reduce prices and make the best technology more affordable to retrofit on existing U.S. facilities.

My other amendments are perhaps somewhat more specific in nature. In light of China's less-than-sterling record of abiding by previous trade agreements, these amendments are focused on increasing the transparency of Chinese Government subsidies made to China's many state-owned enterprises, and on improving existing U.S. procedures for acting on dumping complaints. China has made vague promises about not dumping and about not providing unfair subsidies to her enterprises. Yet China has also staked a verbal claim to the status of developing nations, which would exempt her from any sanctions with regard to subsidies made to Chinese industries. My amendments would require reports on China's state-owned enterprises—what's wrong with that?—and the advantages they enjoy, which would better enable us to determine if China's actions are fair.

Another of my amendments would add certainty to the sometimes excessively lengthy process used to determine if such subsidies have adversely affected U.S. companies and U.S. workers. These amendments will help us better to protect American manufacturers, American jobs, American workers, and American families from unfair trade practices.

American trade negotiators have crowed that, in the U.S.-China Bilateral Trade Agreement, the United States has given up nothing, while the Chinese have made substantial concessions and have offered to significantly lower tariff rates on certain goods. But I argue that the United States is giving up something substantial, though not directly through the U.S.-China Bilateral Trade Agreement. We are making our part of the bargain now. We are giving up our annual review and extension of normal trade relations with China in favor of a permanent normal trade relations status. And we are doing it now, before China has to make a single concession as a result of the bilateral agreement, which, like PNTR, is contingent upon China's accession to the WTO. But I suspect that the Chinese may also be gambling on the fact that having once made the plunge in granting PNTR to China, the United States will give it to them even if they never make it to the WTO, or even if the details of the bilateral change are ignored. That is the way we are, and the Chinese know it as well as I do.

We have an obligation to our constituents and to the citizens of our great Nation to look out for their best interests. The Constitution gives us a role. Yes, it does. This is the Constitution that I hold in my hand for all to see through that electronic eye. This is the Constitution. Article I, section 8 gives Congress the power to regulate interstate and foreign commerce. So why don't we utilize that power? Why don't we utilize it? The Constitution gives us a role in regulating foreign commerce. I am not sure that we perform that obligation very well. We grant—I don't—fast-track authority to the Executive to negotiate massive trade deals and leave ourselves without the ability to amend. We take away the Senate's right under the Constitution to amend. We grant fast-track authority to the Executive to negotiate massive trade deals and leave ourselves without the ability to amend them, as we did with NAFTA and GATT, both of which I voted against—proudly, I voted against both.

My State certainly did not benefit from those actions. West Virginia lost

jobs and lost a lot of the diversity in its manufacturing base. China is an enormous potential market, perhaps, but she is also an enormous labor pool competing for jobs and competing at a price advantage. Our economy is strong, but we cannot all sit at computer keyboards and be information age technology wizards. As a Nation, we also need to actually make things and grow things. Production and farming are important. But I would not invest in planting a new apple orchard right now, with Chinese apples and apple juice flooding the U.S. market. I would think twice about establishing a new assembly plant or some factory right now that faces competition from lower-paid workers in China, who do not have the same labor protections that workers in the United States enjoy and deserve. The future is uncertain and cloudy.

Who will get the prize? Chinese or American workers? Will China be rewarded despite a history of broken trade agreements, weapons proliferation, religious repression, poor labor protection, and aggressive foreign policy statements? Will China be rewarded before the final trade issues concerning subsidies have been inked in? Or will American workers enjoy a respite? Will American concerns for security, human rights, and fair trade hold sway for a little while longer? I say to my colleagues, let it wait. Let it wait. This debate, this vote, can wait until we have the leisure and the will to do it right. If we persist in this misguided charade of a debate with no intention of considering any amendments on their merits, I will fulfill my obligations. I will offer amendments—good amendments, useful amendments, not dilatory amendments. I hope they will not be tabled simply to avoid a vote up or down, to avoid going to conference.

At this time, I believe it would be extremely unwise to simply rubber stamp the House bill and approve PNTR with China without amendments.

Granting PNTR to China with no amendments and no conditions signals that the U.S. Congress has given up on putting worker rights and environmental standards on the international trade agenda. Coupled with the rhetoric of the President, the Vice President, and the U.S. Trade Representative in support of PNTR, congressional acquiescence will reduce American credibility on labor and environmental issues to virtually nothing.

At this time, it is not known whether China will actually apply for membership in the WTO. But one thing is clear; the Chinese Government has not wavered in its absolute opposition to any consideration of labor rights and social standards in the WTO. Despite claims that a market economy is bringing democracy to China, the U.S. State Department's 1999 human rights report on China concludes that the Chinese Government's ''poor human rights record deteriorated markedly throughout the year, as the government intensified efforts to suppress dissent, particularly organized dissent.'' Documented human rights violations include torture and mistreatment of prisoners, forced detentions, denial of due process, and extra-judicial killings. Violent repression of all efforts to organize independent union activity continues.

Given such a record, it would seem unbelievable to many that the United States Congress would grant a green light to PNTR with China, without so much as even a nod toward conditions or amendments.

Are we to turn a blind eye to every deeply held principle we have as a people about justice, freedom, and right and wrong for the pie-in-the sky promises of economic gain? I hope not. For that would be much, much more than a sell-out. That would be a shame.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise with deference and not a small measure of awe at the continued erudition of my colleague from West Virginia. The first decision I made when I came to the Senate was to support him for majority leader, and I have not made one of equal consequence since. None has given me greater pleasure.

I say on the question of amendments that it is a point of significance. When the Finance Committee reported a measure on its own, it was a two-page bill. It was not a complicated matter. It was just agreed to. It will allow us to reap the benefits of an agreement that was reached between two countries.

Now, I must say with absolute openness—and I hope always to be such. Yes. It is the hope of the managers of the legislation that the Senator from Delaware, the chairman of the Finance Committee, and the ranking member, that we not amend the House bill. We have agreed to take up H.R. 4444, because if we amend it with a semicolon, it will require us to go back. The bill will go back. I do not have to tell the Senator. It will have to go to conference and pass the House again, and then come here and pass the Senate. Time has run out. This would have been a wholly acceptable and sensible approach in May, but here we are in September of an election year in the last weeks of the Senate.

So the Senator from West Virginia is right. He said he has read it in the newspapers. I stand here to tell him that it is the case. I hope we made no effort to conceal this. It is simply our judgment and the administration's judgment.

I would like to say one last thing about fast track. The Senator could not be more correct—that we have given up our right to amend the trade agreements. But we did that in the aftermath of the disastrous experience, which was the Smoot-Hawley Tariff Act of 1930. If you were to make a list of five events that led to the Second World War, Smoot-Hawley would be one. We raised our tariffs to the 60-percent level by trading on the floor in the most normal political process that works very well in most matters. But in trade it can be ruinous. We reached a level of tariffs of 60 percent. We were in that early stage of a sharp market crash. The economy was down. But it came back up. But with Smoot-Hawley, indeed imports dropped by two-thirds. And exports dropped by two-thirds. The British went off free trade into commonwealth preferences. The Japanese went to the Greater East Asian Coprosperity sphere.

In 1933, with unemployment rates of almost 33 percent, Germany elected Hitler chancellor.

So under Cordell Hull, that great statesman from Tennessee, and Secretary of State under President Roosevelt, we began reciprocal trade agreements. We gave the President the authority to negotiate reciprocal reductions in tariffs without coming back for the formal approval of the Congress. This was the predecessor of, the precedent for, the fast track procedures that were established in the Trade Act of 1974. In effect, the Congress itself said we will deny ourselves this temptation, if you like. We can always take it back.

Indeed, right now the President has no fast-track authority. It expired in 1994. He could not get it in the atmosphere of the divided parties.

It is that atmosphere, too, that leads us to believe that we should not send this measure back to the House. It had been thought that the permanent normal trade relations bill might pass by two or three votes. It was more, but not overwhelming. As the Senator from West Virginia knows, here in the Senate Chamber 86 votes were cast in July on the motion to proceed.

I want to be open about this matter, if I can, and as I am. There is nothing more to say than what I have said, save that I believe I have more time—possibly 3 hours—apportioned to me in this debate. If the beloved President pro tempore—and all of those things—would wish more of my time to speak further, he would only have to ask.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the very distinguished senior Senator from the State of Alexander Hamilton, New York. Alexander Hamilton was the only one of the New York delegation who finally signed the Constitution. He was one of the truly great statesmen in the early life of this Republic. He helped guide the people of that delegation at the Convention to a resolution concerning this great document, and one who helped, along with John Jay and James Madison, to write those, if I might use the word, ''immortal'' papers, the Federalist Papers. He helped to win the approval of the State of New York for the Constitution.

There is no one with whom I would rather, very honestly, discuss this particular subject in the Senate than the

Senator from New York because I am so opposed to the view that he has just expressed. I am so opposed to it. I could with much greater passion say that if it were someone else.

I respect the Senator. I admire him. I know he was and is the great teacher. I wish I had had the good fortune to sit in a class and listen to Senator MOYNIHAN speak as a Professor.

I am proud to say that I had much to do with Senator MOYNIHAN's being a member of the Finance Committee, as he also had to do with my becoming majority leader.

But I am very, very much opposed to this approach. I am very, very much opposed to and somewhat chagrined and disappointed, I say with due apologies to my friend, at the philosophy which seems to govern the Senate at the moment with respect to this legislation, with respect to not adopting amendments.

The distinguished Senator has had no hesitancy whatever. He is not doing something behind closed doors or under the table or under the desk, but sitting it on front of the desk: This we are doing and this is why we are doing it.

He honestly believes that is the best for his country. I admire that. I respect the Senator for that forthrightness. He would not be otherwise but forthright. I respect his reasons, therefor. However, I cannot agree with him. I am totally, absolutely, unchangeably, unalterably set in my viewpoint that this is not the right thing to do; it is not in accordance with the Constitution of the United States; it is not in accordance with the wishes, the intentions of the framers. So be it. I am not going to argue that point. We will just disagree and be as great friends as we have ever been. And the Senator will win when we cast our final vote on this. His conscience will be clear and mine will be clear.

My State has lost under these trade agreements—GATT. Our country has lost under NAFTA. It is my understanding that we have lost 440,000 workers in this country as a result of NAFTA. Those are the statistics my staff has been able to get from the administration.

As I say, I will not belabor the point further. I thank the distinguished Senator for leadership that he has given the Senate. He is a man who has always enjoyed the respect of his colleagues whether he agrees or disagrees in a particular matter. He doesn't go out of this Chamber and carry it with him. We all love him, and we will all hate to see him go. But I will say to him, of his illustrious words that have been spoken in the Senate so many times, I have very carefully listened to them, and they will never dim from my memory.

The PRESIDING OFFICER. The Senator from New York's time has expired.

Mr. MOYNIHAN. I ask for an additional 1 minute to thank my illustrious, incomparable colleague for his remarks.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD. 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. BYRD. Mr. President, inasmuch as no Senator seeks recognition, and there is a little time remaining before the Senate goes back to the appropriations bill dealing with energy and water, I ask unanimous consent that I may speak for not to exceed 10 minutes without the time being charged against time under the rule.

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

FAITH AND POLITICS

Mr. BYRD. Mr. President, I rise today to congratulate Vice President GORE on his particularly fine choice of a running mate for the coming Fall election.

JOE LIEBERMAN is an able Senator. More importantly, he is a sincere and thoughtful Senator. He really fits no ideological sleeve, although some are already busily trying to label him. JOE LIEBERMAN is his own man, I believe. He follows his own conscience, I am confident of that, as even these early days of the Presidential campaign have already demonstrated.

Senator LIEBERMAN has firmly gripped the national political steering wheel, and he is bravely addressing one of the more fundamental issues before this Nation, namely the erosion of faith-based values from public life and public policy and the consequences of that regrettable loss.

On July 17, I took this Senate floor to express my own general concern and alarm over the direction this nation seems to be taking when it comes to spiritual values. My speech on that occasion was aimed in particular at a recent Supreme Court decision regarding voluntary prayer at a high school football game, but my remarks reflected my long-held general view that the Supreme Court has gone too far on such matters, and has increasingly misinterpreted the Framers intent regarding the establishment clause and perhaps more to the point the free exercise clause of the first amendment.

During my remarks, I called for a Constitutional amendment which might help to clarify the Framers' intentions. I even wrote to both Presidential candidates, with the hope of focusing attention on the matter, and thereby starting a national conversation about the proper place of religion in our public life, in our political life, in our country's life.

My friend, JOE LIEBERMAN, has done this Nation a great service by making his belief that faith-based principles and religion must and ought to have a place in our national policy and in our discussions about directions and priorities.

To my utter amazement, however, JOE LIEBERMAN has been misunderstood, and even maligned by some.

My colleague, now a candidate for the second highest office in the land, is not trying to force his religion or any religion down the throats of any unwilling recipient. Nor is JOE LIEBERMAN claiming, at least I do not read his remarks in this way, that a person cannot be moral if that person is not religious—even though I have to say that George Washington made it clear that without religion, morality cannot prevail; George Washington, in his Farewell Address. So, upon that authority I would rest my case. JOE LIEBERMAN is simply saying that in trying to assure that no one is coerced into embracing any one religion, or any religion, for that matter, the pendulum may have swung too far. JOE LIEBERMAN is simply expressing his own, and many other people's views, that it sometimes appears that persons of religious faith are not allowed their full freedom to practice and live their various faiths as their consciences dictate. He wants to have a national conversation about that, and I applaud his courage, for it is a subject easily misunderstood.

Political correctness gets in the way of all too many things in this country of ours. I am not a subscriber of political correctness by any means, shape or form. It has gotten in the way of an honest and open dialogue about how to allow for the open expression of faith-based values and practices for those who want those things in their lives, without infringing on the rights and beliefs of those who don't.

In my humble opinion, we must, as a Nation have this dialogue. The pendulum has swung too far. The Framers did not intend surely for a totally secular society to be forced on the populace by government policy. They only wished for individuals to be free to embrace whatever faith they wished, or none at all, if they desired none.

Prayer abounds throughout the speeches of our great men. References to God virtually drip from our public buildings, and invocations of the Creator's blessing crop up at every important public gathering throughout our history. We have wandered off the Framers' track on this, and we need to work toward a better understanding of what was intended, what was to be protected and why.

I hope that our fine colleague, Mr. LIEBERMAN, continues to try to further the conversation. Not to do so would be detrimental. I fear that the misunderstanding about this issue is huge and growing. There is a new sort of intolerance about religion that I find most disturbing. It has become the thing we don't talk about, because it is not politically correct, so many of us are driven into a closet. It is seen as a divider in our culture, instead of the

force for good it certainly can and should be.

Where we do not want to go, and where we have rapidly been heading, is toward an instituted governmental policy which is prejudiced against all religion. We need to think long and hard about this together, as a country. How sadly ironic it would be if, after over 200 years, a nation grounded in religion and founded by religious men and women, with shining faith-based ideals about equality, fairness, freedom, and justice, and decades of effort to make those ideals a reality, wound up reflecting in its laws and policies a prejudice against religion and religious people.

SENATOR DIANNE FEINSTEIN'S INJURY

Mr. BYRD. Mr. President, I yield the floor—I seek recognition again for 1 minute simply to express my joy in seeing my friend and our illustrious, highly respected, and able colleague, DIANNE FEINSTEIN, back with us on the floor today. We are sorry that misfortune has for the moment seen fit to not deal with her fairly, but in time all will be corrected and I am sure she will be just as always, as new. She is a fine Senator. She is a great friend of mine. I consider her to be someone we should all try to emulate. It might be very difficult for some of us to emulate her. But we are proud of her, proud of the work she does. I salute her today, and I yield the floor.

Mrs. FEINSTEIN. I thank the distinguished Senator from West Virginia. I very much appreciate those comments. Last Friday night, I took a tumble down stone stairs and managed to have a compound fracture of my tibia and crack a couple of ribs, so I can't say I am none the worse for wear, but I thank the Senator very much for his warm words. I greatly appreciate it.

Mr. President, I ask unanimous consent to speak for some time in morning business for the purposes of introducing a bill.

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

The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair.

(The remarks of Mrs. FEINSTEIN and Mr. SPECTER pertaining to the introduction of S. 3007 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mrs. FEINSTEIN. I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, under rule XXII of the Senate, I ask unanimous consent that my hour to speak under cloture for the motion to proceed be yielded to Senator MOYNIHAN.

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

Mrs. FEINSTEIN. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. THOMAS. What is the order of business?

The PRESIDING OFFICER. The Senate is in a postcloture situation on the motion to proceed to the PNTR.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—MOTION TO PROCEED—Continued

Mr. THOMAS. I will proceed with PNTR on that basis. I thank the Chair.

Mr. President, as chairman of the Subcommittee on East Asian and Pacific Affairs of the Senate Foreign Relations Committee, I rise today in strong support of H.R. 4444, a bill to establish permanent normal trade relations with the People's Republic of China.

Let me begin today by disposing of the principle argument offered by opponents of this bill—that this bill somehow is a ''gift'' to the PRC, a reward. To hear the opponents of this bill talk, you would think that we were on the losing end of this equation.

However, examining the basic facts shows there is a fatal flaw in that assertion. Our markets are already open to the Chinese and to Chinese goods; the same is not true about our ability to enter China's markets. This bill, and the accompanying accession of China to the WTO, changes that. This bill opens up their markets to the United States. This bill lowers tariff and nontariff barriers to our goods and services. This bill gives us a level playing field. In other words, it is a win-win situation for the United States.

It is estimated that in the first year after this bill is enacted, and China accedes to the WTO, our trade with China will increase by $14 billion; in other words, almost double today's volume. And that translates into more jobs for U.S. workers and U.S. companies.

To use my home State of Wyoming, as an example, which is not a large export State, China ranked as Wyoming's 15th largest export destination in 1999; that is up from 16th in 1998 and 19th in 1997. Our largest exports are agricultural products, such as beef, grains, and, in addition to that, minerals.

Under this agreement, Wyoming farmers and cattlemen will no longer have to compete with export subsidies China uses to make its agricultural products unfairly competitive. China has agreed to eliminate sanitary requirements which are not based on sound scientific bases and which act as artificial barriers to products from America's Northwest, which includes Wyoming. Wyoming producers will benefit from a broadening of the right to import and distribute imported products in China, and from wide tariff cuts on a wide range of products.

To illustrate, under the agreement, China has cut its tariff on beef from 45 percent to 12 percent. It has cut its tariff on pork from 20 percent to 12 percent. And, significantly for a great number of my constituents in Sweetwater County, it will reduce its exorbitant tariffs on soda ash—90 percent of which is mined in Wyoming—from double-digits to 5.5 percent.

Passage of this bill means fewer barriers to U.S. exports. Fewer barriers mean more exports, and more exports mean more jobs for Wyoming farmers, ranchers, cattlemen and small business owners.

I don't need to tell my colleagues about the present sorry economic state of many of our agricultural sectors and small businesses. The key to their continuing viability and growth is increasing their share of foreign markets. It is for that principal reason that I support this bill and for China to go into the WTO. Clearly, it is going to be more advantageous for us to deal with the People's Republic of China through this organization than on a unilateral basis which we have done for the last number of years. By the way, this same trade arrangement has been available to them on an annual basis.

Let me make one more observation before moving on. Defeating the bill will not keep the PRC out of the WTO. China will accede to that body regardless of what we do this week, regardless of whether or not we want it. We don't have a veto over their admission, and we make it sound as if that is the case from time to time.

What defeating this bill will do, however, will be to deny us the benefits of an open Chinese market, at least a more open Chinese market. It would allow China to keep its doors closed. It would give our allies and competitors a huge advantage over us.

I was there a while back, when we had a feud going on between the United States and China. They canceled large orders from Boeing and bought airbuses from France. That is the way the world has become. They can do that. It would set in stone our present trade regime where 40-percent tariffs are the norm, not the exception. That is what would happen if we don't pass this bill.

These are not the only bases for my support. Unlike some of my colleagues, I believe China is changing for the better and that admitting them to the WTO will, hopefully, speed that process. One has only to compare the China of 1978—the China of the Cultural Revolution, of Mao suits, and Marxism-Leninism-Mao Zedong theory—with the China of 2000, the China of the economic revolution, to see that changes are indeed both substantial and widespread.

This is not to say that everything is great there. That is not really part of the discussion. Of course, there are a number of things that need to be done. The country continues to have an abysmal human rights record, to stifle political dissent, to subjugate Tibetans, to stridently attempt to cow Taiwan into submission. All these things continue to go on. No one likes that, but that is not really the issue. The issue is how can we best bring about change.

There is no argument in this Senate as to whether China needs to change. We all agree it does. I believe the real issue is how do we effectuate that change. Do we do it by continuing to attempt to isolate China, as some Members would have us do, by pushing them away from us, or do we accomplish the task by seeking to engage China, by drawing it further into the community of nations, by giving its people an opportunity to see how others live in the world and then become impatient to make that transformation for themselves?

We can see that happening in a number of places around the world. Is it too slow? Sure. Isolating China off by itself is to some a feel-good position, a solution for some people. Improve your human rights record or we will cut off trade. Stop threatening Taiwan or we will cut off military exchanges. Stop selling military hardware to other countries or we will cut off high-tech transfers. Do we want a policy that makes us feel good or do we want something that works?

I don't believe you can unilaterally isolate a country such as China. Cut off trade and the European Union is more than happy to step in, sell China Airbuses, as I mentioned, in place of our Boeings. Cut off military-to-military exchanges and we lose the opportunity to impress the PLA with the vast superiority of our military while improving increasing mutual distrust among our two militaries. Cut off high-tech transfers and Beijing simply gets it somewhere else. Add that to the fact that foreign governments rarely react kindly to ultimatums from other governments—take, for example, how we in the U.S. would react to another country if they told us how to manage our affairs—and I believe the unworkability of the ''isolationist solution'' becomes self-apparent.

Instead, I believe the best way to influence China is to engage it, to draw it inextricably into the world community, to expose it to the world of ideas.

In 1995, on my first trip to China as subcommittee chairman the difference that contacts and trade with the West made in the PRC were clearly evident. I have not traveled there over the years as many people have, but just in the last few years there has been great change. Perfect? Absolutely not. More change is needed, of course.

In Beijing, the vast majority of the population was still riding bicycles. There were, 5 years ago, very few private cars, and political questions, especially in Taiwan, and the party line were the sole topic of discussion. In Shanghai, bicycles were replaced by mopeds and more private cars. While Taiwan and ''one China'' were still topics of discussion, individuals I met there were more interested in talking about trade, what they could do to facilitate economic change and growth. In Guangzhou, there were fewer bicycles or mopeds to be seen. Private cars, including BMW and Mercedes Benz, appeared to be the norm. Politics wasn't talked about a great deal.

The lesson was quite clear. The establishment of the rudiments of a market economy coupled with trade with the outside world leads to increased personal wealth and to increased personal entrepreneurship. That in turn leads to an increased interest in and expectation of growth and certain basic personal freedoms. We have seen that same development in Taiwan and South Korea where authoritarian governments have been replaced by thriving democracies over the last 20 years. The same hopefully will happen with China. Once the genie is out of the bottle, there is no putting it back. The march toward an open democratic society will happen. The only question is how long it will take.

I am told by experts that in Asia it probably takes a generational change before some of those things happen. I am sure that is true. I believe, however, that we do speed its pace by passing this legislation. I also believe that Chinese accession will remove a major irritant in our relationship. Whenever we have a disagreement with China over trade relations, be it intellectual property or market access or whatever, our reaction is to apply some unilateral sanctions on China, sanctions which only serve eventually to limit the rest of our relationship and our exports to that country. It is ineffective here and it has been ineffective other places. We have removed a number of those sanctions this year.

By bringing China into the WTO, we turn trade disputes from unilateral into multilateral issues. We transform the dispute from ''I said/he said'' to one mediated by an independent international body. We thereby lessen the irritation of bilateral affairs while at the same time increasing the likelihood that China will find a remedy to the problem.

For all those reasons, I support H.R. 4444.

Before I close, let me add a word or two about possible amendments which may be offered for consideration. Regardless of their relative merit, I, as Senator ROTH, chairman of the Finance Committee, and many others am strongly opposed to adding any amendments to the China PNTR bill. Any amendment will only have the effect of killing it for this year, since amending would require it to be sent back to the conference committee. Once in conference, it is unlikely the bill would emerge before we adjourn sine die. We only have some 20 legislative days remaining in this session and a full plate of domestic appropriations and legislation with which to deal. It would be a herculean task under any circumstances, but this year makes it more difficult because, of course, some on the other side of the aisle are doing everything they can to stall the process. We hope that won't continue to happen.

There is not, realistically, enough time for a conference and to pass it back through both Houses. It is clear the House fully supports the present unamended version. It passed by a vote of 237–197. So does a vast majority of the members of the Senate Finance and Foreign Relations Committees, and so do I.

Mr. President, despite all the hyperbole about passage of H.R. 4444, it does not mean we are selling out to the Chinese, that we are telling them it is all right to proliferate, to abuse human rights, or to threaten Taiwan. It means we expect them to play by the same rules we do; we expect them to be a responsible member of the world community, and we expect to be able to reap the same benefits they do from an ever-expanding global economy. No more, no less. The bill is good for the United States, good for U.S. companies, good for U.S. workers, and good for the U.S. consumers.

In the final analysis, this is good for China because it will undoubtedly bring about the kind of changes that many would like to see in that country, including many Chinese. Many Chinese would like to see democratization, rule of law, and respect for basic fundamental human rights.

For all these reasons, I urge my colleagues to support the passage of H.R. 4444.

Mr. SCHUMER. Mr. President, I rise to echo the remarks made yesterday by Chairman ROTH and also to concur with my friend and senior colleague from New York, PAT MOYNIHAN, regarding China's compliance, or lack thereof, with the U.S.-China bilateral agreement signed as part of China's admission to the World Trade Organization.

I am concerned that after laboriously working out a bilateral trade agreement that addressed myriad economic issues, China seems to be picking and choosing which aspects of the agreement to follow and which to ignore. A prime example is insurance. Under the bilateral agreement signed last November, China agreed to preserve the existing market access currently enjoyed by foreign insurance companies. In other words, under the agreement, a foreign-owned insurance company in China would be able to continue to operate and to add new branches and subbranches as a wholly-owned company once China entered the WTO. Less than a year after this historic and painstaking agreement was signed, China is unilaterally rewriting the rules and treating these grandfathered companies like new entrants into the China

market. This puts the very companies that invested in China's economic growth at a competitive disadvantage to new entrants.

Fundamental to the foundation of the U.S.-China bilateral agreement, to China's ascension into the WTO, and to the possible establishment of Permanent Normal Trade Relations with China is the belief that agreements will be honored, not on a piecemeal basis, but fully. This ''interpretation'' by the Chinese government on insurance begins to cast doubts about whether ironclad agreements with China will truly be completely and totally honored.

I still intend on supporting PNTR for China, but I am disappointed that China appears to be backsliding on its agreement regarding insurance. I hope that the Chinese leadership will adhere to the agreements signed last year on insurance, and absent that, I hope the Administration continues to apply forceful pressure to see that China keeps its end of the bargain. That is the essence of free, fair and open trade.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Vermont is recognized.

Mr. LEAHY. I thank the Chair.

(The remarks of Mr. LEAHY pertaining to the introduction of S. 3011 are located in today's RECORD under ''Statements on Introducted Bills and Joint Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER (Mr. SMITH of Oregon). Under the previous order, the hour of 6 p.m. having arrived, the Senate will now resume consideration of H.R. 4733, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4733) making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes.

(On Tuesday, September 6, 2000, at page S7985, the committee amendment was agreed to, as follows:)

Strike all after the enacting clause and insert the part printed in italic.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2001, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $139,219,000, to remain available until expended.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,361,449,000, to remain available until expended, of which such sums as are necessary for the Federal share of construction costs for facilities under the Dredged Material Disposal Facilities program shall be derived from the Harbor Maintenance Trust Fund, as authorized by Public Law 104–303; and of which such sums as are necessary pursuant to Public Law 99–662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 24, Mississippi River, Illinois and Missouri; Lock and Dam 3, Mississippi River, Minnesota; London Locks and Dam; Kanawha River, West Virginia; and Lock and Dam 12, Mississippi River, Iowa projects; and of which funds are provided for the following projects in the amounts specified:

Indianapolis Central Waterfront, Indiana, $4,000,000;

Jackson County, Mississippi, $2,000,000; and

Upper Mingo County (including Mingo County Tributaries), Lower Mingo County (Kermit), Wayne County, and McDowell County, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project in West Virginia, $4,100,000:

Provided, That no part of any appropriation contained in this Act shall be expended or obligated to begin Phase II on the John Day Drawdown study or to initiate a study of the drawdown of McNary Dam unless authorized by law: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed hereafter to use available Construction, General funds in addition to funding provided to Public Law 104–206 to complete design and construction of the Red River Regional Visitors Center in the vicinity of Shreveport, Louisiana at an estimated cost of $6,000,000: Provided further, That section 101(b)(4) of the Water Resources Development Act of 1996, is amended by striking ''total cost of $8,600,000'' and inserting in lieu thereof, ''total cost of $15,000,000'': Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $3,000,000 of the funds appropriated herein for additional emergency bank stabilization measures at Galena, Alaska under the same terms and conditions as previous emergency bank stabilization work undertaken at Galena, Alaska pursuant to Section 116 of Public Law 99–190: Provided further, That with $4,200,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Brunswick County Beaches, North Carolina-Ocean Isle Beach portion in accordance with the General Reevaluation Report approved by the Chief of Engineers on May 15, 1998: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use not to exceed $300,000 of funds appropriated herein to reimburse the City of Renton, Washington, at full Federal expense, for mitigation expenses incurred for the flood control project constructed pursuant to 33 U.S.C. 701s at Cedar River, City of Renton, Washington, as a result of over-dredging by the Army Corps of Engineers: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, may use Construction, General funding as directed in Public Law 105–62 and Public Law 105–245 to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, except that the funds shall not become available unless the Secretary of the Army determines that an emergency (as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) exists with respect to the emergency need for the outlet and reports to Congress that the construction is technically sound, economically justified, and environmentally acceptable, and in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): Provided further, That the economic justification for the emergency outlet shall be prepared in accordance with the principles and guidelines for economic evaluation as required by regulations and procedures of the Army Corps of Engineers for all flood control projects, and that the economic justification be fully described, including the analysis of the benefits and costs, in the project plan documents: Provided further, That the plans for the emergency outlet shall be reviewed and, to be effective, shall contain assurances provided by the Secretary of State, after consultation with the International Joint Commission, that the project will not violate the requirements or intent of the Treaty Between the United States and Great Britain Relating to Boundary Waters Between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the ''Boundary Waters Treaty of 1909''): Provided further, That the Secretary of the Army shall submit the final plans and other documents for the emergency outlet to Congress: Provided further, That no funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to carry out the portion of the feasibility study of the Devils Lake Basin, North Dakota, authorized under the Energy and Water Development Appropriations Act, 1993 (Public Law 102–377), that addresses the needs of the area for stabilized lake levels through inlet controls, or to otherwise study any facility or carry out any activity that would permit the transfer of water from the Missouri River Basin into Devils Lake.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a and 702g–1), $324,450,000, to remain available until expended: Provided, That the Secretary of the Army is directed to complete his analysis and determination of Federal maintenance of the Greenville Inner Harbor, Mississippi navigation project in

accordance with Section 509 of the Water Resources Development Act of 1996.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,862,471,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662, may be derived from that Fund; and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that account for construction, operation, and maintenance of outdoor recreation facilities: Provided, That the Secretary of the Army, acting through the Chief of Engineers, from the funds provided herein for the operation and maintenance of New York Harbor, New York, is directed to prepare the necessary documentation and initiate removal of submerged obstructions and debris in the area previously marked by the Ambrose Light Tower in the interest of safe navigation.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $120,000,000, to remain available until expended: Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein to: (1) by March 1, 2001, supplement the report, Cost Analysis For the 1999 Proposal to Issue and Modify Nationwide Permits, to reflect the Nationwide Permits actually issued on March 9, 2000, including changes in the acreage limits, preconstruction notification requirements and general conditions between the rule proposed on July 21, 1999, and the rule promulgated and published in the Federal Register; (2) after consideration of the cost analysis for the 1999 proposal to issue and modify nationwide permits and the supplement prepared pursuant to this Act and by September 30, 2001, prepare, submit to Congress and publish in the Federal Register a Permit Processing Management Plan by which the Corps of Engineers will handle the additional work associated with all projected increases in the number of individual permit applications and preconstruction notifications related to the new and replacement permits and general conditions. The Permit Processing Management Plan shall include specific objective goals and criteria by which the Corps of Engineers' progress towards reducing any permit backlog can be measured; (3) beginning on December 31, 2001, and on a biannual basis thereafter, report to Congress and publish in the Federal Register, an analysis of the performance of its program as measured against the criteria set out in the Permit Processing Management Plan; (4) implement a 1-year pilot program to publish quarterly on the U.S. Army Corps of Engineer's Regulatory Program website all Regulatory Analysis and Management Systems (RAMS) data for the South Pacific Division and North Atlantic Division beginning within 30 days of the enactment of this Act; and (5) publish in Division Office websites all findings, rulings, and decisions rendered under the administrative appeals process for the Corps of Engineers Regulatory Program as established in Public Law 106–60: Provided further, That, through the period ending on September 30, 2003, the Corps of Engineers shall allow any appellant to keep a verbatim record of the proceedings of the appeals conference under the aforementioned administrative appeals process: Provided further, That within 30 days of the enactment of this Act, the Secretary of the Army, acting through the Chief of Engineers, shall require all U.S. Army Corps of Engineers Divisions and Districts to record the date on which a Section 404 individual permit application or nationwide permit notification is filed with the Corps of Engineers: Provided further, That the Corps of Engineers, when reporting permit processing times, shall track both the date a permit application is first received and the date the application is considered complete, as well as the reason that the application is not considered complete upon first submission.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

For expenses necessary to clean up contamination from sites throughout the United States resulting from work performed as part of the Nation's early atomic energy program, $140,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Water Resources Support Center, and headquarters support functions at the USACE Finance Center, $152,000,000, to remain available until expended: Provided, That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the division offices: Provided further, That none of these funds shall be available to support an office of congressional affairs within the executive office of the Chief of Engineers.

REVOLVING FUND

Amounts in the Revolving fund are available for the costs of relocating the U.S. Army Corps of Engineers headquarters to office space in the General Accounting Office headquarters building in Washington, D.C.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for official reception and representation expenses (not to exceed $5,000); and during the current fiscal year the Revolving Fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS—CORPS OF ENGINEERS—CIVIL

SEC. 101. Notwithstanding any other provisions of law, no fully allocated funding policy shall be applied to projects for which funds are identified in the Committee reports accompanying this Act under the Construction, General; Operation and Maintenance, General; and Flood Control, Mississippi River and Tributaries, appropriation accounts: Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake these projects using continuing contracts, as authorized in section 10 of the Rivers and Harbors Act of September 22, 1922 (33 U.S.C. 621).

SEC. 102. Agreements proposed for execution by the Assistant Secretary of the Army for Civil Works or the United States Army Corps of Engineers after the date of the enactment of this Act pursuant to section 4 of the Rivers and Harbor Act of 1915, Public Law 64–291; section 11 of the River and Harbor Act of 1925, Public Law 68–585; the Civil Functions Appropriations Act, 1936, Public Law 75–208; section 215 of the Flood Control Act of 1968, as amended, Public Law 90–483; sections 104, 203, and 204 of the Water Resources Development Act of 1986, as amended (Public Law 99–662); section 206 of the Water Resources Development Act of 1992, as amended, Public Law 102–580; section 211 of the Water Resources Development Act of 1996, Public Law 104–303, and any other specific project authority, shall be limited to credits and reimbursements per project not to exceed $10,000,000 in each fiscal year, and total credits and reimbursements for all applicable projects not to exceed $50,000,000 in each fiscal year.

SEC. 103. None of the funds made available in this Act may be used to revise the Missouri River Master Water Control Manual when it is made known to the Federal entity or official to which the funds are made available that such revision provides for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For carrying out activities authorized by the Central Utah Project Completion Act, $38,724,000, to remain available until expended, of which $19,158,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: Provided, That of the amounts deposited into that account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Central Utah Project Completion Act and $14,158,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under that Act.

In addition, for necessary expenses incurred in carrying out related responsibilities of the Secretary of the Interior, $1,216,000, to remain available until expended.

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

WATER AND RELATED RESOURCES

(INCLUDING TRANSFER OF FUNDS)

For management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance and rehabilitation of reclamation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and other agreements with, State and local governments, Indian tribes, and others, $655,192,000, to remain available until expended, of which $1,916,000 shall be available for transfer to the Upper Colorado River Basin Fund and $38,667,000 shall be available for transfer to the Lower Colorado River Basin Development Fund; of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund; of which $16,000,000 shall be for on-reservation water development, feasibility studies, and related administrative costs under Public Law 106–163; of which not more than 25 percent of the amount provided for drought emergency assistance may be used for financial assistance for the preparation of cooperative drought contingency plans under Title II of Public Law 102–250; and of which not more than $500,000 is for high priority projects which shall be carried out by the Youth Conservation Corps, as authorized by 16 U.S.C. 1706: Provided, That such transfers may be increased or decreased within the overall appropriation under this heading: Provided further, That of the total appropriated, the amount for program activities that can be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 460l–6a(i) shall be derived from that Fund or account: Provided further, That funds contributed under 43 U.S.C. 395 are available until expended for the purposes for which contributed: Provided further, That funds advanced under 43 U.S.C. 397a shall be credited to this account and are available until expended for the

same purposes as the sums appropriated under this heading: Provided further, That funds available for expenditure for the Departmental Irrigation Drainage Program may be expended by the Bureau of Reclamation for site remediation on a non-reimbursable basis: Provided further, That section 301 of Public Law 102–250, Reclamation States Emergency Drought Relief Act of 1991, as amended, is amended further by inserting ''2000, and 2001'' in lieu of ''and 2000'': Provided further, That the amount authorized for Indian municipal, rural, and industrial water features by section 10 of Public Law 89–108, as amended by section 8 of Public Law 99–294, section 1701(b) of Public Law 102–575, Public Law 105–245, and Public Law 106–60 is increased by $2,000,000 (October 1998 prices): Provided further, That the amount authorized for Minidoka Project North Side Pumping Division, Idaho, by section 5 of Public Law 81–864, is increased by $2,805,000: Provided further, That the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509) is amended as follows: (1) by inserting in Section 4(c) after ''1984,'' and before ''costs'' the following: ''and the additional $95,000,000 further authorized to be appropriated by amendments to that Act in 2000,''; (2) by inserting in Section 5 after ''levels),'' and before ''plus'' the following: ''and, effective October 1, 2000, not to exceed an additional $95,000,000 (October 1, 2000, price levels),''; and (3) by striking ''sixty days (which'' and all that follows through ''day certain)'' and inserting in lieu thereof ''30 calendar days''.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $8,944,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $27,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $425,000, to remain available until expended: Provided, That of the total sums appropriated, the amount of program activities that can be financed by the Reclamation Fund shall be derived from that Fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, $38,382,000, to be derived from such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f), and 3406(c)(1) of Public Law 102–575, to remain available until expended: Provided, That the Bureau of Reclamation is directed to assess and collect the full amount of the additional mitigation and restoration payments authorized by section 3407(d) of Public Law 102–575.

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration, and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $50,224,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: Provided, That no part of any other appropriation in this Act shall be available for activities or functions budgeted as policy and administration expenses.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed four passenger motor vehicles for replacement only.

SEC. 202. Funds under this title for Drought Emergency Assistance shall be made available primarily for leasing of water for specified drought related purposes from willing lessors, in compliance with existing State laws and administered under State water priority allocation. Such leases may be entered into with an option to purchase: Provided, That such purchase is approved by the State in which the purchase takes place and the purchase does not cause economic harm within the State in which the purchase is made.

GENERAL PROVISION

SEC. 203. (a) For fiscal year 2001 and each fiscal year thereafter, the Secretary of the Interior shall continue the funding of monitoring and research, as authorized by section 1807 of the Grand Canyon Protection Act of 1992 (106 Stat. 4672), at not more than $7,687,000, adjusted to reflect changes in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

(b) The activities to be funded as provided under subsection (a) include activities required to meet the requirements of subsections (a) and (b) of section 1805 of the Grand Canyon Protection Act of 1992 (106 Stat. 4672), including the requirements of the Biological Opinion on the Operation of Glen Canyon Dam and activities required by the Programmatic Agreement on Cultural and Historic Properties.

(c) To the extent that funding under subsection (a) is insufficient to pay the costs of the monitoring and research, the Secretary of the Interior may use funds appropriated to carry out section 8 of the Act of April 11, 1956 (commonly known as the ''Colorado River Storage Project Act'') (43 U.S.C. 620g), to pay those costs.

SEC. 204. Effective for fiscal year 2000, and each subsequent fiscal year, notwithstanding any other provision of law, no funds appropriated in this or any other act shall be expended to implement the policies articulated in the memorandum dated June 19, 2000, concerning the Middle Rio Grande Project, written by the Solicitor of the Department of the Interior to the Commissioner of the Bureau of Reclamation and the Director of the Fish and Wildlife Service, and the legal analysis referenced in the memorandum or any subsequent recommendations, directives or other correspondence including a letter referenced ALB–105 ENV–4.00, dated July 6, 2000, to the Chief Executive Officer of the Middle Rio Grande Conservancy District from the Albuquerque Area Manager of the Bureau of Reclamation addressing the issues raised by this Solicitor's memorandum except as may be provided in an agreement entered into by all affected holders of water rights within the Middle Rio Grande Conservancy District and which agreement has been approved by the New Mexico State Engineer, or as may be required by a final non-appealable court order.

Effective for fiscal year 2000, and each subsequent fiscal year, notwithstanding any other provision of law, no funds appropriated in this or any other Act shall be expended to implement the policies, recommendations and directives articulated in a letter referenced ENV–4.00, ALB–105, dated June 29, 2000, to the Chairman of the Board of Directors for the Fort Sumner Irrigation District from the Albuquerque Area Manager of the Bureau of Reclamation regarding the Fort Sumner Diversion Dam Water Operations except as may be provided in an agreement entered into by all affected holders of water rights within the Fort Sumner Irrigation District and which agreement has been approved by the New Mexico State Engineer, or as may be required by a final non-appealable court order.

SEC. 205. Section 202 of Division B, Title I, Chapter 2 of Public Law 106–246 is amended by adding at the end the following: ''This section shall be effective through September 30, 2001.''.

TITLE III

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY

(INCLUDING TRANSFER OF FUNDS)

For Department of Energy expenses including the purchase, construction and acquisition of plant and capital equipment, and other expenses necessary for energy supply, and uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 17 passenger motor vehicles for replacement only, $691,520,000 to remain available until September 30, 2002, of which $12,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund: Provided, That, in addition, royalties received to compensate the Department of Energy for its participation in the First-Of-A-Kind-Engineering program shall be credited to this account to be available until September 30, 2002 for the purposes of Nuclear Energy, Science and Technology activities.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction or expansion, $309,141,000, to remain available until expended.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $297,778,000, to be derived from the Fund, to remain available until expended: Provided, That $30,000,000 of amounts derived from the Fund for such expenses shall be available in accordance with title X, subtitle A, of the Energy Policy Act of 1992.

SCIENCE

For Department of Energy expenses including the purchase, construction and acquisition of plant and capital equipment, and other expenses necessary for science activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, and purchase of not to exceed 58 passenger motor vehicles for replacement only, $2,870,112,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed $51,163,000 of the funds appropriated herein may be obligated for the Small Business Innovation Research program and not to exceed $3,069,000 of the funds appropriated herein may be obligated for the Small Business Technology Transfer program.

NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $59,175,000, to remain available until expended and to be derived from the Nuclear Waste Fund: Provided, That not to exceed $2,500,000 may be provided to the State of Nevada solely for expenditures, other than salaries and expenses of State employees, to conduct scientific oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, (Public Law 97–425) as

amended: Provided further, That not to exceed $5,887,000 may be provided to affected units of local governments, as defined in Public Law 97–425, to conduct appropriate activities pursuant to the Act: Provided further, That the distribution of the funds as determined by the units of local government shall be approved by the Department of Energy: Provided further, That the funds for the State of Nevada shall be made solely to the Nevada Division of Emergency Management by direct payment and units of local government by direct payment: Provided further, That within 90 days of the completion of each Federal fiscal year, the Nevada Division of Environmental Management and the Governor of the State of Nevada and each local entity shall provide certification to the Department of Energy, that all funds expended from such payments have been expended for activities authorized by Public Law 97–425. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: Provided, That none of the funds herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multistate efforts or other coalition building activities inconsistent with the restrictions contained in this Act: Provided further, That all proceeds and recoveries by the Secretary in carrying out activities authorized by the Nuclear Waste Policy Act of 1982 in Public Law 97–425, as amended, including but not limited to, any proceeds from the sale of assets, shall be available without further appropriation and shall remain available until expended.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $210,128,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total $128,762,000 in fiscal year 2001 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 2001 so as to result in a final fiscal year 2001 appropriation from the General Fund estimated at not more than $81,366,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $28,988,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 12 for replacement only), $4,883,289,000, to remain available until expended.

DEFENSE NUCLEAR NONPROLIFERATION

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense, Defense Nuclear Nonproliferation activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $908,967,000, to remain available until expended: Provided, That not to exceed $5,000 may be used for official reception and representation expenses for national security and nonproliferation (including transparency) activities in fiscal year 2001.

NAVAL REACTORS

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense, Naval Reactor activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $694,600,000, to remain available until expended.

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Office of the Administrator of the National Nuclear Security Administration, including official reception and representation expenses (not to exceed $5,000), $10,000,000, to remain available until expended.

OTHER DEFENSE RELATED ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of 67 passenger motor vehicles for replacement only, $4,635,763,000, to remain available until expended: Provided, That any amounts appropriated under this heading that are used to provide economic assistance under section 15 of the Waste Isolation Pilot Plant Land Withdrawal Act (Public Law 102–579) shall be utilized to the extent necessary to reimburse costs of financial assurances required of a contractor by any permit or license of the Waste Isolation Pilot Plant issued by the State of New Mexico.

DEFENSE FACILITIES CLOSURE PROJECTS

For expenses of the Department of Energy to accelerate the closure of defense environmental management sites, including the purchase, construction and acquisition of plant and capital equipment and other necessary expenses, $1,082,297,000, to remain available until expended.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

For Department of Energy expenses for privatization projects necessary for atomic energy defense environmental management activities authorized by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), $324,000,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $579,463,000, to remain available until expended, of which $17,000,000 shall be for the Department of Energy Employees Compensation Initiative upon enactment of authorization legislation into law.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $292,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for the Nez Perce Tribe Resident Fish Substitution Program, the Cour D'Alene Tribe Trout Production facility, and for official reception and representation expenses in an amount not to exceed $1,500.

During fiscal year 2001, no new direct loan obligations may be made. Section 511 of the Energy and Water Development Appropriations Act, 1997 (Public Law 104–206), is amended by striking the last sentence and inserting, ''This authority shall expire September 30, 2005.''.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, including transmission wheeling and ancillary services, pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $3,900,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, amounts collected by the Southeastern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures as follows: for fiscal year 2001, up to $34,463,000; for fiscal year 2002, up to $26,463,000; for fiscal year 2003, up to $20,000,000; and for fiscal year 2004, up to $15,000,000.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $28,100,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $4,200,000 in reimbursements, to remain available until expended: Provided, That amounts collected by the Southwestern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures as follows: for fiscal year 2001, up to $288,000; for fiscal year 2002, up to $288,000; for fiscal year 2003, up to $288,000; and for fiscal year 2004, up to $288,000.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7152), and other related

activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, $164,916,000, to remain available until expended, of which $154,616,000 shall be derived from the Department of the Interior Reclamation Fund: Provided, That of the amount herein appropriated, $5,950,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: Provided further, That amounts collected by the Western Area Power Administration pursuant to the Flood Control Act of 1944 and the Reclamation Project Act of 1939 to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures as follows: for fiscal year 2001, up to $42,500,000; for fiscal year 2002, up to $33,500,000; for fiscal year 2003, up to $30,000,000; and for fiscal year 2004, up to $20,000,000.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, $2,670,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $175,200,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed $175,200,000 of revenues from fees and annual charges, and other services and collections in fiscal year 2001 shall be retained and used for necessary 2001 expenses in this account, and shall remain available until expended: Provided further, That the sum herein appropriated from the General Fund shall be reduced as revenues are received during fiscal year 2001 so as to result in a final fiscal year 2001 appropriation from the General Fund estimated at not more than $0.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

SEC. 301. (a) None of the funds appropriated by this Act for Department of Energy programs may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation unless, on a case-by-case basis, a waiver to allow for such a deviation is granted.

(b) The Administrator of the National Nuclear Security Administration shall have the exclusive waiver authority for activities under ''Atomic Energy Defense Activities, National Nuclear Security Administration'' and may not delegate the authority to grant such a waiver. The Secretary of Energy shall have the exclusive waiver authority for all other activities which may not be delegated.

(c) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver as provided for in subsection (b), the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

(d) At least 60 days before a contract award, amendment, or modification for which the Administrator of the National Nuclear Security Administration intends to grant such a waiver as provided in subsection (b), the Administrator shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

SEC. 302. (a) None of the funds appropriated by this Act under ''Atomic Energy Defense Activities, National Nuclear Security Administration'' may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation, unless the Administrator of the National Nuclear Security Administration grants, on a case-by-case basis, a waiver to allow for such a deviation. The Administrator may not delegate the authority to grant such a waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Administrator intends to grant such a waiver, the Administrator shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

SEC. 303. None of the funds appropriated by this Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or

(2) provide enhanced severance payments or other benefits for employees of the Department of Energy, under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2644; 42 U.S.C. 7274h).

SEC. 304. None of the funds appropriated by this Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 305. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 306. Notwithstanding 41 U.S.C. 254c(a), the Secretary of Energy may use funds appropriated by this Act to enter into or continue multi-year contracts for the acquisition of property or services under the head, ''Energy Supply'' without obligating the estimated costs associated with any necessary cancellation or termination of the contract. The Secretary of Energy may pay costs of termination or cancellation from—

(1) appropriations originally available for the performance of the contract concerned;

(2) appropriations currently available for procurement of the type of property or services concerned, and not otherwise obligated; or

(3) funds appropriated for those payments.

SEC. 307. Of the funds in this Act provided to government-owned, contractor-operated laboratories, up to 6 percent shall be available to be used for Laboratory Directed Research and Development: Provided, That the funds in the Environmental Management programs of the Department of Energy are available for Laboratory Directed Research and Development.

SEC. 308. (a) Of the funds appropriated by this title to the Department of Energy, not more than $200,000,000 shall be available for reimbursement of management and operating contractor travel expenses.

(b) Funds appropriated by this title to the Department of Energy may be used to reimburse a Department of Energy management and operating contractor for travel costs of its employees under the contract only to the extent that the contractor applies to its employees the same rates and amounts as those that apply to Federal employees under subchapter I of chapter 57 of title 5, United States Code, or rates and amounts established by the Secretary of Energy. The Secretary of Energy may provide exceptions to the reimbursement requirements of this section as the Secretary considers appropriate.

SEC. 309. (a) None of the funds in this Act or any future Energy and Water Development Appropriations Act may be expended after December 31 of each year under a covered contract unless the funds are expended in accordance with a Laboratory Funding Plan that has been approved by the Administrator of the National Nuclear Security Administration. At the beginning of each fiscal year, the Administrator shall issue directions to the laboratories for the programs, projects, and activities to be conducted in that fiscal year. The Administrator and the Laboratories shall devise a Laboratory Funding Plan that identifies the resources needed to carry out these programs, projects, and activities. Funds shall be released to the Laboratories only after the Administrator has approved the Laboratory Funding Plan. The Administrator of the National Nuclear Security Administration may provide exceptions to this requirement as the Secretary considers appropriate.

(b) For purposes of this section, ''covered contract'' means a contract for the management and operation of the following laboratories: Lawrence Livermore National Laboratory, Los Alamos National Laboratory, and Sandia National Laboratories.

SEC. 310. Section 310(b) of Public Law 106–60 (113 Stat. 496) is amended by striking ''Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Oak Ridge National Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories.'' in paragraph (b), and inserting ''Oak Ridge National Laboratory, and Pacific Northwest National Laboratory.''.

SEC. 311. None of the funds provided in this Act may be used to establish or maintain independent centers at a Department of Energy laboratory or facility unless such funds have been specifically identified in the budget submission.

SEC. 312. None of the funds made available in this or any other Act may be used to restart the High Flux Beam Reactor.

SEC. 313. None of the funds in this Act may be used to dispose of transuranic waste in the Waste Isolation Pilot Plant which contains concentrations of plutonium in excess of 20 percent by weight for the aggregate of any material category on the date of the enactment of this Act, or is generated after such date.

SEC. 314. TERM OF OFFICE OF PERSON FIRST APPOINTED AS UNDER SECRETARY FOR NUCLEAR SECURITY OF THE DEPARTMENT OF ENERGY. (a) LENGTH OF TERM.—The term of office as Under Secretary for Nuclear Security of the Department of Energy of the first person appointed to that position shall be three years.

(b) EXCLUSIVE REASONS FOR REMOVAL.—The exclusive reasons for removal from office as Under Secretary for Nuclear Security of the person described in subsection (a) shall be inefficiency, neglect of duty, or malfeasance in office.

(c) POSITION DESCRIBED.—The position of Under Secretary for Nuclear Security of the Department of Energy referred to in this section is the position established by subsection (c) of section 202 of the Department of Energy Organization Act (42 U.S.C. 7132), as added by section 3202 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 954)).

SEC. 315. SCOPE OF AUTHORITY OF SECRETARY OF ENERGY TO MODIFY ORGANIZATION OF NATIONAL NUCLEAR SECURITY ADMINISTRATION. (a) SCOPE OF AUTHORITY.—Subtitle A of the National Nuclear Security Administration Act (title

XXXII of Public Law 106–65; 113 Stat. 957; 50 U.S.C. 2401 et seq.) is amended by adding at the end the following new section:

''SEC. 3219. SCOPE OF AUTHORITY OF SECRETARY OF ENERGY TO MODIFY ORGANIZATION OF ADMINISTRATION.

''Notwithstanding the authority granted by section 643 of the Department of Energy Organization Act (42 U.S.C. 7253) or any other provision of law, the Secretary of Energy may not establish, abolish, alter, consolidate, or discontinue any organizational unit or component, or transfer any function, of the Administration, except as authorized by subsection (b) or (c) of section 3291.''.

(b) CONFORMING AMENDMENTS.—Section 643 of the Department of Energy Organization Act (42 U.S.C. 7253) is amended—

(1) by striking ''The Secretary'' and inserting ''(a) Subject to subsection (b), the Secretary''; and

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

''(b) The authority of the Secretary to establish, abolish, alter, consolidate, or discontinue any organizational unit or component of the National Nuclear Security Administration is governed by the provisions of section 3219 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65).''.

SEC. 316. PROHIBITION ON PAY OF PERSONNEL ENGAGED IN CONCURRENT SERVICE OR DUTIES INSIDE AND OUTSIDE NATIONAL NUCLEAR SECURITY ADMINISTRATION. Subtitle C of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 50 U.S.C. 2441 et seq.) is amended by adding at the end the following new section:

''SEC. 3245. PROHIBITION ON PAY OF PERSONNEL ENGAGED IN CONCURRENT SERVICE OR DUTIES INSIDE AND OUTSIDE ADMINISTRATION.

''(a) Except as otherwise expressly provided by statute, no funds authorized to be appropriated or otherwise made available for the Department of Energy may be obligated or utilized to pay the basic pay of an officer or employee of the Department of Energy who—

''(1) serves concurrently in a position in the Administration and a position outside the Administration; or

''(2) performs concurrently the duties of a position in the Administration and the duties of a position outside the Administration.''

''(b) The provision of this section shall take effect 60 days after the date of enactment of this section.''.

SEC. 317. The Administrator of the National Nuclear Security Administration may authorize the plant manager of a covered nuclear weapons production plant to engage in research, development, and demonstration activities with respect to the engineering and manufacturing capabilities at such plant in order to maintain and enhance such capabilities at such plant: Provided, That of the amount allocated to a covered nuclear weapons production plant each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs, not more than an amount equal to 2 percent of such amount may be used for these activities: Provided further, That for purposes of this section, the term ''covered nuclear weapons production plant'' means the following:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Y–12 Plant, Oak Ridge, Tennessee.

(3) The Pantex Plant, Amarillo, Texas.

SEC. 318. LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH AND WILDLIFE, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED. Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

''(n) LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH AND WILDLIFE, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.—Notwithstanding any other provision of this section, rates established by the Administrator, under this section shall recover costs for protection, mitigation and enhancement of fish and wildlife, whether under the Pacific Northwest Electric Power Planning and Conservation Act or any other Act, not to exceed such amounts the Administrator forecasts will be expended during the fiscal year 2002–2006 rate period, while preserving the Administrator's ability to establish appropriate reserves and maintain a high Treasury payment probability for the subsequent rate period.''.

SEC. 319. Notwithstanding any other law, and without fiscal year limitation, each Federal Power Marketing Administration is authorized to engage in activities and solicit, undertake and review studies and proposals relating to the formation and operation of a regional transmission organization.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission, for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $66,400,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $18,500,000, to remain available until expended.

DELTA REGIONAL AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to establish the Delta Regional Authority and to carry out its activities, $20,000,000, to remain available until expended, subject to enactment of authorization by law.

DENALI COMMISSION

For expenses of the Denali Commission including the purchase, construction and acquisition of plant and capital equipment as necessary and other expenses, $30,000,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including official representation expenses (not to exceed $15,000), $481,900,000, to remain available until expended: Provided, That of the amount appropriated herein, $21,600,000 shall be derived from the Nuclear Waste Fund: Provided further, That revenues from licensing fees, inspection services, and other services and collections estimated at $457,100,000 in fiscal year 2001 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That $3,200,000 of the funds herein appropriated for regulatory reviews and assistance to other Federal agencies and States shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2001 so as to result in a final fiscal year 2001 appropriation estimated at not more than $24,800,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $5,500,000, to remain available until expended: Provided, That revenues from licensing fees, inspection services, and other services and collections estimated at $5,500,000 in fiscal year 2001 shall be retained and be available until expended, for necessary salaries and expenses in this account: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2001 so as to result in a final fiscal year 2001 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100–203, section 5051, $3,000,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

TITLE V

FISCAL YEAR 2000 SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

CERRO GRANDE FIRE ACTIVITIES

For necessary expenses for fiscal year 2000 to remediate damaged Department of Energy facilities and for other expenses associated with the Cerro Grande fire, $203,460,000, to remain available until expended and to become available upon enactment: Provided, That the entire amount shall be available only to the extent an official budget request for $204,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

TITLE VI

RESCISSION

DEPARTMENT OF ENERGY

DEFENSE NUCLEAR WASTE DISPOSAL

(RESCISSION)

Of the funds appropriated in Public Law 104–46 for interim storage of nuclear waste, $85,000,000 are transferred to this heading and are hereby rescinded.

TITLE VII

GENERAL PROVISIONS

SEC. 701. None of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in section 1913 of title 18, United States Code.

SEC. 702. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in

America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 703. (a) None of the funds appropriated or otherwise made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

(b) The costs of the Kesterson Reservoir Cleanup Program and the costs of the San Joaquin Valley Drainage Program shall be classified by the Secretary of the Interior as reimbursable or nonreimbursable and collected until fully repaid pursuant to the ''Cleanup Program—Alternative Repayment Plan'' and the ''SJVDP—Alternative Repayment Plan'' described in the report entitled ''Repayment Report, Kesterson Reservoir Cleanup Program and San Joaquin Valley Drainage Program, February 1995'', prepared by the Department of the Interior, Bureau of Reclamation. Any future obligations of funds by the United States relating to, or providing for, drainage service or drainage studies for the San Luis Unit shall be fully reimbursable by San Luis Unit beneficiaries of such service or studies pursuant to Federal Reclamation law.

SEC. 704. Section 6101(a)(3) of the Omnibus Budget Reconciliation Act of 1990, as amended (42 U.S.C. 2214(a)(3)) and Public Law 106–60 (113 Stat. 501), is further amended by striking ''September 30, 2000'' and inserting ''September 30, 2001''.

SEC. 705. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

SEC. 706. (a) Sections 5105, 5106 and 5109 of Division B of an Act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes (Public Law 106–246), are repealed.

(b) Subsection (a) shall take effect on the date of enactment of this Act.

This Act may be cited as the ''Energy and Water Development Appropriations Act, 2001''.

Pending:

Domenici amendment No. 4032, to strike certain environmental-related provisions.

Schumer/Collins amendment No. 4033, to establish a Presidential Energy Commission to explore long- and short-term responses to domestic energy shortages in supply and severe spikes in energy prices.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have a request that the leader asked me to make that has been cleared on both sides.

I ask unanimous consent that immediately following the Thursday morning vote relative to the Missouri River provision in the energy and water appropriations bill, the Senate then proceed to a vote on the adoption of the motion to proceed on H.R. 4444, notwithstanding the provisions of rule XXII.

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

Mr. DOMENICI. Mr. President, I ask unanimous consent that with respect to the energy and water appropriations bill, all first-degree amendments must be filed at the desk by 6:30 p.m. this evening, with the exception of up to five amendments each to be filed by Senator DOMENICI of New Mexico and Senator REID of Nevada, and those be filed no later than 7:30 p.m. tonight, and that all first-degree amendments be subject to relevant second-degree amendments.

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

Mr. DOMENICI. Mr. President, I note the presence of the distinguished Senator from the State of Missouri, Mr. BOND. I say to the Senate, since the amendment that we are now going to take up for up to 3 hours this evening has to do with the upper and lower Missouri River debate, I am not going to manage any of that. I am going to let the management be in the hands of Senator KIT BOND, if he does not mind, in my stead. I join him in his effort. He knows that. But nonetheless, it is his issue. I prefer to have him managing it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4081

Mr. DASCHLE. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for Mr. BAUCUS, for himself, Mr. DASCHLE, and Mr. JOHNSON, proposes an amendment numbered 4081.

Mr. DASCHLE. Mr. President, 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:

(Purpose: To strike the section relating to revision of the Missouri River Master Water Control Manual)

On page 58, strike lines 6 through 13.

The PRESIDING OFFICER. There are 3 hours of debate on this amendment.

The Democratic leader.

Mr. DASCHLE. I thank the Presiding Officer.

Mr. President, this issue really has a very fundamental premise. The issue is: Can we use the best information available to us to manage the Missouri River, to manage it in a way that recognizes the sensitive balance that exists today—environmentally, industrially, agriculturally, recreationally? Can we take the best information we have available to us and put together the best management plan recognizing that balance? That is the essence of the question before us.

My distinguished colleague from Missouri, Senator BOND, has said: I don't want the Corps of Engineers to alter the manual that has been used now for more than 40 years. His view is that the manual that was written in the 1950s and adopted in approximately 1960 ought to be the manual that we use from here on out, and he wants to stop in its tracks any effort to consider whether or not the Missouri River management reflects today that sensitive balance.

I think it is wrong to say to the Corps of Engineers—to say to any Federal agency—we don't want you to look at the facts. We don't want you to look at the information. We don't want you to take into account that delicate balance. We want you to blindly follow whatever decisions you made in 1960—I might add, before even all the dams on the Missouri River were built—and we want you to follow that verbatim.

We can't afford to do that. The decisions that we make on the Missouri affect the decisions we make on the Mississippi and on virtually every other river in this country. For us to freeze in place whatever decisions may have been made decades ago, and say it must not change, is putting our head in the sand and, I must say, endangering the health and the very essence of the river for years, if not decades, to come.

It was in 1804 that Meriwether Lewis and William Clark set out on their Corps of Discovery expedition to explore the Missouri River and search for a passage to the Pacific Ocean.

Stephen Ambrose wrote an extraordinary book, ''Undaunted Courage,'' that I just reread over the summer. I must say, I do not know that there is a better book about what they found and the splendor that they discovered having traversed the entire Missouri River.

Along this expedition, Lewis and Clark encountered a wild river, teeming with fish and wildlife, that rose every spring to carry the snowmelt from the Rocky Mountains and shrank back in the summer as part of the ancient and natural flow cycle. That is what the river did; that is what most rivers do.

Since that historic trip, we have constructed six major dams and we have forever changed the flow and the character of that river. The last earthen dam was completed during the administration of John F. Kennedy. To manage the dams, the Corps produced, in 1960, as I noted a moment ago, a management plan, that we call the master manual. That manual caters primarily

to barge traffic on the Missouri River at the expense, virtually, of everything else, at the expense of fish and wildlife, at the expense of agriculture, at the expense of recreation, at the expense of ecological considerations, at the expense of the environment, at the expense of people virtually north of the State of Missouri.

What is amazing to me is that we do this with the recognition that the barge industry today is minuscule, valued at $7 million—that is million with an ''m''—and it transports less than 1 percent of all agricultural goods transported in the upper Midwest. Talk about the tail wagging the dog. This is the tip of the tail wagging the tail and the dog. The legs, the head, you name it, it is all wagging because of the tip of the tail.

These charts reflect the current circumstances on the river. This is the barge traffic that was first projected. They thought, when they wrote the master manual, that about 12 million tons of traffic would be carried by barge on the river on an annual basis. That was the estimate when the manual was written in 1960. I was about 10 years old, I suppose, when that manual was written. The Corps, of course, did the best they could projecting what they thought would be the level of traffic, 12 million tons. But as oftentimes is the case, they made a mistake. It wasn't 12 million tons. By 1977, it was only 3 million tons. And guess what. Current traffic is not 12, it is not 3, it is 1.5. That is all the traffic there is, 1.5 million tons, representing three-tenths of 1 percent of all agricultural traffic.

What is really amazing—as I said a moment ago, is that this is a classic example of the tip of the tail wagging the rest of the tail and all of the dog. Look who has sacrificed. Navigation provides roughly $7 million in benefits annually, compared to $85 million in recreational benefits. It compares to $415 million in flood control, $542 million in water supply projects and priorities of all kinds, and $677 million, two-thirds of $1 trillion, in hydropower. Yet we have written a manual, incredibly, that says we are going to let this minuscule $7 million industry dictate what is best for the 85, the 415, the 542, and the $677 million. Figure that out. Who in his right mind would say that somehow we ought to let that minuscule amount dictate what is best. Forget the ecological and environmental factors for a moment.

I go back to my original point. Barge traffic today is three-tenths of 1 percent. If I had not magnified this slice, you couldn't even find it in this pie. Roughly 99.7 percent of all agriculture produced in the Upper Midwest doesn't go by barge. How does it go? It goes the way the rest of the country. It goes by rail and by truck. So why would we threaten to throw even more out of kilter the ecological priorities of the river by putting barge traffic first? Why would we endanger hydropower, water supply, flood control, and recreation? I cannot answer that question.

But that is not even the question we are facing tonight. There are those on the other side who have said: We don't care what factors are out there. We don't care what percentage is barge traffic. We will not even let the Corps consider, even think about the possibility of changing the master manual, regardless of the facts. Don't confuse us with the facts. We are going to protect the barge industry, and it does not matter what the costs are.

We will have to face extraordinarily problematic ramifications of this provision for all of these other very critical priorities, including the ecology of the river. Three endangered species are headed towards extinction: the piping plover, the least interior tern, and the pallid sturgeon. Two fish species are candidates for listing on the endangered species list. But that isn't the only thing this fight is about. What this fight is all about is whether or not we can recognize the delicate balance that exists today.

This fight is not about endangered species. This fight is about an endangered river. This fight is about whether or not the health of the Missouri can be secured. That is what this fight is about. This fight is about restoring balance to management of the river. We will never go back to the days of Lewis and Clark, the pre-dam period. That will never happen. But there are things we can do through good management that will give us the opportunity to make the river as vibrant as it can be. But we cannot do it if the current provision in this bill stays intact and becomes law.

Recognizing that, the question is whether or not we will let the Corps be the Corps, whether or not we will allow the Corps to go through the legal process involved in evaluating what is best for the river and change the management plan to reflect a more fair balance.

That is all we are asking. Let us come up with a plan that allows us in the most complete way to analyze what is happening to the river, what is best for the river, what can be done in Montana and the Dakotas and Iowa and Missouri and all the way up and down the Missouri River to ensure that the health and vitality of that river can be sustained and even improved upon. That is what the Corps is trying to do.

What the Corps is simply trying to do is to say, look, we can do a better job than we did in the 1950s and 1960s in managing this river. We can reflect the new balance, and the recognition must be made that things have changed dramatically since the fifties and sixties. We need to reflect that change in the master manual itself.

Here is the process; the process is pretty simple. A preliminary draft of the EIS, environmental impact statement, was completed all the way back in 1998. Following that, there was a coordination and public comment period that lasted through January of 1999. That period allowed tribal and public officials to respond to the preliminary revised draft of the environmental statement. Then we went on to the fish and wildlife consultation and biological opinion phase, which some of our colleagues on the other side of the aisle tried to stop just recently. They wanted to kill that, to move it so we would not have the opportunity to consider very carefully what the scientists and biological experts have said about the quality of life on the Missouri today. They wanted to kill it.

Thanks to the Director of the Corps, Joe Westphal, and others, we are now in a position to at least hear what the scientists have had to say, and we will have that report by November 1. Following that, there will be a revised draft of the environmental impact statement. They will take into account all of the comments made by those who are concerned on all sides. They will take into account this coordination and what comments public officials have made, in particular. They will then take into account fish and wildlife and biological opinions.

When all of that has been gathered, we will then revise the draft and make available to the public a draft for additional comment for 6 months. We then see the final environmental impact statement after a 6-month tribal and public comment period. Washington will then review all of those comments. A record of decision will be made and the revise of the master manual will then be implemented. Those are all the steps.

This is like a court of law. This is like any other legal process. There are a number of very important steps that we apply in all cases—in all cases where difficult decisions involving critical public policy have to be made. We make these steps for a reason. We want public comment. We want scientific input, the best decisions from governmental leaders at all levels. We want to do that with the full involvement in a democracy of everyone who cares and everyone who has some responsibility.

But here is what happens. Under the provision currently in the bill, there is a big red stop sign on this process. It says: You are not going to do any of this. We are going to stop you in your tracks. We are not going to let you go through that process. We are not going to allow public comment and the array of other opportunities for public involvement. We are not going to have that process. It is over. That is what this amendment says; that is what the provision in the bill says.

So I have to say it is extraordinarily damaging to the river to have this attitude. It is such an important issue involving so many priorities—environmental, ecological, industrial, recreational, agricultural—because it is endangering the interests of our country in such a profound way on this river. This administration has said, without equivocation, it will be vetoed if this provision is still in the bill. That is how strongly the administration

feels about it. It will be vetoed. So we can play this game as long as our colleagues wish to do so. But let's make one thing clear. This will not become law. This will not become law because it is just too important.

I don't fully appreciate the reasons my colleagues on the other side of the aisle are opposed to even allowing the process to go forward, given what I have said is this multistep opportunity for careful consideration of all the options. But it goes down to, as I said in the beginning, a need on the part of some to protect this minuscule barge industry regardless of all of its ramifications on everything and everybody else.

But as I understand it, there are those on the other side who are opposed because they understand that what has happened is that there has been some effort to find this new balance. This new balance is a recognition of all of the different factors that need to be calculated, in part, through the Fish and Wildlife Service and, in part, through the Corps of Engineers and, in part, through States' direct involvement.

What has been proposed is that the Corps slightly revise its master manual to increase spring flows, known as a ''spring rise,'' once every 3 years—not every year, but once every 3 years they would increase the spring rise in an effort to attempt to bring back a natural flow, a natural rejuvenation of the river as we have understood it prior to the time the dams were built. They would reduce summer flows, known as a ''split season,'' every year.

The spring rise and the split season roughly mimic the natural flow of the river, which increase in the spring due to snowmelt and sharply decline in the summer, beginning around July 1. It is as Lewis and Clark found it. We can't go back to Lewis and Clark. Nobody is suggesting that. What we are attempting to do, however, is to show once again that there is this balance, this need to recognize that if we are going to keep the river healthy, we have to allow it to do what it once did, prior to the time the dams were built. This is the flow pattern under which native species developed, which is absolutely critical to their very survival—not just the three endangered species, but all species on the river.

The spring rise is needed to scour sandbars clean of vegetation so they can be used by endangered birds for nesting habitat.

The spring rise also signals native fish species that it is time to spawn. This is the green light. They see these spring rises, and that triggers to the species that they can spawn. When they don't have that spring rise, the whole natural cycle is put out of whack. That is what has been happening year after year and decade after decade.

The low summer flows, or split season, exposes the sandbars during the critical nesting time, so that the birds have sufficient room to nest and so that the nests don't get flooded. To prevent any potential downstream flooding, the Corps, Fish and Wildlife Service, and others, have already thought about addressing the concern of some downstream who are understandably concerned about flooding. They would simply eliminate this plan from implementation during the 10 percent highest flow years—eliminate it; it would not happen. Changes would not be implemented during the 25 percent lowest flow ''drought'' years.

So this plan would not harm Mississippi River navigation. We have already conceded that. This is the balance. This is an effort to try to find middle ground. We are going to say we will lop off the top 10 percent and the top 25 percent; we will deal with those normal years in the middle. Once consultation between the Corps and Fish and Wildlife Service is completed, the Corps then still will take into account other suggestions made during the public comment period.

There are so many beneficiaries of this plan. Naturally, the river itself is the biggest beneficiary.

The river itself—not species on the river, not those living along the river, not the States upstream, but the river—will be the prime beneficiary of this effort. Why? For the reasons I have just stated—because we want to find a way to bring balance back into the management. We want to find middle ground in an effort to recognize all uses on the river.

Downstream farmers will benefit from better drainage from fields during the summertime. That is a given. The public will have greater opportunities to recreate up and down the river. Even the Mississippi barge industry will benefit from the changes that are being called on for the Missouri River.

I wish to take a few minutes to talk briefly about each of those benefits.

First, with regard to the river itself, the combination of the spring rise and flood season will help restore the health of the river and recover from the dangerous imbalance that we have with regard to all species on the river today.

According to the Fish and Wildlife Service's draft opinion and the Corps of Engineers' revised draft environmental impact statement of 1998, high spring flows will signal native fish species to spawn, flush detrital food into the river, inundate side channels for young fish habitat, and build up the sandbars in the river channel for the tern and plover nesting habitat, and provide a greater area for the endangered birds to nest, as well as for all birds.

The 600-page draft of the Fish and Wildlife Service opinion is based on hundreds of published peer review studies. The opinion itself was a peer review by a panel of experts who supported all of those conclusions.

The fact is that whether or not we give the Missouri River the chance to survive, to flourish, to be healthy again depends in large measure on whether or not we as Senators will allow the Corps, the Fish and Wildlife Service, and all affected governmental authorities to recognize the importance of proper balance; to recognize that what we decided to do in 1960 does not now apply and should not be used to manage the river in the next century; to recognize that if we are going to take all of the economic and environmental concerns and put them in proper balance, we have to revise the manual. To say that the Corps will be prohibited from doing so is just bad, bad policy.

We recognize that maybe the barge industry on the Missouri—not the Mississippi barge industry—will be hurt by this. But we recognize that this minuscule three-tenths of 1 percent should not dictate all of the other uses of this river, or any river. We shouldn't let the tip of the tail wag the tail and the dog. But that is what is happening today. That is what this legislation would do. That is why it is so important that we strike it when we have the vote. That is why I feel so strongly about this issue.

There is one other factor as we look at the barge industry itself that is perplexing. Barge benefits on the river economically are about $7 million. The subsidies to the barge industry last year exceeded the total benefits of the industry itself. There is $8 million in subsidies to the barge industry even recognizing that the industry generated $7 million in benefits. Not only do we have managerial concerns, not only do we have concerns reflecting the life and health of one of the most important rivers in the United States of America, we ought to have taxpayer concerns. Why in Heaven's name are we subsidizing a $7 million barge industry with an $8 million subsidy? That one I don't understand. But that is why we are having this debate.

I am very appreciative of the leadership shown by the senior Senator from Montana, Mr. BAUCUS, who has been the preeminent environmentalist and environmental leader, as ranking member of the Committee on Environment and Public Works. I am grateful for his presence on the floor, as well as my colleague from South Dakota, Senator JOHNSON, who has been an extraordinary advocate of the effort that we have made now for several months to ensure that the Missouri River has the future that it deserves.

I yield the floor. I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I certainly concur with my friend from South Dakota on the great words he said about Stephen Ambrose's book, ''Undaunted Courage.'' I know the occupant of the chair read it. A lot of the guys who started out in my State wound up in the State of Oregon. It is truly a masterful piece of work and a wonderful piece of history.

I had a great, great, great, great-grandfather who was one of the fellows who poled the barges up the river. He wasn't sufficiently outstanding to get his name in the book. But it is quite an honor to have somebody who went up the river who was with Lewis and Clark. So I have been a great devotee of the river and have followed it a good bit.

I was really interested to hear the Senator from South Dakota talk about what we were trying to do to hurt the poor old river. The minority leader claims the provision that he seeks to strike would stop any changes in the Missouri River manual and would keep the plans just as they have been for 50 years.

So I thought to myself: Gee, that wasn't the section that I put in. Maybe they changed it somehow in the writing of it. So I went back and read section 103. This is the provision that would be stricken. It says:

None of the funds made available in this Act may be used to revise the Missouri River Master Water Control Manual when it has been made known to the Federal entity or official to which the funds are made available that such revision provides for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

What it says is that you can't implement a plan to increase flooding during spring flood season on the Missouri River during the course of 2001.

Contrary to what you have just heard, any other aspect of the process to review and amend the operation of the Missouri River, to change the Missouri River manual, to consider the opinions, to discuss, to debate, to continue the vitally important research that is going on now on the river and how we can improve its habitat will continue.

I have been proud to sponsor the Mississippi and Missouri River Habitat Improvement Program in which we funded the Corps of Engineers to make changes to improve the river and to bring it back more to its natural state. It is not going to be all the way back to its natural state but to provide conservation opportunities, to provide spawning habitats, nesting habitats for birds, the kind of habitat we want to encourage the biological diversity on the river.

The U.S. Geological Survey has an environmental research arm that is studying the river to find out what really works. Do you know something. That work is going on. Those studies are being pursued. They have some interesting information that they don't have a conclusion on yet. It is not the spring rise that would improve the habitat. Perhaps it is the gravel bars on side channels. That looks promising. This work can continue; so can all of the work under the National Environmental Policy Act to develop an environmental impact statement. Any other change to the manual can continue. Analysis and public comment can continue.

The provision is clear. It tells the U.S. Government that the ''risky scheme'' of increasing the height of the river in the flood-prone spring months is one option and the only option that cannot be implemented during the coming year because it is too dangerous.

This is the fifth time that we have put forward this prohibition. It has been signed into law four times previously by this President.

Why is it so important this year? Because the U.S. Fish and Wildlife Service decided to short circuit the process, to jump over all of the proceedings, the hearings, the studies, that the Corps of Engineers has carried out.

They issued what I guess is called in an authoritarian, Communist government, a diktat, a letter, on July 12 to the Corps of Engineers: You will change the manual to have a spring rise, the spring surge.

They were the ones who wanted to skip over the process. They were the ones dictating to the Corps—despite the public comment, despite all the other information—they should implement that.

We have spring rises on the Missouri River. This chart shows 1999. In March and April the river rises. These are the rises at different stages of the river. We have spring rises. We already do because there are many tributaries coming in. Perhaps we don't have quite the floods in some years that we did because there have been dams built to reduce the danger of flooding and to reduce somewhat the loss of life and the damage to property and communities.

We already have a spring rise because of tributaries, including the Platte and the Kansas, the Tarkio, the Blue, the Gasgonade, and others. That spring rise results in frequent flooding. And the more water released at Gavins Point, the greater the flood risk.

Since when should this deliberative body, the U.S. Congress, say we should encourage a Federal agency to take a premeditated action to increase flood risk when there is no scientific evidence that it will have the benefit for endangered species that is proposed.

This is untenable for farmers living along the river. One-third of the commodities of Missouri are grown in the floodplains of the Missouri and Mississippi Rivers. It is untenable for mayors who want their communities and their critical infrastructure protected. It is imperative for the families who do not want to lose their family members in floods. Some who don't live in areas of flood may not know but floods do take lives. Floods are deadly. Floods are devastating. I have witnessed the aftermath of too many floods. I have seen the heartbreak and devastation, not just the loss of homes. I have seen families who have lost a parent, lost a child, in floods.

Agricultural groups, flood control groups, have supported our position very strongly. It is not a complicated issue. It is certainly not a partisan issue. The Governor of Missouri is a Democrat. The Democratic mayors of St. Louis and Kansas City support this provision. The Southern Governors Association supports this provision because of the impact of the Missouri River on the Mississippi River and its lower tributaries.

Make no mistake about it, the impact of this spring flood is serious on the traffic on the Mississippi River.

I ask unanimous consent to have printed in the RECORD letters regarding this issue.

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

SOUTHERN GOVERNORS' ASSOCIATION,
Washington, DC, August 29, 2000.

Hon. TRENT LOTT,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Hon. TOM DASCHLE,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATORS: On behalf of the Southern Governors' Association, I am writing to express concerns about proposed plan by the Fish and Wildlife Service for a springtime rise of 17,500 cubic feet per second in the Missouri River at Gavins Point Dam. This plan has the potential to harm citizens and agricultural activities along the lower portion of the Missouri River and urge your support for restricting this spring rise proposal.

If the current plan is implemented and these states incur significantly heavy rains during the rise, there is a real risk that farms and communities along the lower Missouri River will suffer serious flooding. In addition, a spring rise has a negative effect on agriculture land. Sustaining high river flow rates over several consecutive weeks will exacerbate the problems of wetness and poor drainage historically experienced by farmers along the river, limiting the productivity and accessibility of floodplain crop lands.

Finally, the proposal for a spring rise also brings harm to Mississippi River states and users of the nation's inland waterway system. Any spring rise in April or May puts additional water in the Mississippi River when it is normally high and does not need the extra water. This spends water out of a limited water budget in the Missouri River Basin and ends up subtracting water out of the Mississippi during the summer or fall when the water is needed for river commerce.

We appreciate your serious attention to these concerns and urge your support for a restriction on the spring rise proposal.

Sincerely,

MIKE HUCKABEE.

OFFICE OF THE GOVERNOR,
STATE OF MISSOURI,
Jefferson City, August 17, 2000.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing regarding recent developments surrounding efforts to revise the Missouri River Master Manual. Specifically, I am concerned about proposed plans by the Fish and Wildlife Service outlined in letters to the Corps of Engineers dated March 28, 2000 and July 12, 2000. The July 12 letter directs the Corps of Engineers to implement major changes in operations affecting both the Missouri and Mississippi Rivers while circumventing the public review processes required by law.

I respectfully request your immediate assistance in directing the Service to reevaluate its plan and to commit to a more open process that conforms to the public involvement requirements of the National Environmental Policy Act. Further, there are legislative efforts underway to prohibit the Service from initiating its plan at this time, and I request your support of those efforts.

Absent a change in the Service's plan, it is likely that efforts to restore endangered species along the river will be damaged, an increase in the risk of flooding river communities and agricultural land will occur, and states along the river will suffer serious economic damage to their river-based transportation and agricultural industries.

There are numerous problems with the plan as proposed by the Service that may actually harm endangered species rather than help them recover. The plan calls for a significant drop in water flow during the summer. The months of June and July are, in fact, the two highest flow months under natural pre-dam conditions primarily because of mountain snow melt combined with downstream rainfall. Unfortunately, the mistiming of the Service's plan will allow predators to reach river islands on which endangered terns and plovers nest giving predators access to the young still in the nests. Predation is discussed in the species recovery plans as one of the significant impediments to restoration of healthy tern and plover populations.

In addition, model runs of the Fish and Wildlife Service's proposal indicate substantially greater water storage behind the Missouri River dams as compared with current operations. This increased water storage would raise average reservoir levels so that approximately 10 miles of free-flowing river would be sacrificed to the artificial lakes. If solving the Missouri River endangered species problems is the objective, it would seem reasonable for the Fish and Wildlife Service to make proposals that do not increase the dominance of reservoirs over free-flowing rivers.

The spring rise will also increase our susceptibility to flooding along the Missouri and Mississippi Rivers. An analysis of the Missouri River flooding that occurred during the spring of 1995 shows that if the spring rise proposed by the Service had been in effect, the level of flooding would have been worse. The Corps could not have recalled water already released hundreds of miles upstream, as the water's travel time from Gavins Point to St. Charles, Missouri is 10 days. If the proposed plan is implemented and heavy rains occur during the spring rise, there is a real risk that farms and communities along the lower Missouri River will suffer increased flooding.

The Service's plan for a spring rise also will damage prime agricultural land because it will limit the productivity and accessibility of floodplain croplands. If implemented, the Service's plan will result in the Missouri River being held four feet higher for several consecutive weeks along southwestern Iowa and northwestern Missouri. Our agricultural community is extremely concerned that increased soil saturation and poor drainage will compromise the productivity of their farms. In addition, the plan will damage the ability for agricultural producers and commercial employers to utilize the river to move their products to markets. Consequently, it will make the price of these products increase and damage the ability of our farmers and manufacturers to compete in the world economy.

Mr. President, it is vitally important to the residents of the State of Missouri as well as the entire Midwest that the Service's plan be reevaluated. Again, I would appreciate your assistance in this very important matter.

Very truly yours,

MEL CARNAHAN.

OFFICE OF THE MAYOR,
CITY OF ST. LOUIS, MO,
August 30, 2000.

Re: H.R. 4733, the Energy and Water Appropriations Bill

Hon. CHRISTOPHER S. BOND,
U.S. Senate, Washington, DC.

DEAR SENATOR BOND: The City of St. Louis is a central transportation hub for the Midwest that includes the second largest inland port in the nation. Water transportation on the Mississippi River has been central to St. Louis' development and today is integral to our economic structure. All of this stands to be threatened by the Fish and Wildlife Service proposal to implement a policy that increases the risk of flooding on our principal inland waterways.

The movement of more than 100 million tons of cargo through the Port of St. Louis could be placed in jeopardy during low water years if flows from the Mississippi River are restricted during the summer and fall months. Conversely, the St. Louis region has struggled periodic flooding during the spring that would be devastating without the management of the Mississippi River for flood control purposes.

I urge you to press forward with your provision to H.R. 4733, the Energy and Water Appropriations Bill, that would restrict implementation of a ''spring rise'' in the spring and a ''split navigation season'' in the summer and fall as requested by the Fish and Wildlife Service. Before any provision or policy reversing the multiple uses of the rivers can be supported, we must fully understand the economic and environmental implications to the citizens of St. Louis.

Sincerely,

CLARENCE HARMON,
Mayor.

OFFICE OF THE MAYOR,
Kansas City, MO, July 25, 2000.

Subject: Spring Rise on Missouri River: Sec. 103—Energy & Water Appropriations Bill.

Hon. CHRISTOPHER S. BOND,
U.S. Senate, Russell Building, Washington, DC.

DEAR SENATOR BOND: The City of Kansas City, Missouri wishes to express its concern over consideration being given to a spring rise along the Missouri River. The increase in release rate being proposed for Gavins Point by the Fish & Wildlife Service would raise the water service levels along the lower Missouri River by approximately two feet. As you know, Kansas City is susceptible to flooding from the Missouri River and in 1993 several of the levees protecting our city came within inches of overtopping. Any allowed increase in flows will subject us to a worsened flooding condition.

As we proceed with the study of seven levees along the Missouri and Kansas Rivers, in cooperation with the Corps of Engineers and several other local sponsors, to investigate changes that may be needed and justified to enhance flood protection from the Missouri River it seems inappropriate at best to be considering changes that will serve to decrease our level of protection. Additionally, the spring rise will necessitate a split navigation season, the impacts of which would be potentially disastrous to the barge industry along the lower Missouri River and have far reaching impacts to the economy in our region.

We strongly urge that Section 103 preventing the study and implementation of a spring rise along the Missouri River be included in the upcoming Energy & Water Appropriations Bill. Thank you for your consideration of this matter and for your continued support in helping to reduce flooding throughout the City of Kansas City, Missouri.

Sincerely,

KAY BARNES,
Mayor.

Mr. BOND. Every waterway group and every flood control group that I have spoken to that is knowledgeable about the river supports the provision.

I ask unanimous consent to have printed in the RECORD a letter signed by 92 organizations supporting my provision.

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

NATIONAL WATERWAYS ALLIANCE,
Washington, DC, September 1, 2000.

Hon. CHRISTOPHER S. BOND,
Russell Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR BOND: On September 5, 2000, the Senate is scheduled to begin consideration of H.R. 4733, the Energy and Water Development Appropriations Bill for FY 2001. We are writing to express our strong opposition to any efforts to strike Section 103, which prohibits implementation of a ''spring rise'' on a portion of the inland navigation system.

A recent directive issued by the U.S. Fish and Wildlife Service to implement a ''spring rise'' immediately on the Missouri River is a reversal of water resource policy without appropriate public review, independent scientific validation, Congressional debate or endorsement. For decades, every Congress and Administration has endorsed a policy of water resource development that was designed to protect communities against natural disasters and serve efficient and environmentally friendly river transportation, reliable low-cost hydropower and a burgeoning recreation industry.

The ''spring rise'' demanded by the Fish and Wildlife Service is based on the premise that we should ''replicate the natural hydrograph'' that was responsible for devastating and deadly floods as well as summertime droughts and even ''dust bowls.'' For decades, we have worked to mitigate the negative implications of the ''natural hydrograph'' with multiple-purpose water resources management programs, including reservoirs storing excess flood and snow-melt waters in the spring and releasing those waters in low-flow periods. These efforts have protected communities from floods, enabled the safe and efficient movement of a large percentage of the Nation's intercity freight by a mode that results in cleaner air, safer streets, and a higher quality of life and also provided hundreds of thousands of family-wage jobs in interior regions.

Retaining Section 103 will allow National Environmental Policy Act (NEPA) compliance and provide time for Congress to adequately consider whether reversing proven water resources policy makes sense and whether a ''spring rise'' is scientifically supported. We urge you to keep the existing language in H.R. 4733 and oppose any efforts to strike or unnecessarily amend it.

Sincerely,

Tal Simpkins, Executive Director, AFL–CIO Maritime Committee, Washington, D.C.

Floyd D. Gaibler, Vice President, Government Affairs, Agricultural Retailers Association, Washington, D.C.

Bob Stallman, President, American Farm Bureau Federation, Park Ridge, Illinois.

Richard C. Creighton, President, American Portland Cement Alliance, Washington, D.C.

Tony Anderson, President, American Soybean Association, St. Louis, Missouri.

Thomas A. Allegretti, President, American Waterways Operators, Arlington, Virginia.

Glen L. Cheatham, Executive Vice President, Arkansas Basin Development Association, Tulsa, Oklahoma.

Steve Taylor, President, Arkansas-Oklahoma Port Operators Association, Inola, Oklahoma.

Martin Chaffin, President, Arkansas Waterways Association, Helena, Arkansas.

Paul N. Revis, Executive Director, Arkansas Waterways Commission, Little Rock, Arkansas.

J. Ron Brinson, President and Chief Executive Officer, Board of Commissioners of the Port of New Orleans, New Orleans, Louisiana.

Fred Ballard, President, Board of Mississippi Levee Commissioners, Greenville, Mississippi.

Philip R. Hoge, Executive Director, City of St. Louis Port Authority, St. Louis, Missouri.

Tracy Drake, Executive Director, Columbiana County Port Authority, East Liverpool, Ohio.

Chuck Conner, President, Corn Refiners Association, Inc., Washington, D.C.

R. Barry Palmer, Executive Director, Dinamo (Association for Improvement of Navigation in America's Ohio Valley), Pittsburgh, Pennsylvania.

Mark D. Sickles, President, Dredging Contractors of America, Alexandria, Virginia.

Gary D. Myers, President, The Fertilizer Institute, Washington, D.C.

Jeffrey T. Adkisson, Executive Vice President, Grain and Feed Association of Illinois, Springfield, Illinois.

Dr. Adam Bronstone, Business Policy Consultant, Greater Kansas City Chamber of Commerce, Kansas City, Missouri.

J.H. (Harold) Burdine, Port Director, Greenville Port Commission, Greenville, Mississippi.

Douglass W. Svendson, Jr., Executive Director, Gulf Intracoastal Canal Association, New Orleans, Louisiana.

Martin Chaffin, Executive Director, Helena-West Helena-Phillips County Port Authority, Helena, Arkansas.

William O. Howard, Executive Director, Henderson County Riverport Authority, Henderson, Kentucky.

Chris Hombs, Executive Director, Howard Cooper County Regional Port Authority, Boonville, Missouri.

Leon Corzine, President, Illinois Corn Growers Association, Bloomington, Illinois.

Luke A. Moore, President, Illinois River Carriers' Association, Paducah, Kentucky.

John Prokop, President, Independent Liquid Terminals Association, Washington, D.C.

Don W. Miller, Jr., Executive Director, Indiana Port Commission, Indianapolis, Indiana.

Earl Bullington, President, Industrial Development Authority of Pemiscot County, Caruthersville, Missouri.

James R. McCarville, President, Inland Rivers Ports & Terminals, Inc., Jackson, Mississippi.

Donald C. McCrory, Executive Director, International Port of Memphis, Memphis, Tennessee.

Ron Litterer, President, Iowa Corn Growers Association, Des Moines, Iowa.

Alan Peter, President, Kansas Corn Growers Association, Garnett, Kansas.

George C. Andres, General Manager, Kaskaskia Regional Port District, Red Bud, Illinois.

Hal Greer, President, Kentucky Association of River Ports, Hickman, Kentucky.

Dr. Sam Hunter, President, The Little River Drainage District, Cape Girardeau, Missouri.

Ronnie Anderson, President, Louisiana Farm Bureau Federation, Baton Rouge, Louisiana.

Christopher J. Brescia, President, MARC 2000 (Midwest Area River Coalition 2000), St. Louis, Missouri.

Robert Zelenka, Executive Director, Minnesota Grain and Feed Association, Minneapolis, Minnesota.

George C. Grugett, Executive Vice President, Mississippi Valley Flood Control Association, Memphis, Tennessee.

Steve Taylor, Program Director, Missouri Corn Growers Association, Missouri Corn Merchandising Council, Jefferson City, Missouri.

Tom Waters, Chairman, Missouri Levee and Drainage District Association, Orrick, Missouri.

Daniel L. Oberbey, President, Missouri Port Authority Association, Scott City, Missouri.

Jack Horine, President, Missouri Valley Levee District, Orrick, Missouri.

Patrick R. Murphy, Port Director, Natchez-Adams County Port Commission, Natchez, Mississippi.

Terry Detrick, President, National Association of Wheat Growers, Washington, D.C.

Paul J. Bertels, Director, Production and Marketing, National Corn Growers Association, St. Louis, Missouri.

James P. Howell, Vice President, Legislative and Regulatory Affairs, National Council of Farmers Cooperatives, Washington, D.C.

Kendall Keith, President, National Grain and Feed Association, Washington, D.C.

Leroy Watson, Legislative Director, National Grange, Washington, D.C.

Harry N. Cook, President, National Waterways Conference, Inc., Washington, D.C.

Scott Merritt, Executive Director, Nebraska Corn Growers Association, Lincoln, Nebraska.

Ronnie L. Inman, Chairman, New Bourbon Regional Port Authority, Perryville, Missouri.

Timmie Lynn Hunter, Executive Director, New Madrid County Port Authority, New Madrid, Missouri.

Joe LaMothe, Secretary, Northeast Industrial Association, Kansas City, Missouri.

Patrick French, Executive Director, Northeast Missouri Development Authority, Hannibal, Missouri.

Tracy V. Drake, Co-Chairman, Ohio Ports Commission, East Liverpool, Ohio.

Glen L. Cheatham, Jr., Manager, Waterways Branch, Oklahoma Department of Transportation, Tulsa, Oklahoma.

Ted Coombes, Chairman, Oklahoma Waterways Advisory Board, Tulsa Oklahoma.

Glenn W. Vanselow, Ph.D., Pacific Northwest Waterways Association, Vancouver, Washington.

Duane Michie, Chairman, Pemiscot County Port Authority, Caruthersville, Missouri.

Derrill L. Pierce, Executive Director, Pine Bluff-Jefferson County Port Authority, Pine Bluff, Arkansas.

Hal Greer, Executive Director, Port of Hickman, Hickman, Kentucky.

J. Scott Robinson, Port Director, Port of Muskogee, Muskogee, Oklahoma.

James R. McCarville, Executive Director, Port of Pittsburgh Commission, Pittsburgh, Pennsylvania.

John W. Holt, Jr., CED, PPM, Executive Port Director, Pot of Shreveport-Bossier, Shreveport, Louisiana.

Joseph Accardo, Jr., Executive Director, Port of South Louisiana, LaPlace, Louisiana.

Tom Waters, President, Ray-Clay Drainage District, Orrick, Missouri.

Richard F. Brontoli, Executive Director, Red River Valley Association, Shreveport, Louisiana.

Kenneth P. Guidry, Executive Director, Red River Wateway Commission, Natchitoches, Louisiana.

Myron White, Executive Director, Red Wing Port Authority, Red Wing, Minnesota.

David Work, Port Director, Rosedale-Bolivar County Port Commission, Rosedale, Mississippi.

Debbi Durham, President, Chic Wolfe, Chairperson of the Board, Siouxland Chamber of Commerce, Sioux City, Iowa.

Donald M. Meisner, Executive Director, Siouxland Interstate Metropolitan Planning Council, Sioux City, Iowa.

Daniel L. Overbey, Executive Director, Southeast Missouri Regional Port Authority, Scott City, Missouri.

Bill David Lavalle, President, St. John Levee & Drainage District, New Madrid, Missouri.

Ted Hauser, Director of Planning, St. Joseph Regional Port Authority, St. Joseph, Missouri.

Donald G. Waldon, Administrator, Tennessee-Tombigbee Waterway Development Authority, Columbus, Mississippi.

Donald G. Waldon, President, Tennessee-Tombigbee Waterway Development Council, Columbus, Mississippi.

James L. Henry, President, Transportation Institute, Camp Springs, Maryland.

Robert L. Wydra, Executive Director, Tri-City Regional Port District, Granite City, Illinois.

Tom Waters, President, Tri-County Drainage District, Orrick, Missouri.

Robert W. Portiss, Port Director, Tulsa Port of Catoosa, Catoosa, Oklahoma.

Robert W. Bost, Chairman, Tulsa's Port of Catoosa Facilities Authority Catoosa, Oklahoma.

David L. McMurray, Chairman, Upper Mississippi, Illinois and Missouri Rivers Association, Burlington, Iowa.

Russell J. Eichman, Executive Director, Upper Mississippi Waterway Association, St. Paul, Minnesota.

James B. Heidel, Executive Director, Warren County Port Commission, Vicksburg, Mississippi.

Sheldon L. Morgan, President, Warrior-Tombigbee Waterway Association, Mobile, Alabama.

Dan Silverthorn, Executive Director, West Central Illinois Building and Construction Trades Council, Peoria, Illinois.

M.V. Williams, President, West Tennessee Tributaries Association, Friendship, Tennessee.

B. Sykes Sturdivant, President, Yazoo-Mississippi Delta Levee Board, Clarksdale, Mississippi.

Mr. BOND. These organizations represent labor, agriculture, port facilities, flood control districts, and others. They are located in areas as distant as the States of Washington, Louisiana, Minnesota, and Pennsylvania.

Since this letter was signed, additional groups have asked to join with us in our position in support of section 103. They include the Minnesota Association of Cooperatives, the St. Louis Building and Construction Trades Council, the Minnesota Farm Bureau, the Minnesota Soybean Growers Association, and the Minnesota Corn Growers Association.

In Missouri, our Department of Natural Resources supports section 103. They oppose raising the spring river height, and they are just as knowledgeable and just as dedicated as the so-called experts at the U.S. Fish and Wildlife Service who want to jump over

the process and impose their particular risky scheme on our State and all the downstream States.

I had a very enlightening week traveling from the northwest corner of my State, down the Missouri and the Mississippi Rivers, talking with real people, knowledgeable people, scientists, and experts about this proposal. I was joined and supported by members of the Governor's staff. I was joined by the director of our department of natural resources. I was joined by farmers and mayors and chambers of commerce officials, economists and flood control advocates, and other members of our resource agencies. I was joined by representatives of our independent department of conservation—one of the finest departments of conservation in the Nation, one that is looked to as a model, and one that is engaged in ongoing work to preserve the pallid sturgeon and to work with us on reasonable, common sense, scientifically proven ways to assure that we keep the pallid sturgeon.

From all of these people I heard firsthand how dangerous the Fish and Wildlife Service plan is and how unnecessary it is. I heard from people who ship the goods on the river now and from people who want to ship on the river in the future but who are withholding investment in river facilities until the uncertainty of the Fish and Wildlife Service proposal is resolved. I have heard from mayors who are worried about the flood risk in the spring. Unless you have been in one of those communities or one of our large cities where a flood has hit, you do not appreciate how devastating a flood is.

I have heard from power companies worried about not having adequate water for cooling in the summer. I have heard from farmers who have been flooded and know firsthand that more water in the spring, despite suggestions to the contrary, means more risk of flood.

The farmers who live along the river know that even if it doesn't flood, a higher river level in the spring means more seepage under the levees and wetter fields that you cannot plow and you cannot plant.

We are here tonight discussing section 103 because despite the views of the Corps of Engineers, the U.S. Geological Survey, the downstream States, the agricultural groups, and the waterway users, the Fish and Wildlife Service is determined to have it their way or no way. The Fish and Wildlife Service wants to experiment with spring flooding. They must think we have forgotten about the controlled burn in Los Alamos. They want to give us controlled floods on the Missouri River in the spring. I say no thanks; we have been there; we have done it; and we don't need the Federal Government making floods worse.

This is not a new proposal. It was raised by the Corps of Engineers in 1993, and after public hearings in Omaha, Kansas City, St. Louis, Quincy, Memphis, New Orleans, and elsewhere, the administration went back to the drawing room to find a consensus with the States. Apparently, the Fish and Wildlife Service is not interested in a consensus or we would not be here today. They are not interested in the dangers of increased flood risk or we would not be here today. They are not interested in the public meetings and the viewpoints that were expressed in 1995 or this would have ended then. They want to raise the height of the river in the spring because they think flooding may improve the breeding habitat for the pallid sturgeon.

The distinguished minority leader says we ought to be able to act on the best information available. I have asked these people: Where is the information?

When I talked with them last week, our resource agencies, the U.S. Geological Survey had not seen any biological opinion. They issued that diktat, that letter of instruction, on July 12. As of last week, the State agencies, the U.S. Geological Survey, with expertise in environmental assessment, a fellow Federal agency, had not seen it.

How can we let them go ahead with the scheme when they won't even allow us to look at the basis for their proposal? This truly is a risky scheme. This is one that we cannot tolerate.

Our State Department of Natural Resources disagrees with Fish and Wildlife. Our State Conservation Department believes the Fish and Wildlife plan is not necessary. They have presented a plan that does not have spring flooding and no transportation flows in the spring—in the summer and fall. And they believe that plan will do more to help preserve the pallid sturgeon, the least tern, and the piping plover, than this risky scheme put forward by Fish and Wildlife.

Our State Conservation Department has an alternative species recovery plan. They cannot get Fish and Wildlife to look at it. Don't you think they would want to look at the various options? Don't you think they would want to consider the evidence before they threaten property and lives with spring floods in Missouri?

I have a lot of respect for the difficult and important job of Fish and Wildlife, but let me say this is not about who cares the most about endangered species. The commitment of our Natural Resources Department and our Conservation Department to fish and wildlife is not inferior to that of Fish and Wildlife of the U.S. Government. U.S. Fish and Wildlife does not have a monopoly on dedication and they do not have a monopoly on wisdom. In fact, our Department of Natural Resources has some serious concerns the Fish and Wildlife Service plan may actually harm endangered species rather than help them recover. That fear was expressed by our Governor of Missouri, Governor Carnahan, a Democrat, in a letter to the President 2 weeks ago. Why? Because normally in the summer the natural hydrograph is for the snowmelt to bring the river up. Under this plan, river levels will be going down. That means less water cover. It means burying sandbars where predators might come after the smallest hatch.

Fish and Wildlife has a twofold plan. One, it proposes a split season which will end river transportation on the Missouri and do great harm to the river transportation on the Mississippi River. Without water transportation, we are left with a regional railroad monopoly.

The minority leader said we initially projected there would be 12 million tons on the river. That is not true. If you look at the 1952 report and the testimony in 1952 and 1956 when they were developing the Missouri River plan, they said 5 million tons. This past year, it was 8 million tons on the river. As I said earlier, there would be a lot more because there is investment out there waiting to happen if we know that Fish and Wildlife is not going to take over the river and get rid of all barge traffic.

Barge traffic is the most environmentally sound means of transporting grain to the world markets. It is the most efficient. One barge, one tow with 25 barges, carries the same amount of grain as 870 individual semitrailer trucks that put out far more pollution. Barge transportation bringing inputs to farmers up the river is much more efficient than rail or truck. That lowers the price farmers pay for goods brought in in the spring for Missouri farmers. It lowers them for South Dakota farmers too; the landed price at Sioux City has an impact on what farmers pay. If you got rid of river transportation altogether—which I think may be the ultimate goal. I don't think the Fish and Wildlife Service and the people supporting this just want to flood out the people downstream in the spring; I think there is a greater objective—getting rid of barge transportation altogether. One can only assume that the railroad industry thinks that having no competition is a good idea. But I seriously question whether we, as Senators, should be supporting consolidation rather than competition.

The low summer flow proposed by Fish and Wildlife is curious for two additional reasons: One, because it will reduce energy revenues by more than one-third at the dams generating hydropower, particularly during high usage months in the summer. We are about to debate the necessity of a national energy commission to look at how we can meet our growing energy needs, and here we are with a Fish and Wildlife plan to decrease clean hydropower generation. We do not have the luxury of letting existing power capacity go to waste. The low summer flow proposed by the Fish and Wildlife Service reduces revenues in the high demand summer months by more than one-third.

Another reason the low flow is curious is that, while the Fish and Wildlife Service said they want the river to ''mimic its natural hydrograph,'' historically the highest flows were following the summer snowmelt upstream, and that is the same time Fish and Wildlife demands a low flow. They go the opposite way of their stated objective.

This risky scheme has not been subject to adequate analysis and comment by scientists, by people who understand, who live along, work with, and study the river. That is why we say it should not be implemented in the coming year. Let the studies, the debates go on. We would like to see sound science. We would like to see the best information available. Fish and Wildlife has not shown it to us.

The fall harvest is approaching. It looks like bumper crops. We have short supplies of storage. As a matter of fact, many elevators, grain elevators, started calling my office saying they do not have rail capacity. The railroads cannot get them the cars they need to carry out the fall harvest, and they are going to have to stop taking in grain that comes in. Two years ago, because of railcar shortages and disorganization, grain was piled up on the ground as it was in the former Soviet Union. The Fish and Wildlife Service proposes a complete reliance on that one mode of transportation.

Last night on the floor, Senator REID spoke candidly about the value of our Nation's inland waterway system and noted that:

> To move this additional cargo by alternative means would require an additional 17.6 million trucks on our Nation's highway system or an additional 5.8 million railcars on the nation's rail system. To say what can be handled by our inland water system can be moved by rail or trucks, it simply can't be done.

I agree with Senator REID. He is quite right. Fish and Wildlife seeks to eliminate water transportation on the Missouri. But Fish and Wildlife has really thought this through because they have a solution for eliminating the transportation options. They are going to propose, through this plan, to curtail agriculture production by flooding farmers in the spring with high water. As I said earlier, raising the river levels in the spring keeps farmers out of the field. So, as a result of the Fish and Wildlife spring rise, there will be less agricultural production awaiting the transportation that is not available.

Doesn't that just gladden your hearts? I mean, the farmers who depend for their living upon raising crops and shipping them economically into the world market—guess what, you are not going to have the transportation. But we will take care of that because we will keep you from having the production. That is why the farmers of Missouri say, ''No thanks.''

Let me speak to a couple of assertions that do not paint a very full picture of the importance of the debate. First, there is the assumption by some that the Missouri River ends suddenly and does not impact the Mississippi River. That is convenient, but it is not true. I have seen the confluence with my own eyes. I know that in low-water years, drought years, dry summers, 65 percent of the flow of the Mississippi River at St. Louis comes from the Missouri River. And to say that the Mississippi barge traffic would love to have that water cut back is absolutely ludicrous. That is why the southern Governors, noting the importance of the Missouri River flow in the Mississippi, have sent a resolution in support of section 103 that the minority leader seeks to strike.

Second, there is this notion—we heard it expressed earlier—the Corps will never release extra water in the spring if there is a risk of flooding. Good intention, of course. Give them full credit for trying. But they could only carry out this intention if they could predict the weather perfectly because water released from the South Dakota dam takes 11 days to arrive in St. Louis. A lot of weather can happen in 11 days.

Have any of you watched the weather forecasts for the Midwest this summer? I try to keep some trees alive. I watch it. I turn on the weather channel in the morning. It is a lot more informative than some of the morning talk shows. My Farmers Almanac said we were going to have heavy rains in mid-June and the end of June. The week before, 5 days before the middle of June—the middle of July, they said this is a drought season; there is not going to be a drop of water; it is going to be a dry year. The heavens opened up, and we had 5-, 6-, 8-inch rains. A lot of weather can occur in even 3 days.

I have a lot of respect for my friend from South Dakota—political miracles we see him perform—but I don't trust him or the Fish and Wildlife Service to predict the weather 11 days in advance downstream.

One mistake is all it takes to result in a Government-imposed flood that brings to mind the controlled burn in Los Alamos. That was not supposed to happen, either. The water is not retrievable when it is released.

Rainfall in the lower basin will swell the river after the release, and water from the release will only supplement the flood damage.

If the water is at your Adam's apple, the Federal Government will do you the courtesy of raising it to your temple.

Third, there is already a spring rise as I have stated. If a spring rise is what is needed to recover the species, we ought to have sturgeon all over the place because we had bodacious floods in 1993 and 1995. Those little sturgeons should be popping up all over because we had a spring rise to end all spring rises. It did not happen.

Fourth, with respect to water transportation benefits, the Fish and Wildlife Service and my colleague from South Dakota assume that in the absence of competition, the railroad industry will not raise rates on farmers. Try that out on any shipper. Ask anybody in the Midwest who has been captive of the railroad if they really believe that competition does not make any difference. That is the assumption which underlies the small $7 million in benefits from river transportation cited by the opponents of this transportation.

If it sounds as if I am picking on the railroad industry, which would be the biggest beneficiaries, along with farmers and producers in Latin America and Australia and Europe, I am not. I have no quarrel with the railroads aiming to maximize their profits. You cannot blame a compass for pointing north. They need to maximize profits.

If the Government wants to eliminate their competition, why would they interfere? Every Senator knows, or should know if they studied economics, that in the absence of competition, prices will rise. We see prices rise at the end of the navigation season. On the Mississippi, we see prices rise when locks are closed for maintenance.

There is a Fortune 100 firm on the Mississippi River that has built a river terminal it has never used except when it negotiates with the railroads. It has that river terminal, and the railroads come in and say: We are going to charge you x amount for bringing your product in. And they say: We will just open up this river terminal, and we will beat your prices down. They come around.

According to the Tennessee Valley Authority which did a study on the Missouri River, the savings to rail shippers because of competition created by barge traffic is an estimated $200 million annually. That is the benefit to shippers. Those people get goods coming in and those shipping commodities out. That includes benefits worth $56 million to shippers in Missouri, $43 million to shippers in Iowa, $36 million to shippers in Nebraska, and as the occupant of the Chair will be interested to know, $52 million to shippers in Kansas, and $14 million to shippers in South Dakota.

In summary, flood control is important, energy production is important, and having modern and competitive transportation options for our farmers and shippers is important.

With respect to the species, our resource agencies say the Fish and Wildlife Service is wrong and their plan is harmful and unnecessary. That is why I included the provision for the fifth year. This provision does not stop the process as has been alleged by my colleague. It simply says the water management manual cannot be changed to force a dangerous spring rise. It is a risky scheme on which we cannot afford to gamble. It is a controlled flood that is not controllable.

Ten years ago, the courts decided to review the river management. Seven

years ago, it proposed a spring rise. It was opposed in public hearings from Sioux City to Memphis to New Orleans. It was opposed by the U.S. Department of Agriculture. It was opposed by the U.S. Department of Transportation. It was opposed by agriculture and other shippers.

Twenty-seven Senators in a bipartisan letter to the President opposed it. So in 1995, the administration rejected the spring rise and went back to the drawing board. The President ordered the Corps to work with the States to find a consensus. Meanwhile, Congress included section 103 four different times to remind the Fish and Wildlife Service that their obsession to increase flooding was not acceptable.

Last year, seven out of eight States arrived at a consensus that the Corps accepted which did not include a spring rise. Then, notwithstanding the public hearings in 1994, the letter to the President, the legislative provisions, notwithstanding the consensus, the Fish and Wildlife Service arrogantly pushes the same old plan to raise the river height in the spring.

The U.S. Geological Survey told me last week that they do not know enough about the river or the pallid sturgeon to know if there is any chance the Fish and Wildlife Service's plan will work. They are the ones who work to define habitat and biological response. They have not been shown the information from the Fish and Wildlife Service.

The Missouri department of conservation says they have an alternative to recover species which does not do premeditated damage to safety, to property, and to human lives. The Missouri department of natural resources said the Fish and Wildlife Service's plan is flawed and unnecessary.

The provision permits any experiment the Fish and Wildlife Service can dream up except the one risky scheme of a controlled flood in the spring which we cannot tolerate. Members of Congress have every right to place commonsense parameters on bureaucratic excursions. That is the purpose of this provision.

We know there are many other benefits that come from wise management of the Missouri River. The spring rise does not help the upstream States. In fact, States such as the Dakotas and Montana will find that they will not have the water they want for recreational purposes if it is flushed down the river in the spring. I know the Fish and Wildlife Service wants to run this river, just as it wants to take over management of a lot of other rivers, but the rivers are authorized for multiple uses. That is the way the Corps and the States manage them.

Because the proposal to initiate floods is harmful, because there are alternatives, I believe section 103 is a prudent and restrained safeguard that should be retained in this legislation, and I urge my colleagues to oppose the motion to strike.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I rise to support the Daschle-Baucus amendment to strike section 103 from the energy and water appropriations bill. One might ask why. The answer is very simple: Because section 103 is an anti-environmental rider that prevents the sound management of the Missouri River. It is that simple.

I begin by endorsing the points made so well by Senator DASCHLE. The Army Corps of Engineers is managing the Missouri River today on the basis of a master manual that was written in 1960. Guess what? It has not changed much since then. It is 40 years old. It is like trying to run the Internet based on a plan that was written in the heyday of rotary telephones. Conditions are different. Priorities are different.

As Senator DASCHLE explained, the master manual favors some uses of the river, such as barge traffic, that may have made sense in 1960 but makes little sense today. That is a very important point. In effect, a 40-year-old master manual favors the barge industry, which may have made sense in 1960 but makes virtually no sense today based upon the Corps's own economic analysis of the river, and it favors those uses over other uses, such as recreation, which are much more important now than they were in 1960.

As has been pointed out, the master manual also wastes taxpayers' dollars. We are today spending more than $8 million a year in operation and maintenance costs to support a $7 million barge industry. That is a bad deal for taxpayers. It is a subsidy that does not make sense.

In the interest of time, I will not elaborate on all those points. The Senator from South Dakota, the minority leader, has covered that ground very well. I do not want to repeat them. Instead, I would like to make three additional points.

First, the anti-environmental rider proposed by the Senator from Missouri harms my State of Montana. Second, it prevents the Corps of Engineers from complying with the law, from complying with the Endangered Species Act. And third, the rider derails a process of carefully revising the master manual, a process that is working.

In addition, I want to respond to an important argument made by the Senator from Missouri and other proponents of the rider. They argue that the rider is necessary to reduce the risk of floods. I will address that in a later point.

First, the impact of the rider on my State of Montana would be profound. The Missouri River flows not only through our State but through our history, as well as the history of other States.

Meriwether Lewis found the source of the Missouri River on August 12, 1805. It is at Three Forks, MT. It is shown on this map up here to the left, just east of the Continental Divide.

From there the river flows north, winding around near Helena, Great Falls, past Fort Benton, and then east through the lake created by the Fort Peck Dam near Glasgow.

There is Fort Peck Dam right here on the map. It is one of the major dams in the Missouri River system.

This is eastern Montana, an agricultural region. As the occupant of the Chair knows, agriculture has been suffering some very hard economic times for more than a decade with low prices for wheat, low prices for beef, drought. In eastern Montana, as well as in the western Dakotas, people are moving out, looking for jobs, virtually for survival.

Fort Peck Lake—that is this lake shown on the map right here—is a key part of our plan in our State to revive our State's economy, at least in that part of the State. It is a center for boating, a center for fishing, and, I might say, all kinds of recreation which is related to the lake.

Fort Peck is host to several major walleye tournaments each summer. The biggest is called the Governor's Cup, which attracts people from all around the State, all around the Nation, and all around the world.

I was there last July with one of the major sponsors of it, Diane Brant. I might say, she provides the gusto that makes the tournament work. It is incredible watching everybody line up to go out and go walleye fishing. Hundreds of boats went by the review stand, in single file, as walleye anglers set forth to prove their mettle.

This tournament brings jobs and excitement to the area. We are working hard to get more done. For example, I am working with Diane and local community leaders, and others, to establish a warm water fish hatchery on the north bank of the river to improve the walleye fishery. But we face a problem. It is a big one. Under the master manual, water levels in the Fort Peck Lake are often drawn down in the summer, largely to support the barge traffic downstream, which is an industry that need not be subsidized near to the degree that it is, and certainly according to the Army Corps of Engineers' information.

In fact, there have been times when the lake has been drawn down so low that boat ramps are a mile or more from the water's edge. This is what this photograph shows. This is a photograph of a boat landing at Fort Peck Lake. It is called Crooked Creek. It is a mile from the boat landing to the edge of the lake.

Why? Because Fort Peck has been drawn down to support a barge industry downstream. Frankly, the industry is dated and does not need to be supported near that much at the expense of people upstream, upriver, who, frankly, do not have many means of recreation. But the main thing they want to do is to be able to put a boat in the river. They are unable to do so because the boat ramp is over a mile from the river.

These drawdowns have occurred frequently. The effect is devastating. Obviously, drawdowns prevent people from boating and fishing. They also reduce the numbers of walleyes, sturgeon, and other fish.

Let me be specific. Right now the water level at Fort Peck has been drawn down about 10 feet, to increase flows for downstream barge traffic. That is right now. A few weeks ago there was another walleye tournament at Crooked Creek, and it could well have been canceled. There was a lot of concern because ramps could not be used. Fortunately, it did not happen this year, but very often it does.

The drawdowns are a big part of the economic raw deal that eastern Montana has been getting for years. More balanced management of this system, which takes better account of upstream economic benefits is absolutely critical to reviving our State's economy in eastern Montana.

I am not going to stand here and try to kid anybody. This debate is, to a significant degree, about who gets Missouri River water, and when. That is accurate. But that is not all this debate is about. There is an awful lot more to it.

The section 103 rider prevents the Corps of Engineers from obeying the law of the land. Let me repeat that. The section 103 rider prevents the Army Corps of Engineers from obeying the law. It is that simple. It is that specific. It is that accurate. Specifically, it prevents the Corps from following the Endangered Species Act.

Before I get into the details, let me say a couple things about the Endangered Species Act. A lot of people are watching tonight. They may wonder: What is all this fuss about? There is less than a month left of the congressional session. Big issues need to be addressed—the budget, prescription drug coverage, trade with China. Why in the middle of all of this are we debating the fate of two birds and a fish? Good question. This is why.

Any time an issue such as this comes up, it is tempting to think only about the particular species that are being involved—the snail darter, the spotted owl. In this case, the piping plover, the least tern, and the pallid sturgeon. But that is thinking too narrowly.

In a much broader sense, the debate is about whether we really are serious about protecting endangered species. It is about whether our generation is going to meet its moral obligation to preserve the web of life that sustains us, and pass it along, as a legacy, to future generations.

If we create a loophole here, there will be pressure to create another loophole somewhere else—and another and another. Before you know it, the law will be shredded into tatters.

Don't get me wrong. I am not saying that the Endangered Species Act is perfect. It is not—far from it. I have worked for years to come up with reforms that would improve the act, that would increase public participation, assure that decisions are based on sound science, give a greater role to the States, get more certainty to landowners, bring people together, rather than drive them apart.

Over the last decade, I have worked as hard as anyone to reform the Endangered Species Act. But those reforms have not passed. They have been reported out of the Committee on Environment and Public Works, but they have been kept off this Senate floor, as good as they are.

Nevertheless, in the meantime, the Endangered Species Act today remains the law of the land. We have to respect it. It is the law.

With that as background, let me turn to specifics and explain how Senator BOND's rider prevents the Army Corps of Engineers from managing the Missouri River in a way that is consistent with the law.

The river provides habitat for three endangered species: the piping plover, the least tern, and the pallid sturgeon. Each of these species evolved along a river that had higher flows in the spring and lower flows in the summer. That is the natural order of things. Each species depended on a life cycle that depended on this pattern.

The tern and the plover need higher flows in the spring. Why? To create the sandbars they nest on. Higher flows create sandbars. They need lower flows in the summer. Why? To create a buffer that reduces the risk that the nests might be washed away by, say, a storm. That is the natural order of things.

The sturgeon needs high flows in the spring for breeding and lower flows in the summer for the development of young fish.

This is a photo of a piping plover, a female, nesting over three eggs.

But the way I just described the natural order is not the way the river is being managed today. Under the master manual, today's management system, the Corps tries to maintain steady water levels through the spring and summer so there is always enough water to support the barge traffic downstream. It is this steady, even, but unnatural, flow that is driving the three species to the brink of extinction.

The management plan in the master manual may have made sense in 1960, before we knew about the threat to these species and before the Endangered Species Act was passed—I remind my colleagues, it was passed 13 years later, in 1973—but the master manual does not make sense today. It may have made sense in 1960, not today. Therefore, when the Corps began to revise the master manual 10 years ago—they have been at this for a long time—it was the first time the Corps seriously considered how the dams on the river affect endangered species.

There have been a lot of reports, a lot of discussions, a lot of give-and-take, but finally, after a decade of work, the process is moving forward. We are close to revising the master manual, revising it so we have a better, more balanced current use of the river, such as flood control, navigation, but also more to protect the plover, the tern, and the sturgeon.

How do we do this? Basically by providing for a moderate rise in flows in the spring and reduced flows in July and August. This is the so-called spring rise/split season alternative. This alternative has strong support. Fish and game officials from all seven Missouri River basin States say it is the right thing to do.

Last summer, they recommended that we—I will not read the whole quote, I will begin in the middle—

> . . . provide higher flows during critical spring and early summer periods for native fish spawning and habitat development followed by lower flows during the critical summer period.

That is the recommendation. They have studied this thing, believe me. Guess what? The Fish and Wildlife Service agrees. Its draft biological opinion says:

> Spring and summer flow management is an integral component of the measures to avoid jeopardy to listed species . . . This would include higher spring flows and lower summer flows than currently exist.

They have studied this. Guess what again? The Army Corps of Engineers recognizes the benefits of a spring rise and a split season. The Corps has said that ''periodic high flows are required for terns and plovers to remove encroaching vegetation, but during the nesting season, stable or declining flows are needed to avoid nesting flight.'' The Corps has made similar observations about the pallid sturgeon. In other words, the fish and game experts from the Missouri River basin States, the Fish and Wildlife Service, and the Corps of Engineers all recognize the importance of higher flows in the spring and lower flows in the summer.

This is where the section 103 rider comes in. Simply put, the rider prevents the Corps from revising the master manual to provide for higher water levels in the spring. The Senator from Missouri said so. He said that is what he intends to do. Those are the words of the rider: Prevent the master manual from providing higher water levels in the spring. By doing so, the rider contradicts what fish and game experts from the basin States and Federal agencies involved all recognize is necessary to provide more protection for the three endangered species and comply with the law.

Again, the debate is not just about the allocation of water between upstream and downstream States. The debate is also fundamentally about whether in one fell swoop we tell the Corps of Engineers to ignore the law; ignore the Endangered Species Act regarding the management of one of the country's largest rivers. The answer, of course, is obvious. The Corps should obey the law, just like everyone else.

Forget about the species for a minute, think about basic fairness. We

require private landowners to comply with the Endangered Species Act, so why shouldn't we also require the Federal Government to do so. They shouldn't get a free pass, especially when the Federal Government is the main cause of the problem. The Federal Government should not get a free pass. The Federal Government—in this case, the Army Corps of Engineers—should be held to the same standard as everybody else, and the Corps agrees that it should be held to that same standard.

That brings me to a related point; that is, government by litigation. Stop and think about this for a moment. If we think about it, we probably all know what will happen down the road if this rider becomes law. What is going to happen? The Fish and Wildlife Service will issue its final biological opinion. Like the draft, it probably will recommend higher flows in the spring, lower flows in the summer. Normally, the Corps would then revise the master manual. But because of the rider, the Corps cannot make the revisions necessary to comply with the Endangered Species Act. The rider says: Army Corps of Engineers, you cannot follow the law.

So what is going to happen? At that point there is certain to be a lawsuit brought by environmental groups challenging the Corps' failure to obey the law. Guess what? The environmental groups are likely to win. Why? Because the master manual will effectively ignore the needs of the species and therefore violate the Endangered Species Act.

It is not just my opinion that a master manual without a spring rise and a split season would ignore the needs of the endangered species. This is the unanimous opinion of the experts who reviewed the biological opinion. This unanimous recommendation was based on sound science. I might add, two people from the State of Missouri were on the peer review committee. They unanimously agreed that this is the alternative—that is spring rise/split season—which is necessary to protect these species.

Let's go back a little bit. Let's say that the rider passes. Let's say a lawsuit is brought. As I mentioned, the likelihood is very high that the plaintiffs, the environmentalists, would win. What happens next? We wind up with the river being operated not by the Corps of Engineers, not influenced by the Congress, but by the courts, a judge in some Federal court somewhere—they will get venue probably somewhere along the Missouri River—will be overseeing the operation of the entire Missouri River system; again, because of a lawsuit that wins. That might be politically convenient for some, but it is an abdication of our responsibility. As we have seen along the Columbia and Snake Rivers, it generates much more litigation and much more uncertainty.

Let us not go down the path of litigation. We do have a process in place to carefully revise the master manual. It has been underway for years; 10 years to be more specific. Now at the last moment, when the end is in sight, here we find a rider on an appropriations bill which would derail the process by taking not only one of the alternatives right off the table but the one that probably is necessary to comply with the law. Of course, that is not fair; of course, it is not right. It is not the right way for us to be doing business here. Instead, we should give the process we began 10 years ago a chance to work.

Now that we have a draft biological opinion, there will be an opportunity—this is a very important point—for public comment, both on the draft and on the later environmental impact statement. That way we have a decision that is not made in a vacuum. But this rider makes a mockery of that process. There will be an extensive period for public comment, but the public agencies cannot take any of those comments into account. That is what this rider does. It says: OK, here is your alternative, but you can't be implemented so the comments are irrelevant. What kind of message does that send to our people, already cynical about the way Government works? I say there is a better way: allow the process to work.

With that, I will briefly respond to a point made by the Senator from Missouri and some of his supporters. Concern has been expressed that if we have higher flows in the spring, there is a greater chance of flooding—a wonderful metaphor, floods; wonderful picture, floods; wall of water; risky proposition. It gets people scared and nervous, obviously. That is what it is designed to do. It is designed to scare people, scare them into supporting the rider. But we are not only emotional entities, we are supposedly analytical beings.

We are supposed to think about this stuff a little bit, look at the facts, not just the emotion. So let's look at the facts, I say to my other good friend from Missouri who is managing this bill at this time.

First of all, nobody wants floods. Flood control comes first. There is no question about it. Flood control comes first. I might say, though, the Corps and other agencies have taken flood control into account. In fact, the Corps has modeled many different river management alternatives. Their models show that under a spring rise/split season, there is no difference in flood control. Statistically, it is about 1 percent, which is basically zero. The Army Corps of Engineers has taken this question fully into account already. Of course, they would; it is their responsibility, and they have done that. Their conclusions show that under this alternative, there is virtually no difference in flooding compared with the current master manual—virtually none.

I heard one of my good friends from Missouri say, well, gee, nobody can predict the weather. Mr. President, that is a total red herring, totally irrelevant. That has nothing to do with what we are talking about here. We can't predict the weather today under the current master manual or tomorrow if the spring rise/split season are adopted—in either event. The two floods mentioned—in 1993 and 1997—under this proposal, the spring rise/split season, would not have been in effect; that is, the spring rise/split season proposal would not have been permitted because of the modeling and the anticipation of the flood years 1993 or 1997. Actually, the spring rise is to be implemented only once every 3 years. Say year No. 1 comes up, and 4 years later year No. 1 comes up again, and this might be a flood year. The model says, no, we don't implement a spring rise; we are not going to take the risk of more flooding.

So let's get the flood scare tactic off the table here. It has nothing to do with what we are talking about. The Army Corps of Engineers' own models conclude that the risk of flooding is virtually insignificant.

In closing, I want to also point out one other thing. The basic argument of the Senator from Missouri is that we are just taking one item off the table—spring rise/split season. That is all we are doing. We are not taking other alternatives off the table, other environmental enhancement measures, wetlands restoration, and habitat restoration. We are not taking that off the table. So what is the big fuss here? That is the basic argument.

The flaw in that argument is that the people who have studied this, the peer reviewers, have unanimously concluded that both are needed in order to solve this problem—that is, both a spring rise/split season and legislation to help restore habitat. Both are needed. They have concluded you can't have one without the other; you have to have both. You have to have the spring rise/split season. It makes sense because that is the natural order of things; that is the way the river runs naturally. It tends to flood in the spring and not later on.

The argument has also been made that this is going to hurt Mississippi barge traffic downstream. Frankly, that is another red herring designed to scare Senators downstream from Missouri, from St. Louis. It is a scare tactic because if you look at the data, at the facts, the facts show that, actually, because more water is being let out of the dams in the spring, and it is saved in the summer, on a net basis, they are going to have to let a little bit more out in the fall, which benefits the barge industry on the Mississippi. So it is a red herring. It is inaccurate—more to the point—that this proposal would hurt barge traffic down from St. Louis. That is not right. The Corps data shows more water is going to be released at the time it is more necessary.

To sum it all up, let's pass this amendment that strikes section 103.

Let the process continue to work. There is ample opportunity for public comment. But let's not disrupt it in a way that will cause a lawsuit and will cause a lot more problems than it will solve. I understand Senators who feel obligated, regardless of the facts, to support the Senator. But let's do what is right and not pass this.

I yield the floor.

Mr. JOHNSON. Mr. President, I am pleased to take this opportunity to join my colleagues to discuss the issue of the how the Missouri River should be managed by the Corps of Engineers. I strongly urge the Senate to adopt the Daschle-Baucus-Johnson amendment to strike Section 103 from the Energy and Water Appropriations bill, which prevents needed changes to the management of the Missouri River that have been called for by the U.S. Fish and Wildlife Service. President Clinton has stated that he will veto the bill if this amendment is not included. The time has come to manage the river in line with current economic realities.

This issue has come before the Senate because some Senators from states downstream on the Missouri River are attempting to politicize the management of the River. As has been done in the last four years, they are trying to politicize this issue by adding a rider to the Energy and Water Appropriations bill to prevent the Army Corps of Engineers from changing the 40 year old master manual that sets the management policy of the river.

Mr. President, let me assure you and the rest of my colleagues that after 40 years, the management of the Missouri River is in serious need of an update to reflect the current realities of the River. The Corps current plan for managing water flow from the Missouri River Dams, known as the master manual provides relatively steady flows during the spring, summer and fall to support a $7 million downstream barge industry. The manual has not been substantially revised on 40 years.

In that time, the projections of barge traffic used to justify the manual have never materialized. Instead, the steady flows required by the manual have contributed to the decline of fish and wildlife along the river.

To counter this problem, the Army Corps of Engineers has proposed a revision of the master manual which governs how the river is managed.

I was among those who first called for a revision of the master manual because I firmly believed then, as I do now, that over the years, we in the Upper Basin states have lived with an unfortunate lack of parity under the current management practices on the Missouri River. It is no secret that we continue to suffer from an upstream vs. downstream conflict of interest on Missouri River uses. Navigation has been emphasized on the Missouri River, to the detriment of river ecosystems and recreational uses. I recognize that navigation activities often support midwestern agriculture, however the navigation industry has been declining since it peaked in the late 1970's. It is no longer appropriate to grossly favor navigation above other uses of the river.

Those of us from the upstream States have been working for more than 10 years to get the Corps of Engineers to finally make changes in the 40 year old master manual for the Missouri River.

After more than 40 years, the time has come for the management of the Missouri River to reflect the current economic realities of an $90 million annual recreation impact upstream, versus a $7 million annual navigation impact downstream. The downstream barge industry carries only 3/10 percent of all agriculture goods transported in the upper Midwest. The Corps has been managing the Missouri River for navigation for far too long and it is time to finally bring the master manual into line with current economic realities. Passage of the Daschle-Baucus-Johnson amendment will do just that.

As I stated earlier, the process to review and update the master manual began more than 10 years ago, in 1989, in response to concerns regarding the operation of the main stem dams, mainly during drought periods. A draft Environmental Impact Statement (DEIS) was published in September 1994 and was followed by a public comment period. In response to numerous comments, the Corps agreed to prepare a revised DEIS.

After years of revisions and updates that have dragged this process out to ridiculous lengths, the Corps finally came forward with alternatives to the current master manual, including the ''split season'' alternative, which I strongly support, along with my colleagues from the Upper Basin States.

The rider to prevent implementation of changes in the manual has been included for the last 4 years. In previous years, this rider was not as important because the Corps was not ready to revise the river management policies. However, this year, the Corps is consulting extensively with the Fish and Wildlife Service and is officially learning that it must implement a spring rise and split season to avoid driving endangered species to extinction. Since the Corps finally has a schedule to complete the process in the near future, rejecting this rider is more than important than ever.

Those of us from the States in the Upper Basin are determined to work aggressively for the interests of our region. For decades our states have made many significant sacrifices which have benefitted people living further south along the Missouri River.

Mr. President, now is the time to finally bring an outdated and unfair management plan for the Missouri River up to date with modern economic realities. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The distinguished Senator from Missouri is recognized.

Mr. ASHCROFT. Mr. President, I yield as much time as the Senator from Iowa may consume in opposing this motion to strike.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I strongly urge my colleagues to support section 103 of the energy and water appropriations bill. This section would prohibit changes to management of the Missouri River which would unquestionably increase flood risk on the lower Missouri and Mississippi Rivers. If this section is dropped from the bill, landowners in Iowa along the Missouri River will face the threat of increased flooding. Farmers and other river barge users would face increased transportation costs in getting their grain and other goods to market. Both of these outcomes are unacceptable to a majority of Iowans.

There is nothing new in this bill language. It has been placed in four previous appropriations bill by my distinguished colleague from Missouri, Senator BOND. Each of these bills has been signed into law by this President. The measure would prohibit the U.S. Army Corps of Engineers from implementing a U.S. Fish and Wildlife Service plan to increase releases of water from Missouri River dams in the spring. The Daschle amendment could result in significant flooding downstream given the heavy rains that are usually experienced in my, and other downstream states during that time.

We must keep in mind that it takes 8 days for water to travel from Gavins Point to the mouth of the Missouri.

Unanticipated downstream storms can make a ''controlled release'' a deadly flood inflicting a widespread physical and human cataclysm. There are many small communities along the Missouri River in Iowa. Why should they face an increased potential risk for flooding and its devastation? They shouldn't.

Equally unacceptable is the low-flow summer release schedule proposed by the Clinton-Gore administration's Fish and Wildlife Service. A so-called split navigation season would be catastrophic to the transportation of Iowa grain to the marketplace. In effect, the Missouri River would be shut-down to barge traffic during a good portion of the summer. It would also have a disastrous effect on the transportation of steel to Iowa steel mills located along the Missouri, construction materials and farm inputs such as fertilizer.

Opponents of section 103 will advance an argument that a spring flood is necessary for species protection under the Endangered Species Act, and that grain and other goods can be transported to market by railroad. I do not accept that argument. I believe that there is significant difference of opinion whether or not a spring flood will benefit pallid sturgeon, the interior least tern or the piping plover. In fact, the Corps has demonstrated that it can successfully create nesting habitat for the birds

through mechanical means. Further, it is in dispute among biologists whether or not a flood can create the necessary habitat for the sturgeon.

I would further point out that the Fish and Wildlife Service has yet to designate ''critical habitat'' for the pallid sturgeon as required by the Endangered Species Act.

Loss of barge traffic would deliver the western part of America's great grain belt into the monopolistic hands of the railroads. Without question, grain transportation prices would drastically increase with disastrous results on farm income.

Every farmer in Iowa knows that the balance in grain transportation is competition between barges and railroads. This competition keeps both means of transportation honest. This competition keeps transportation prices down and helps to give the Iowa farmer a better financial return on the sale of his grain. This competition helps to make the grain transportation system in America the most efficient and cost effective in the world. It is crucial in keeping American grain competitively priced in the world market. The Corps itself estimates that barge competition reduces rail rates along the Missouri by $75–200 million annually.

Further, if a drought hits during the split navigation season, there would be even less water flowing along the Missouri. This would greatly inhibit navigation along the Mississippi River. We cannot let this happen.

Less water flowing in the late summer would also affect hydroelectric rates. The decreased flows would mean less power generation and higher electric rates for Iowans who depend upon this power source.

I agree with the National Corn Growers and their statement that, ''an intentional spring rise is an unwarranted, unscientific assault on farmers and citizens throughout the Missouri River Basin.'' I urge my colleagues to support section 103. Vote against the Daschle amendment.

The PRESIDING OFFICER. The distinguished Senator from Missouri is recognized.

Mr. BOND. Mr. President, I rise to speak in support of section 103, and I yield myself such time as I may consume to make my remarks.

Section 103 of this bill is a provision that is necessary for the millions of Americans who live and work along the Missouri and Mississippi Rivers. But before I get into detailing those considerations, let me commend Senator BAUCUS and the Senate Appropriations Committee for including section 103 in the energy and water appropriations bill.

This section protects the citizens of my State of Missouri and other States from dangerous flooding and allows for cost-efficient transportation of grain and cargo. Of course, cost-efficient transportation provides a basis for much of our industry and agriculture.

The pending amendment would delete section 103 in the underlying bill, thereby sanctioning the Fish and Wildlife Service's attempt to bully the Corps of Engineers into immediately changing the river's water management plan to include a spring rise which would increase flood risk on the lower Missouri and Mississippi Rivers.

This is not just a dispute between the States of Missouri and the Dakotas. It is a much larger issue. It is about whether we will prevent unnecessary administrative intrusion into the operation of the Missouri or any U.S. river, and whether the public it is about should have the opportunity to review proposed changes and whether we should allow a disputed biological opinion to be the subject of independent scrutiny.

Without section 103, decades of operating the Nation's commercially navigable rivers for multiple purposes will be reversed without clear congressional direction.

Joining us in urging defeat of the pending amendment is a bipartisan collection of people and organizations representing farmers, manufacturers, labor unions, shippers, cities, and port authorities from 15 Midwest States. Also supporting us in opposing the Daschle amendment are major national organizations, including the American Farm Bureau, the American Waterways Association, the National Grange, and the National Soybean Association.

We are united in opposing this amendment because of the risk. It would lead to a dangerous flooding condition and could interfere with the movement and cost of grain and cargo shipped on our Nation's inland waterways.

It is not a novel thing for me to stand in defense of the Missouri River. I come to this debate after fighting for Missouri's water rights as the Missouri attorney general and Governor, and I will continue to make water flows on the Missouri and Mississippi Rivers top priorities.

As background for this debate, Senators need to know that the use of the Missouri River is governed by what is known as the Missouri River Master Manual. Right now, there is an effort underway to update that manual. The specific issue that is at the crux of this debate today is what is called a spring rise. A spring rise in this case is a release of huge amounts of water from above Gavins Point Dam on the Nebraska-South Dakota border during the flood-prone spring months.

To see whether such a controlled flood may improve the habitat of the pallid sturgeon, the least tern, and the piping plover, section 103 is a commonsense provision that states:

> None of the funds made available in this act may be used to revise the Missouri River Master Water Control Manual if such provisions provide for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

This policy has been included in the last four energy and water appropriations bills, all of which the President signed without opposition.

In an effort to protect the species' habitats, the U.S. Fish and Wildlife Service issued an ultimatum to the Army Corps of Engineers insisting that the U.S. Corps of Engineers immediately agree to its demand for a spring rise. The Corps was given 1 week to respond to the request of Fish and Wildlife for immediate implementation of a spring rise. The Corps' response was a rejection of the spring rise proposal, and they called for further study of the effect of the spring rise.

The Bond language in section 103 will allow for the studies the Corps recommends.

National environmental groups want to delete section 103. They want to do that in an attempt to circumvent additional analysis of the effects of the proposal.

What is ironic and even tragic is that spring flooding could hurt the targeted species more than it would protect them, and it would do so in a way that would increase the risks of downstream flooding and interfere with the shipment of cargo on our Nation's highways.

Dr. Joe Engeln, assistant director of the Missouri Department of Natural Resources, stated in a June 24 letter that there are several major problems with the Fish and Wildlife's proposed plan that may have a perverse effect of harming the targeted species rather than helping the targeted species.

First, Dr. Engeln points out that the plan would increase the amount of water held behind the dams, which would have the effect of reducing the amount of river between the big reservoirs by about 10 miles in an average year and a reduction in certain parts of the river.

In addition, Dr. Engeln writes, ''The higher reservoir levels would also reduce the habitat for the terns and plovers that nest along the shorelines of the reservoirs.''

Dr. Engeln also points out that because the plan calls for a significant drop in flow during the summer, predators will be able to reach the islands upon which the terns and plovers nest, giving them access to young still in nests. It is clear there isn't a single view about the value, even in terms of seeking to protect these species which are the focus of this debate.

Some advocates of the proposed plan claim this plan is a return to more natural flow conditions. They say, we want to return the river to its condition at the time of the Lewis and Clark expedition. Not only is it unrealistic to return the river to its ''natural flow'' when the Midwest was barely habitable because of erratic flooding conditions, according to Dr. Engeln,

> The proposal would benefit artificial reservoirs at the expense of the river and create flow conditions that have never existed along the river in Iowa, Nebraska, Kansas, and Missouri.

Dr. Engeln's letter states:

Balancing the needs of all river users is complicated. Predicting the loss of habitat and its impact on the terns and plovers should not be subject to disagreements. The Fish and Wildlife Service and the Corps of Engineers need to examine the implications of this proposal and recognize its failure to protect these species.

Listen to the last comment: The Missouri Department of Natural Resources—I might note, this is a well-recognized department; our conservation and natural resource departments are nationally recognized. We are especially supportive, with special independent tax revenues for the conservation commission. The Missouri Department of Natural Resources states that the Fish and Wildlife Service should recognize the proposal's failure to protect these species.

The plan by the Fish and Wildlife Service fails to protect species. It exposes the citizens of the Midwest and Southern States and their farms and cities and ports to dangerous flooding. It also interferes with the shipment of cargo and could lead to higher prices being charged for the shipment of cargo.

Over 90 organizations representing farmers, shippers, cities, labor unions, and port authorities sent a letter to Congress last week that Senator BOND has had printed in the CONGRESSIONAL RECORD. Let me briefly quote from this letter:

The spring rise demanded by the Fish and Wildlife Service is based on the premise that we should ''replicate the national hydrograph'' that was responsible for devastating and deadly floods, as well as summertime droughts and even dust bowls.

The letter goes on to say:

For decades we have worked to mitigate the negative implications of the natural hydrograph with multiple purpose water resource programs. These efforts have protected communities from floods and also provided hundreds of thousands of families wage jobs in interior regions.

These 90-plus organizations are exactly right. For decades, the Government has made water resource management decisions by taking into account the many varied uses of the river in balancing the interests of all affected groups: agriculture, energy, municipal, industrial, environmental, and recreational. Our policies in the past have been designed to protect communities against natural disasters, as well as allow efficient and environmentally friendly river transportation, low-cost and reliable hydropower and a burgeoning recreation industry.

Let me indicate when I was attorney general of the State of Missouri—and that is several decades ago—there was a run made on the river at that time to divert the river, to run it through a pipeline to the lower Gulf States and to run the river in conjunction with powdered coal through the pipeline as a means of taking the river.

I guarded the river then because I knew of its value to our State. Half the people in the State of Missouri drink water from the Missouri River. It is a tremendous resource in terms of transportation, in moving grain downstream for international sale. Soybean farmers in America have to sell over half of their crop overseas. Moving their crop to the ports is essential. Moving the crop efficiently to the ports is very important in terms of our competitive position. It is a necessary thing that we preserve this potential for those who operate our family farms—not just to have the transportation—to avoid the unnecessary and devastating potential of floods.

Last week, the sponsors of the pending amendment circulated a Dear Colleague letter regarding their amendment. It is a letter to explain their idea of striking section 103. They laid out the arguments. The environmental groups who are supporting the Daschle amendment have made many of the same points in defense of their position. I want to take a few minutes to refute the main points of the supporters of this amendment, which is to strike this provision.

First, the supporters argue that the Missouri River management changes will not create potential downstream flooding because the spring rise would not occur every year. It would not be implemented during the 10 percent highest flow years, they say, ''and the Corps would not release additional water from Gavins Point dam if the Missouri were already flooding.''

While this may sound reassuring, it is not acceptable to those citizens living downstream because unreliable waterflows pose a grave danger to everyone living and working along the banks of the river. The spring rise would come at a time in the year when downstream citizens are most vulnerable to flooding and downstream agriculture is certainly very vulnerable to flooding.

It normally takes 11 or 12 days for water to travel from the Gavins Point reservoir to St. Louis. During the spring, the weather in the Midwest is unpredictable. I might want to protect myself. It may be that the weather in the Midwest is always predictable.

I remember last summer visiting a flood-ravaged city in eastern Missouri in this watershed. Union, MO, had a 14-inch rain that was not predicted. I had flooding on my farm in late July when we had a 7-inch unpredicted rain. And not only just this kind of outburst or cloud burst, but we know that the weather in the Midwest is hard to predict. Heavy rain or a series of heavy rains in the 12-day period following a spring rise would certainly greatly increase the chances for downstream flooding, and the amount that would be necessary to top a levy here and there could be the amount precipitated with the rise, the purposeful release of the water.

The second major point the opponents make is that section 103 prohibits the Corps from producing a final environmental impact study. The true fact is the language of section 103 only forbids the use of Federal funds to make revisions of the master manual to allow for a spring rise. It does not impact the Corps' ability to produce a final environmental impact study, nor does it permanently ban revisions. Section 103 would only be operative for fiscal year 2001.

The third point that the opponents make is that the Fish and Wildlife Service proposal will help Mississippi barge navigators. The true fact is every Mississippi navigational organization and transportation entity is against the proposed spring rise and in support of section 103. They say these folks will all be assisted by this. But all the folks who actually work in this industry, every single navigational organization says that kind of assistance ''we don't want.'' It is akin to the fellow saying: I don't think the check is in the mail and I don't think you are from the Federal Government and here to help me.

The fourth point that our opponents make is that the Missouri River farmers will benefit by the proposed management changes. The real fact is that every farm group is against the proposal and is in favor of retaining section 103. The American Farm Bureau Federation, the National Corn Growers Association, the National Association of Wheat Growers, the American Soybean Association, the National Grain and Feed Association, the National Council of Farmer Cooperatives, Agriculture Retailers Association—enough.

The fifth point our opponents make is that public recreational opportunities in upstream States will be improved by the proposed changes. According to the mark 2,000 set of groups, no evidence exists to suggest that recreation and tourism will benefit from a spring rise.

The sixth point our opponents make is that the spring rise will help to restore the health of the river and recover endangered fish and bird species. No documentation has been provided that establishes the need for a spring rise beyond what currently occurs naturally. As I mentioned before, the Missouri Department of Natural Resources strongly disagrees that a spring rise would have environmental benefits for endangered birds.

The seventh point our opponents make in their letter is that the only industry harmed by the proposal would be the downstream barge industry. They don't always make this point. Sometimes they say this will not make any difference to the barge industry. Sometimes they say it is going to help the barge industry. Then they say the only industry that would be hurt would be the barge industry. I think what we can all agree on is the barge industry would be affected, and I think we ought to listen to the barge industry. The barge industry simply says very clearly they don't want any part of this, that they reject this concept.

Competition on the waterways, of course, would be impaired. If you hurt the barge industry, it is totally naive

to think that you can hurt the barge industry and that would be the only industry hurt. If you hurt the barge industry and take that grain shipment capacity out of the system, all of a sudden you have to load more trucks. So there would be a greater demand for trucking. With more demand, we all know what happens: Supply and demand, if the supply is the same the price goes up. In fact, it doesn't take a particularly strong analytical bent to get there. But the Tennessee Valley Authority has made some estimates about this. According to the TVA, water competition holds down railroad rates, not only trucking rates but railroad rates, and the holddown of the railroad rates by water competition is about $200 million each year.

If you are talking about that kind of impact holding down those rates, I think it is fair to say there are potential ripple effects on a lot of other folks than just the barge industry, and I happen to believe this is a time when the American farmer might find himself on the tracks and the fast freight coming through, and not for the benefit of the American farmer. It is time for us to say we need as much competition as possible in hauling these resources to market rather than to minimize that competition.

Finally, the amendment sponsors say the President will veto this bill if section 103 is maintained. If the President decides to veto the entire bill after having signed this provision four times previously, it states a very clear message by the Clinton-Gore administration to the citizens of the Midwest. It is very easy to understand. Unfortunately, it would be very hard to digest and accommodate. But the message would be this: The Clinton-Gore administration is willing to flood downstream communities as part of an unscientific, risky scheme that will hurt, not help, the endangered species it seeks to protect. If that is the message, I wouldn't want to be the messenger. A vote for the Daschle amendment sends the message to communities all along the Missouri River that this Congress supports increased flooding of property and higher costs for family farmers, factory workers, and industrial freight movers.

I think it is pretty clear that there is not sound science to support some protection of these species. There is a clear disagreement among scientists, and a strong argument that the implementation of this plan would, in fact, damage the capacity of some of these species to continue.

I urge Senators to look closely at the facts and to stand with the men and women who depend upon sane, scientific management of the Missouri and Mississippi Rivers, and to join me in voting no on the Daschle amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The distinguished Senator from Montana.

Mr. BAUCUS. I don't know if the Senator from Missouri wants to speak now. I have maybe 5 or 10 minutes of points I want to make, but if the Senator wants to speak now——

Mr. BOND. Please; my colleague has the floor.

Mr. BAUCUS. Mr. President, just several points for the record. In all due respect, listening to my colleagues, there were lots of conclusions. I don't hear a lot of facts, support for the statements made.

One of the statements I heard is that flood control benefits will be much worse under the preferred plan, that is the spring rise/split season. But that is not what the facts are, according to the Army Corps of Engineers. If you look at all the various data here on all the various alternatives that the Corps considered, it totaled up the flood control benefits for the river from the Fort Peck Dam down to the mouth, and I must say there is statistically no difference in flood control benefits. So this big scare tactic of floods—I have heard some say, not on this floor, a wall of water—is, according to the facts, inaccurate. It is inaccurate according to the modeling done by the Corps on all the various alternatives.

The benefits under the current master manual, flood control benefits, according to the Army Corps of Engineers, are about $414 million. The spring rise/split season flood control benefits are virtually statistically the same; that is, $410 million—virtually no difference. Those are the facts. Not the rhetoric, not the abstraction, not the generalization, but the facts.

Second, I have heard here that the spring rise/split season will increase Mississippi River navigation costs. That is the assertion. Let's look at the facts, again, facts according to studies done by the Army Corps of Engineers—not by that dreaded Fish and Wildlife Service, but by the Army Corps of Engineers.

The facts: If you look at the average annual Mississippi River navigation costs for the Army Corps of Engineers, under the master manual it is about $45.70 million; under the spring rise alternative is it $46.85, which comes out to less than a 1-percent difference. So, again, it is a scare tactic and an inaccurate scare tactic to say that the spring rise/split season is going to increase navigational costs downriver on the Mississippi. It is just not accurate, according to studies done by the Army Corps of Engineers.

I have also heard on the floor this evening that the spring rise/split season will decrease hydropower benefits for the main stem reservoir system. That is the assertion. That is the rhetoric. Let's look at the facts. Let's look at what the Army Corps of Engineers' actual data says. I have it here before me. Under the current master manual, the average annual hydropower benefits total $676 million. Under the spring rise/split season, the average annual hydropower benefits are higher, $683 million; not lower, higher. So the hydropower benefits under the spring rise/split season are actually better, higher than they are under the current master manual.

Another point, you have heard stated many times on the floor tonight this provision has been in the appropriations bill for about 4 years and there has been no objection; the President hasn't objected, so what is the big deal? The difference is in those prior years it was all abstraction. That is, there was no Fish and Wildlife Service biological opinion. We were dealing with thin air, not dealing with something substantive. Now we are. The Fish and Wildlife Service issued their biological opinion. We have something definite. And they concluded the spring rise/split season is necessary.

On that same point, I might say the group that peer-reviewed this proposal—I think there are seven or eight from the Missouri River basin—unanimously concluded this is necessary.

I might tease my good friend from Missouri, saying his colleague at length quoted a Missourian who has had problems with the proposal alternative. I might tease my friend from Missouri, pointing out of the seven scientists on the peer review who unanimously concluded this makes sense, two of them are Missourians, one with the department of conservation and the other with the University of Missouri at Columbia. One says it is a bad idea; two say it is a good idea. I will take the majority vote from the Missourians.

I might also point out that basically we want the Corps of Engineers to follow the law. Under the law, whenever a species is threatened or endangered, the Fish and Wildlife Service consults with the relevant agency—in this case the Army Corps of Engineers. And under the law, the alternative must comply with the Endangered Species Act. It will not have the devastating effect that has been asserted.

I say so not as an assertion but backed up by facts, backed up by the Army Corps of Engineers' own data. Look at the data. The data shows, A, this is not going to cause all the problems that have been asserted and, B, this is probably necessary under the law. Otherwise, it is thrown in the courts, and we all know what happens when something like this is thrown into the judicial system. We will be wrapped up trying to resolve this for years and years.

I strongly urge my colleagues to do what is right. Follow the science, follow the law, and vote to delete section 103 from the appropriations bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Missouri is recognized.

Mr. BOND. Mr. President, I yield myself 5 minutes, which I hope ends this debate for this group who is listening in rapt attention. I appreciate the attention of those people who are sitting

on the edge of their seats learning more than they ever wanted to know about the Missouri River. It is important to us. It is vitally important to Missouri and other downstream States.

We do disagree with some of the statements that have been made by my colleagues on the other side. We have a disagreement on the interpretation and I think a disagreement on the facts.

The statement has been made that the Fish and Wildlife Service's split season does not have any impact on the river flows in the Mississippi River. That has not happened. The Fish and Wildlife Service proposal, according to the Corps of Engineers' advice to us today, has not happened. That is not accurate.

I believe strongly the spring rise will take water out of upstream reservoirs. They need that water for recreation. I have worked very closely with my friend and colleague from Montana, and others, to do what we can to accommodate legitimate recreation needs. My colleague from Montana was a very valuable ally when we pushed through the middle Missouri River habitat mitigation plan that made changes that we think are improving fish and wildlife habitat along the Missouri. I thank him for that.

When he says the models show there is a statistically insignificant impact downstream, any kind of spring rise in any year which is an exceptional flood year is going to have exceptional and disastrous impacts. Look at it in a low-flow year. It may not make much difference, but if you put that spring surge down the river in a year when we get that unexpected 6-inch, 8-inch, 10-inch, 14-inch rise, we have a devastating flood that not only wipes out property and destroys facilities along the river but puts lives at danger.

The statement was made that fish and game agencies are united behind this plan. They are not. This is one of the big questions that needs to be resolved. Resolution of those questions can and must go on during the coming year. We do not stop all of the agencies from continuing the discussions and debate. Contrary to what has been said on this floor by the proponents of the motion to strike, we only say you cannot implement the spring rise.

This risky scheme needs to be thoroughly worked out, thoroughly debated, before anybody has a thought of putting it into action. That is why we want to have a year with no spring rise implemented as ordered by the diktat of the U.S. Fish and Wildlife Service in their letter of July 12.

The statement was made that the consensus of the States in the Missouri River Basin Association was in favor of a spring rise. There is a difference between a spring rise in the upper part of the river which is above the dams, above Gavins Point, which makes the difference on what the flows are in Missouri, Kansas, Iowa, and Nebraska.

The Missouri River Basin Association recommends trial fish enhancement flows from Fort Peck Reservoir. The enhanced flows will be coordinated with the unbalancing of the upper basin reservoirs and thus will occur approximately every third year. This is in the upper basin. It does not have any impact directly downstream.

With respect to the lower Missouri River, which is below the last dam—that is, Gavins Point releases—the statement of the Missouri River Basin Association is that it recognizes the controversial nature of adjustment to releases from Gavins Point Dam. MRBA recommends the recovery committee investigate the benefits and adverse impacts of flow adjustment to the existing uses of the river system. They did not, have not, and are not recommending increased flows.

This effort by the Fish and Wildlife Service to impose their views over the views not only of the neighbors of the people downstream who have studied it, the fish and wildlife agencies, this is a risky scheme that provides tremendous potential for a flooding disaster along the Missouri River, and I urge my colleagues tomorrow to oppose the motion to strike.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I want to say it has been a good debate. Our views have been aired. I deeply respect that different Senators might have different points of view on this issue. After all, that is why we run for this job. That is why we are here. We all have various points of view. I do not want to be corny, but that is what makes democracy strong—various points of view.

I very much respect and appreciate my good friend from Missouri and others who are arguing to include this provision in the appropriations bill to prevent the spring rise. My basic point is we have different points of view on this. My basic point is let the process work, do not preempt it. There will be plenty of opportunities for comments on the draft opinion and on whatever alternative the Army Corps of Engineers picks. There are lots of different options. Let's not prejudge it by saying it cannot be one as opposed to others. Somebody might come up with a better idea between now and then. My belief is we should let the process work. We can let it work by not adopting this rider to the appropriations bill. We should work through this as it evolves.

Mr. President, I yield the floor.

Mr. BOND. Mr. President, I am prepared to yield back time on this side and bring this to a blessed conclusion after stating that I appreciate the chance to discuss this issue with my good friend from Montana and to say we are willing to let the process go forward. Just do not send us a controlled flood next spring. That is all we ask. Let the process work. Do not send the water down.

I now yield back the time on this side.

Mr. BAUCUS. Mr. President, I yield back the remainder of my time and ask that we let the process work.

The PRESIDING OFFICER. All time is yielded back.

MORNING BUSINESS

Mr. BOND. Mr. President, I now ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

AIRPORT SECURITY IMPROVEMENT ACT OF 2000

Mr. MCCAIN. Mr. President, on June 15, 2000, the Committee on Commerce, Science, and Transportation reported S. 2440, the Airport Security Improvement Act of 2000. A report on the bill was filed on August 25, 2000. At that time, the committee was unable to provide a cost estimate for the bill from the Congressional Budget Office. On September 1, 2000, the accompanying letter was received from the Congressional Budget Office, and I now make it available to the Senate. I ask unanimous consent that the letter from CBO be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 1, 2000.

Hon. JOHN MCCAIN,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2440, the Airport Security Improvement Act of 2000.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are James O'Keeffe (for federal costs),who can be reached at 226–2860, Victoria Heid Hall (for the state and local impact), who can be reached at 225–3220, and Jean Wooster (for the private-sector impact), who can be reached at 226–2940.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, SEPTEMBER 1, 2000

S. 2440: AIRPORT SECURITY IMPROVEMENT ACT OF 2000, AS REPORTED BY THE SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION ON AUGUST 25, 2000

SUMMARY

S. 2440 would require the Federal Aviation Administration (FAA) to revise certain airport security policies and procedures. These policies would direct airports and air carriers to implement a number of security measures, including Federal Bureau of Investigation (FBI) electronic fingerprint checks before filling certain jobs, better training for security screeners, and more random security checks of passengers. S. 2440 also would require the FAA to expand and accelerate the current effort to improve security at air traffic control facilities.

CBO estimates that implementing S. 2440 would cost $155 million over the 2001–2005 period, assuming appropriation of the necessary amounts. That amount represents the

difference between estimated spending under FAA's current plan for security improvements and spending for such improvements under the bill. Because S. 2440 would affect direct spending, pay-as-you-go procedures would apply, but CBO estimates the net impact on direct spending would be negligible.

S. 2440 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) because it would require airport operators to improve airport security. CBO estimates that the new requirements would impose no significant costs on state, local, or tribal governments, including public airport authorities.

S. 2440 would impose private-sector mandates, as defined in UMRA, on air carriers and security screening companies. CBO expects that total costs of those mandates would not exceed the annual threshold established by UMRA for private-sector mandates ($109 million in 2000, adjusted for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2440 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

SPENDING ON SECURITY IMPROVEMENTS TO AIR TRAFFIC CONTROL FACILITIES SUBJECT TO APPROPRIATION

[By fiscal year, in millions of dollars]

	2000	2001	2002	2003	2004	2005
Spending Under Current Plan:						
Estimated Authorization Level	12	19	20	23	25	25
Estimated Outlays	6	20	20	22	24	25
Proposed Changes:						
Estimated Authorization Level	0	61	70	67	−25	−25
Estimated Outlays	0	46	68	68	−2	−25
Spending Under S. 2440:						
Estimated Authorization Level	12	80	90	89	0	0
Estimated Outlays	6	66	88	90	22	0

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 2440 will be enacted near the beginning of fiscal year 2001 and that the necessary amounts will be appropriated for each fiscal year. Estimated outlays are based on historical spending patterns.

S. 2440 would require the FAA to expand and accelerate its current plans to improve security at air traffic control facilities. Based on information from the FAA, implementing this provision of the bill would cost about $155 million over the 2001–2005 period. This amount includes a spending increase of $182 million during the 2001–2003 period and a $27 million reduction in spending over the following two years, relative to current plans for security improvements.

Implementing S. 2440 would require airports and air carriers to increase the number of fingerprint checks on employees and potential hires that are conducted by the FBI with assistance from the Office of Personnel Management. Both of these agencies would receive payments from airport operators and air carriers (or their contractors), which would be recorded as offsetting receipts (a credit against direct spending). These payments could then be spent without further appropriation action to conduct fingerprint checks on employees. Since the additional direct spending and offsetting receipts would be approximately equal, we estimate that the net impact on direct spending of this provision would be negligible.

PAY-AS-YOU-GO CONSIDERATIONS

the Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. implementing S. 2440 would affect direct spending, but CBO estimates that any such effects would be negligible.

ESTIAMTED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 2440 contains an intergovernmental mandate as defined in UMRA because it would require airport owners and operators to improve airport security. Based on information from the Airports Council International and the Air Transport Association, CBO estimates that the new requirements would impose no significant costs on state, local, or tribal governments, including airport authorities, because under existing contracts and agreements any additional costs would be borne by air carriers and other airport tenants.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 2440 would impose private-sector mandates, as defined by UMRA, on air carriers and security screening companies. Based on information from the FAA and industry representatives, CBO estimates that the costs of those mandates would not exceed the annual threshold established by UMRA for private-sector mandates ($109 million in 2000, adjusted for inflation).

First, the bill would mandate new hiring procedures and training standards for airport security workers. Section 2 would require air carriers to conduct an FBI electronic fingerprint check on all applicants for certain positions related to airport security positions with unescorted access to sensitive areas, positions with responsibility for screening passengers or property (screeners), and screener supervisor positions. Because the FBI electronic fingerprint checks would make the current price of employment investigations and subsequent audits of those investigations unnecessary, enacting this section could result in savings for air carriers. Section 3 would require additional hours of training for security screeners. In addition, the bill would require that computer training facilities be located near certain airports.

Second, the bill would accelerate the effective date of two sets of requirements that the FAA plans to implement in the next year. Section 3 would accelerate the FAA's current proposed rule on the Certification of Screening Companies. The rule is intended to improve aviation security by requiring companies and air carriers that provide security screening to be certified by the FAA. Section 4 would also accelerate a number of requirements on air carriers to improve security at access control points at airports. Most significantly, the section would require air carriers to develop and implement programs that foster and reward compliance with access control requirements. Because S. 2440 would accelerate implementation of those new mandates, air carriers and security screening companies would incur some compliance costs months earlier compared to current law.

Third, Section 6 would require the FAA to gradually increase the random selection factor in the Computer-Assisted Passenger Prescreening System (CAPPS) at airports where bulk explosive detection equipment is used. The selection factor controls the number of passengers randomly selected to have their baggage undergo enhanced security checks. If bulk explosive detection equipment is available, it is used for this enhanced security check. If it is not available, the passenger's baggage is placed on the airplane only after the air carrier has confirmed that the passenger is on board.

Because only about 5 percent of airports use the bulk explosive detection equipment, enacting Section 6 would, in theory, increase the number of bags that would be checked with the bulk explosive detection equipment in only a few airports. According to the FAA and industry representatives, however, a limitation in CAPPS would not allow an increase in the random factor in a subset of selected airports. All airports would be subject to the increased random factor. Thus, to comply with the mandate air carriers would have to either (1) reprogram their computer systems to selectively increase the random selection factor in airports that use bulk explosive detection equipment or (2) increase the number of bags undergoing enhanced security checks based on the factor whether or not an airport uses such equipment. In either case, air carriers would incur the incremental cost of checking the additional bags at airports that use bulk explosive detection equipment.

Estimate prepared by: Federal Costs: James O'Keeffe (226–2860). Impact on State, Local, and Tribal Governments: Victoria Heid Hall (225–3220). Impact on the Private Sector: Jean Wooster (226–2940).

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

VICTIMS OF GUN VIOLENCE

Mr. REID. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today. September 6, 1999: Andres Aguliar, 33, Houston, TX; Sharon Barraso, 20, Philadelphia, PA; Tony Butler, 18, Philadelphia, PA; Edwin Cordova, 23, Houston, TX; Tijuan Dickey, 19, Baltimore, MD; Ellis Hair, 21, Chicago, IL; Anthony Jones, 32, Detroit, MI; Louis Merril, 17, Chicago, IL; Oscar Murray, 24, Detroit, MI; Isaac Noyola, 21, Houston, TX: Kevin Parker, 23, St. Louis, MO; Michael Sanchez, 28, Philadelphia, PA: Gregory Scott, 30, Houston, TX; Vincent Casey Stanley, 36, Memphis, TN; Cheryl Thornton, 20, New Orleans, LA; Unidentified Male, 58, Norfolk, VA; and Unidentified Male, 25, Norfolk, VA.

One of the gun violence victims I mentioned 23-year-old Edwin Cordova of Houston, was on his way home from a trip to Galveston with a group of friends. After passing a truck that had been attempting to block their way, one of the truck's passengers fired gunshots through the rear window of the vehicle. Cordova, who was riding in the front passenger's seat, died at the hospital of a gunshot wound to the neck.

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation now.

A STRONG MEDICARE FOR OUR SENIORS' FUTURE

Mr. ABRAHAM. Mr. President, Medicare, that's what seniors and health care providers in Michigan talked

about with me over the August recess—Medicare. Whether it was prescription drug coverage for Medicare beneficiaries, Medicare reimbursement restoration so that health care providers can continue to provide quality health care for beneficiaries, or reining in the excesses in this Administration's crusade to ferret out Medicare fraud and abuse, even where it does not exist, I have heard the message of my constituents, and that is that Medicare needs to be modernized, reformed, and refocused on providing the best health care possible for seniors and the disabled.

Nowhere has the national debate on Medicare focused more clearly than on prescription drug costs. The increased reliance on prescription drugs in health care treatments in recent years means seniors are paying a much higher portion of their income on drugs. As new drugs come on the market that allow doctors to treat illnesses without surgery, or even allow them to treat illnesses for the first time, the result is that health care has shifted from inpatient hospital services for surgical treatment to outpatient care that utilizes more, better, and more specific drugs. The result is that while per unit costs of drugs are expected to increase by an average of 3.2 percent over the next five years, overall drug expenditures are expected to rise by almost 14.5 percent per year as the number of prescriptions per senior shoots up by more than 20 percent.

But Medicare, developed in the late 1960's, and little changed since then, is still geared primarily towards the antiquated focus on intensive, inpatient care, and continues to miss the fundamental shift towards modern care techniques, including prescription drugs. Comprehensive Medicare reform, such as that outlined in the recommendations of the Bipartisan National Commission on the Future of Medicare that embodies choice, competition, and modernization, would allow Medicare to continue its guarantee of health coverage, while providing the type of health coverage that a modern senior needs. Unfortunately, apparently due to the election cycle games of this Administration, the necessary super-majority could not be mustered to report these proposals to Congress. So, America's seniors continue to be denied without a modern Medicare system, including prescription drug coverage.

But these political realities do not lessen the immediacy of the problem, nor the need for this Congress to move now on providing a prescription drug benefit. I believe we must move on passing a prescription drug coverage plan for Medicare seniors, and pass it now. I hear the cry of my colleagues who say this will take the wind out of the sails for needed overall Medicare reform, but that assumes comprehensive reform is possible during this session of Congress. Given the politically charged nature of this election, and the fact that our colleagues on the other side of the aisle seem to find new excuses every week for why they can't vote for even the most non-controversial of the appropriations bills, I doubt that will happen. In the short term, Medicare will remain solvent and will be able to provide adequate medical care for seniors. However, Michigan seniors need prescription drug coverage as soon as possible, and I intend to see that happen.

Twice this summer, once on my own, and once with a bipartisan group of 12 other Senators, I have called upon the Senate Leadership to bring to the Senate floor a meaningful prescription drug plan that will not only cover these increasingly expensive drugs, but also ensure that such a plan does not impose additional costs on our seniors, additional costs that would wipe out any savings the coverage would provide. It makes little sense to me to establish a prescription drug plan that pays for 50 percent, or even 100 percent, of a senior's drug expenses, which average about $550 per year, but then saddle them with $600 in new premiums, and have them end up with greater out-of-pocket expenses than if they never had the coverage in the first place. That's not what I hear Michigan seniors say they want in a prescription drug plan. No, what I hear them say is that they want a prescription drug plan that will actually reduce their out-of-pocket expenses, allow them the most freedom and choice in determining their own coverage, and protect them from unexpectedly high drug expenses, expenses that can make their daily choice one between food and drugs.

That's why I am so excited about the prescription drug plan on which I have been working with Senators HAGEL and MCCAIN as well as the other cosponsors, the Medicare Rx Drug Discount and Security Act of 2000, S. 2836. Of all the plans we have seen presented before this and the other Chamber, I believe this bill most directly addresses the major issues of prescription drug coverage. First, unlike any other bill currently before Congress, it provides broad and deep discounts for prescription drugs, on average 30–39 percent discounts, through multiple, competing drug discount buying plans. Much has been made over the last few years about the relative price difference American seniors pay for their prescription drugs as compared to those paid by their Canadian counterparts, where prices are fixed by the Government. But those comparisons are of the retail price. When the prices paid by Canadian seniors are compared to the prices paid by American seniors that are in group buying plans, the American senior pays less.

And these plans are not uncommon. In fact, 71 percent of all prescription drugs paid for by third parties have been administered by these group buying plans, such as with the Michigan National Guard's drug insurance coverage plan. Furthermore, many group buying plans are offered outside of insurance programs, such as those innovative programs being offered by Macomb and Wayne Counties in Michigan, where price savings of as much as 70 percent on drugs are obtained. But as I've pointed out before, Medicare beneficiaries can't take advantage of these savings because the Medicare system still employs the antiquated priorities and structures of the days in which it was born.

For the average American senior with drug expenses of about $670 per year, in 2002, our plan would provide an immediate savings of $235 per year. And, depending upon the drugs they have prescribed, savings could be as high as 70–85 percent for the more common drugs where usage is higher and competing brands more plentiful. Furthermore, there would be even greater market pressure for lower prices under our plan because multiple, competing drug discount plans would be available from which seniors could choose. If the particular drugs a senior uses were cheaper under another plan, that senior could shift over to that plan, and enjoy those better discounts. By allowing the market to drive down prices we can provide robust market price discounts that no other plan before Congress can beat, and which are substantially better than those offered under almost every Democrat plan which I've seen. In fact, because almost every plan that has been offered by Democrats in both the Senate and the House allows for only a single entity to control the price discounting for Medicare seniors, there will be little competitive pressure to pass along savings to Senior consumers, and little incentive to even try to get prices down. The Congressional Budget Office recognized this during their analysis of the President's prescription drug proposal, and determined that drug discounts would only average 12.5 percent, or about a third of those that would be seen under the Hagel-Abraham plan.

But reducing the price of drugs is only half of the prescription drug equation. The other half is ensuring that Medicare provides the needed protections for Seniors against expensive drug treatments that may force them to decide between putting bread on the table or taking a life-saving drug. And the Hagel-Abraham bill does just that with the best catastrophic drug coverage of any bill before Congress. By tiering the coverage to income, we assure all seniors they will not be financially devastated by drug expenses for some of the new treatments that can approach $500 per month.

Here is how the prescription drug costs caps break down under the Hagel-Abraham plan. Seniors earning less than 200 percent of poverty, $16,700 for a single and $22,500 for a couple, would pay no more than $1,200 annually. All drug expenses after that would be covered by the Federal Government. For those seniors that earn more than that, but below 400 percent of poverty, $33,400 for singles and $45,000 for couples, costs

would be limited to $2,500 annually. And Seniors above 400 percent of the poverty level, up to $100,000 for singles and $200,000 for couples, would pay no more than $5,000 annually. Although some of my colleagues may believe that prescription drug insurance should be available to all Medicare beneficiaries, and that the government should subsidize the insurance of even the wealthiest Americans, I don't think it makes sense to subsidize the drug expenditures for those single seniors making more than $100,000, and those couples making more than $200,000, especially considering they have much easier access to private insurance coverage.

What makes this proposal particularly attractive, in my opinion, is that it does not require seniors to pay hundreds of dollars in new Medicare premiums, premiums that could be greater than their actual drug expenses. In fact, the Congressional Budget Office has determined that when the President's prescription drug proposal is fully implemented, seniors will have to pay more almost $600 per year in new Medicare premiums, on top of the $88 per month they will have to pay for their existing Part B Medicare coverage. I can't see how that can be a good deal for America's seniors. CBO also recently scored the drug proposal offered by Senator ROBB as an amendment to the Senate's Labor-HHS Appropriations Bill. That proposal would, according to CBO, increase Medicare's financing gap between revenues and outlays by 25 percent, while imposing new premiums of $80 per month, or $960 per year! Forcing America's seniors to pay almost $1,000 per year, just to have the privilege of participating in this big-government drug program, is wrong, flat-out wrong. And it will most likely wipe out any savings they would gain from the coverage in the first place. I believe by the time these plans were fully implemented, Michigan seniors would be wishing for the ''good ol' days'' where the government wasn't providing them such ''great'' coverage that forced them to spend more than they did before.

I am not merely railing against these plans because they represent a big-government view of legislating. No, it's that I am deeply concerned with the record of the Health Care Financing Administration and its existing prescription drug programs. The fact of the matter is that HCFA's centralized, top-down, bureaucratic method of providing it's current inpatient drug benefit has led to drug rationing, cutbacks in coverage, and price fixing. Just recently this Administration announced that it intends to cut back coverage of cancer-fighting drugs administered in doctors' offices and set the price for those drugs by Executive fiat, even while it says that it's proposed additional drug coverage will not result in these same things. There is no escaping the fact that when the government controls all aspects of prescription drug insurance the quality of care and access are placed in jeopardy. It has been happening in Canada and we cannot allow that to happen to whatever new prescription drug coverage we provide.

But we are taking action to stop the Administration's attempts to cut back cancer drug coverage for sick seniors. I am cosponsoring with Senator ASHCROFT the Cancer Care Preservation Act, which will guarantee that HCFA cannot implement any reductions in Medicare reimbursements for outpatient cancer treatment unless those changes are developed in conjunction with the Medicare Payment Advisory Commission and representatives of the cancer care community, provides for appropriate payment rates for outpatient cancer therapy services, and is specifically authorized by an act of Congress. Furthermore, I am sending a letter to the President of the United States today, calling upon him to rescind HCFA's plan until such time as such changes can be fully examined by the cancer care community and Congress. To think that the Medicare system could stop covering the most effective cancer treatments simply by it's own edict should be a clear warning to all of my colleagues on the dangers in having a single agency control the access to our senior's prescription drugs.

And that leads me to the second problem I've been hearing about in Michigan the issue of how HCFA and this Administration manage Medicare, especially with regard to reimbursement rates. When I first came to the Senate, Medicare was going broke quickly, and was bound for bankruptcy by 2001. The Balanced Budget Act of 1997 implemented necessary changes to contain the growth in Medicare spending to extend the system's solvency until 2015, giving us time to implement necessary structural and market-based reforms in Medicare, reforms that can make the program viable for generations to come. But those modest reductions in the rate of growth for Medicare have become full-blown cuts in the face of this Administration's refusal to spend the money Congress has authorized them to spend.

In fact, this Administration has short-changed Medicare by $37 billion in the last two years. The Congressional Budget Office's July 2000 Budget Projection update indicates that Medicare spending this year will be $14 billion below what Congress budgeted, following last year's spending by the Administration of only $209 billion for Medicare versus the $232 billion Congress provided. The fact of the matter, is that most reimbursement rates are set by the Administration and HCFA, and this Administration has repeatedly refused to spend the money on Medicare that Congress has given them. In fact, while the original Balanced Budget Act of 1997 was expected to reduce Medicare growth by $103 billion between 1998 and 2002, this Administration's relentless ratcheting down of reimbursements over and above that authorized by Congress has pushed those cuts to almost $250 billion. And between 2001 and 2005, the cuts are expected to be even more dramatic, climbing from $163 billion to $457 billion, 280 percent greater than Congress originally intended.

The consequences for Michigan's health care industry are devastating. According to the March 2000 Michigan Health and Hospital Association report, ''The Declining State of Michigan Hospitals'' HCFA's implementation of BBA 97 has cost Michigan hospitals an average of $8.5 million each. As a result, 68 percent of the hospitals have been forced to eliminate at least one service, ranging from urgent care and rural health clinics, to rehabilitation and pain management centers, to screening and preventative health services. Forty-five percent of all the hospitals have eliminated at least two of the services, and more than half of those who haven't yet eliminated services yet are considering it for 2000. Previous reports have put the statewide total lost hospital revenue at $2.5 billion, or just over $13.5 million per hospital.

But hospitals are not the only health care provider hit by the effects of BBA 97 and the voracious appetite of HCFA bureaucrats. Home Heath Care agencies have been particularly hard hit by HCFA policies seemingly intent on driving them all out of business. Home health care spending was expected to grow by $2 billion even after BBA 97 cost containment measures, but have dropped by $9 billion, a 54 percent drop in just two years. In fact, the number of home health care claims have dropped by 50 percent in just two years, and the average payment per patient lowered by 38.5 percent, far lower than originally projected with BBA 97. CBO stated this unexpected drop in reimbursements as the primary reason that total Medicare spending dropped last year. Over the four years covered by BBA 97, CBO now expects home health care spending to be reduced by $69 billion, over four times the original $16 billion that they originally estimated. Like hospitals, home health care has been decimated. Over 2,500 home health agencies have closed or stopped serving Medicare patients. Moreover, HCFA estimates that nearly 900,000 fewer home health patients received services in 1999 than in 1997.

Finally, I think we need to look at the effects of this Administration's policies on reimbursements to skilled nursing facilities. Under BBA 97, the rate of growth for skilled nursing facility reimbursements was to be slowed by $19.8 billion between 1998 and 2004. However, since that original projection, reimbursements are now expected to fall by an additional $15.8 billion. This even takes into account the $2 billion in reimbursement restorations provided by the Balanced Budget Refinement Act of 1999. For Michigan, the numbers are equally disconcerting.

Michigan has lost $643 million in nursing facility reimbursements, over and above those projected with BBA 97, over 75 percent more than originally projected. Is it any wonder then, that 25 percent of all skilled nursing facilities serving Medicare patients are operating in bankruptcy and that why the number one problem for hospital discharge coordinators is that they can't find nursing facilities for their patients needing them?

We have provided some important reimbursement relief in the Balanced Budget Refinement Act of 1999. But it was only a first step and by no means a complete response to the Administration's policies. While Medicare reimbursements over the next five years are projected to be cut by $295 billion more than originally projected, BBRA 99 only restored about $16 billion of that, or less than 5 percent of the additional cuts. Containing the growth of Medicare was necessary to ensure Medicare did not go bankrupt, but this continuous, unsustainable ratcheting down of reimbursements is simply wrong, and we must reverse it now. That is why this body must bring to the floor real, substantive, Medicare reimbursement restoration legislation. And we must do it very soon. We cannot wait until next Congress, or even until next month. We must do it now. Ensuring Medicare's fiscal solvency on the backs of Medicare providers is not only wrong, but counterproductive, and will ultimately lead to the insolvency of Medicare's health care guarantees as we know it.

I have been working very hard to provide specific reimbursement relief for Michigan's health care providers. First, Senator HUTCHISON of Texas and I have been fighting for two years now to improve the inpatient reimbursements for hospitals. Our American Hospital Preservation Acts of 1999 and 2000 would do just that. This year's version will restore the entirety of the Market Basket Indicator inflation adjustment for inpatient hospital reimbursement rates, returning over $6.9 billion to hospitals over the next five years, and $13.5 billion over the next 10. That will in turn mean more than $536 million in increased reimbursements for Michigan hospitals over the next ten years, or more than $3.4 million per hospital.

Likewise, I have joined 53 of my colleagues in cosponsoring S. 2365, the Home Health Payment Fairness Act to eliminate the automatic 15 percent reduction to home health payments currently scheduled to go into effect on October 1, 2001. The home health care industry cannot survive with the current reimbursement reductions, let alone another 15 percent across-the-board cut. Finally, I am working closely with a number of my colleagues to craft a bill that will provide for adequate nursing home reimbursements through a refinement of the inflation adjustment factors. We believe appropriate legislation will be available this week or next, and if any of my colleagues are interested in joining this effort, I encourage them to contact me immediately.

The third concern I hear from Michiganians about Medicare, is that even with the steps we have taken to improve its financial standing and the quality of care, it is still headed towards bankruptcy in the very near future. Seniors in Michigan are scared, scared that they will lose their Medicare benefits because we cannot modernize Medicare so that it will stay solvent for generations to come. But it looks like things are getting better with Medicare and that at least in the short term, we have the fiscal breathing room to make the necessary changes to avoid a train wreck down the way.

This summer the Board of Trustees of the Federal Hospital Insurance Trust Fund issued a correction to their 2000 Annual Report. In it, the Trustees reported that the financial projections were more favorable than those made in 1999, that the Trust Fund income exceeded expenditures for the second year in a row, and that the Fund now met the Trustees' test of short-range financial adequacy. In fact, income is now projected to continue to exceed expenditures for the next 17 years, a substantial increase over previous estimates.

Now 2017 is still too soon for us to rest in our efforts to ensure the permanent solvency of Medicare through market-based modernization and reform, as well as provide seniors' access to the full spectrum of health care options. First, we need to shift Medicare from a centrally-controlled government system to a market-based system, one that maximizes choice and can best respond to changing medical care needs, such as recommended by the National Bipartisan Commission on the Future of Medicare.

Second, to ensure that we don't raid the Medicare Trust Funds to pay for non-Medicare spending, as repeatedly proposed by this Administration, we need to wall off the Medicare Trust Fund surpluses so that they can only be used for Medicare. I have been proud to vote for a Medicare lockbox proposal. But recent analysis by conservative groups such as the Heritage Foundation, and liberal groups such as the Center on Budget and Policy Priorities have raised serious questions about the efficacy of each of these proposals, and so I will be working with my colleagues on both sides of the aisle, especially my fellow Budget Committee Members, to draft a Medicare lockbox that not only protects the Medicare surpluses, but also enhances our ability to provide for the long-term solvency of the system. Even after providing for a new prescription drug benefit, and after providing for healthier reimbursements for health care providers, we will still have about $110 billion in Medicare surpluses available to fund this reform. Given that the Bipartisan Medicare Commission's reform proposal would actually end up costing less than the current Medicare system through competition and choice, I believe this is more than adequate to fix our problems with Medicare. Regardless, the Medicare lockbox will ensure those surpluses are still there when the need comes for any funds to finance reform.

Third, I believe we need to allow Americans to prepare for their retirement health care needs outside of Medicare through Medical Savings Accounts, or MSAs, long-term care insurance, and existing health care benefit flexibility. Today's able-bodied workers will be tomorrow's seniors, and to the extent that we can set in motion now provisions that will allow them more choices, more options, and more access to quality health care, the healthier our entire retirement health care system will be, including Medicare. As we all know, MSAs are a market-based alternative for quality health care. They offer maximum flexibility for the self-employed, employees, and employers while reducing the out-of-pocket cost of insurance. MSAs are an alternative health insurance plan with real cost-control benefits for the millions of Americans who have been forced into managed care and feel they have lost control of their health care decisions. By establishing these MSAs now, tomorrow's seniors will have sizable balances available in their retirement years to supplement whatever coverage is available under Medicare. To that end, I believe we should make MSAs permanent and affordable by removing eligibility restrictions, including allowing Federal employees to have MSAs, lowering the minimum deductible, permitting both employer and employee MSA contributions, and allowing MSAs in cafeteria plans. Furthermore, I believe we should also waive the 15 percent penalty tax on non-medical distributions if the remaining balance at least equals the plan deductible.

As for long-term care insurance, I support legislation phasing-in 100 percent deductibility of long-term care insurance premiums, when they are not substantially subsidized by an employer. Under my plan, individuals age 60 and older would not be subject to such a phase-in period, and would qualify for 100 percent deductibility immediately. I believe we should also allow long-term care insurance to be offered as a cafeteria plan benefit. By providing for more accessible long-term care options, retirees can build insurance against the catastrophic expenses of long-term home and nursing facility care that is becoming increasingly difficult to obtain under Medicare.

Finally, we should allow for greater health insurance plan flexibility, especially with regards to the multipurpose Flexible Spending Accounts. Flexible Spending Accounts and cafeteria plans have become a popular means of providing health benefits to employees, but under current law, unused benefits are forfeited. This ''use it or lose it''

rule has limited the appeal of these plans as well as forfeiting substantial amounts of money that could be available for retirement health care needs. I support legislation which will allow transferring up to $500 in unused Flexible Spending Account balances from one year to the next, or to roll-over that amount into an IRA, 401(k) retirement plan, or a Medical Savings Account.

All of these proposals will help retirees better plan for and provide for their health care needs. But regardless of these supplemental programs, Medicare will still be at the base of any retirees health care program. That's why it's even more heartening to see in the corrected Medicare Trustees' report that some of the more drastic measures we once thought would be required are no longer necessary to keep Medicare sound. For example, in 1997, when Medicare was on the verge of bankruptcy by 2001, many of us, on a bipartisan basis, voted in favor of a limited move to raise the retirement age for Medicare eligibility from 65 to 67 years of age starting in 2003 and phased-in over the following twenty-four years. We did that on a near emergency basis, because the Medicare system was threatened. But I noted at the time, if the situation improved, such a change would not be necessary. In my opinion, that is now the case, and that kind of approach no longer needs to be considered in light of the improved financial condition of Medicare and the emergence of significant Medicare trust fund surpluses.

In fact, at the time I cast my vote on this question, I entered into the RECORD on July 14, 1997, a number of prerequisites which I indicated would have to be met in order for me to support the actual implementation of the proposal. In that none of these prerequisites—the development of a viable system for low- and middle-income seniors to obtain and maintain affordable health care until eligible for Medicare, as well as concurrence by the National Bipartisan Medicare Commission on the Future of Medicare on raising the eligibility age—have been addressed in the two to three year time-frame that I set forth in my statement, I have withdrawn my support for raising the eligibility age. I no longer believe this change is necessary in light of the improved financial status of Medicare, or prudent in light of the failure of its sponsors to adequately address the concerns I raised.

Finally, the fourth Medicare issue on which I have been inundated with complaints is how hard it is to navigate the regulatory complexity of the Medicare system. I have heard from doctors and hospital administrators, home health care agencies and skilled nursing facilities, about how even a simple mistake, or even a difference of opinion, can embroil them in legal controversies that take years to resolve, and many times more in legal bills than the amount of the originally contested bill. HCFA has now produced over 111,000 pages of Medicare regulations, three times the size of the incredibly complex Internal Revenue Code. These regulations make it nearly impossible to operate efficiently, and make simple administrative errors appear to be criminal fraud. In fact, on August 10th, 1998, Dr. Robert Walker, president emeritus of the Mayo Foundation, told the National Bipartisan Commission on the Future of Medicare, ''The public has been led to believe that the, Medicare, program is riddled with fraud, when in reality, complexity is the root of the problem. This has contributed to the continuing erosion in public confidence in our health care system. We must all have zero tolerance for real fraud, but differences in interpretation and honest mistakes are not fraud.''

Recently, the Association of American Physicians and Surgeons conducted a survey of its members as to the impact of HCFA regulations on their ability to treat patients. They found that it costs on average 27 percent more to process a Medicare claim as it does a private health insurer claim, and that doctors and their staffs spend more than a fifth of their time on Medicare compliance issues. Furthermore, more than half of all doctors say they will retire from active patient care at a younger age because of ''increased hassles with Medicare.'' This is bad news for Medicare seniors, as further pointed out by the survey. Almost a quarter of all doctors are no longer accepting new Medicare patients, and of those that do, 34 percent are restricting services to those patients, such as difficult surgical procedures or comprehensive medical work-ups. Last, these are not changes simply to stop previously fraudulent activity. Thirty-eight percent of all doctors surveyed stated they submitted Medicare claims that they knew were for less than for which they were entitled, or ''downcoding'' in the Medicare regulatory parlance, but did not want to subject themselves to the potential of erroneous HCFA reviews and claim denials. Similar ''downcoding'' results have been found with hospitals who deny patients the most appropriate regimen of care in complex cases because they do not believe they will be fully reimbursed by Medicare if they submit such a complex care claim.

That is why on July 27, I introduced S. 2999, the Health Care Providers Bill of Rights, a bill aimed at addressing the numerous regulatory and law enforcement abuses in the Medicare system that have brought to my attention by Michigan health care providers. This bill addresses many of the specific regulatory ''hassles'' experienced by doctors and providers everyday as they try to provide the best possible care for our Seniors.

The bill is divided into six titles: Title I—Reform of HCFA Regulatory Process; Title II—Reform of Appeals Process; Title III—Reform of Overpayment Procedure; Title IV—Reform of Voluntary Disclosure Procedure; Title V—Criminal Law Enforcement Reforms; and Title VI—Provider Compliance Education.

Provisions that should be of particular interest to my colleagues are those that rescind HCFA's ability to withhold future reimbursements in order to offset alleged prior underpayments, a strict 180 day time line for completion of the Medicare administrative appeals cases, placing program participation terminations and suspensions in abeyance while appeals are pending, prohibiting the use of sample audit results to reduce future reimbursement rates, stopping overpayment collections while appeals are pending, and establishing voluntary disclosure procedures that also bring the Department of Justice and U.S. Attorneys into the process, as well as providing safe harbor from prosecution for those that enter into and abide by the voluntary disclosure requirements.

Some further provisions that were specifically recommended by providers include requiring HCFA, fiscal intermediaries, and carriers to all spend a portion of their Medicare funds on provider education, requiring them to provide legally binding advisory opinions on Medicare coverage, billing, documentation, coding, and cost reporting requirements, as well as extending the current anti-kickback, civil monetary penalty, and physician self-referral advisory opinion requirements that are set to expire August 21st of this year.

A number of organizations have expressed their strong support for this legislation, including the Michigan Health & Hospital Association, the Federation of American Hospitals, the National Association for Home Care, the American Federation of Home Care Providers, the Healthcare Leadership Council, and the American Health Care Association. I ask unanimous consent these letters of support be printed in the RECORD.

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

MICHIGAN HEALTH &
HOSPITAL ASSOCIATION,
Lansing, MI, August 9, 2000.

Hon. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Building, Washington, DC.

DEAR SENATOR ABRAHAM: The Michigan Health and Hospital Association (MHA) appreciates the opportunity to comment on the Health Care Provider Bill of Rights and Access Assurance Act. The legislation includes many provisions aimed at ensuring that health care providers are treated in a fair, equitable and civil manner.

Michigan's hospitals and health systems must contend with an array of complex Medicare laws and regulations. Too often, Medicare billing errors, due to confusing and conflicting regulations and instructions, are presumed to be purposeful and intentional acts. Title I of the bill positively addresses this regulatory maze, mandating that the Health Care Financing Administration follow clear and specific procedures when issuing regulations.

Another provision that will be particularly beneficial is the inclusion of criminal law enforcement reform. Establishing specific

search warrant rules as well as revising current law enforcement powers of the Health and Human Services Office of Inspector General will greatly assist in minimizing any disruption of patient care or threats to the confidentiality of patient records.

We commend you for addressing these areas of concern. The MHA also would like to express its gratitude for your leadership on hospital issues as we work to maintain the highest quality of care for Medicare beneficiaries.

Sincerely,

BRIAN PETERS,
Vice President, Advocacy.

FEDERATION OF AMERICAN HOSPITALS,
Washington, DC, July 27, 2000.

Hon. SPENCER ABRAHAM,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: The Federation of American Hospitals commends you for your work to clarify and improve the regulatory burdens and administration of the Medicare program. The regulatory burden health care providers face is massive, growing every day, and diverts us from our primary mission of delivering high quality health care to the patients in our communities. Hospitals and other health care providers take their responsibility to comply with Medicare laws and regulations very seriously and have devoted significant amounts of energy and resources to these obligations. While HHS has been diligent in its efforts to implement an unprecedented number of regulatory changes in the program, more work is needed to address problem areas in the current administration of the Medicare Program and to develop a more active partnership with health care providers to promote the integrity of the Program.

The ''Health Care Provider Bill of Rights and Access Assurance Act'' proposes some important changes to the status quo to address some key problem areas. One of the most important checks and balances on the validity of the regulations HCFA promulgates is the ability of health care providers to challenge those regulations in a court of law when they believe that the regulations are excessive, unconstitutional, beyond the scope of statutory authority or have been promulgated in violation of the Administrative Procedures Act. This legislation solidifies timely judicial review of these challenges. Another important provision in the legislation promotes greater health care provider participation in program integrity efforts by improving the voluntary disclosure and overpayment repayment processes.

The bill also contributes to health care provider education and compliance efforts by providing for the reauthorization of the existing advisory opinion provisions subject to expire in August and setting some new advisory opinion requirements. The existing advisory opinion statutes provide guidance on the application of the antikickback and physician self-referral laws. The bill also adds a new requirement that HCFA, acting through its contractors, provide written answers to health care providers on nuts and bolts billing, coding and cost report questions. In a program this complex, errors are likely and providers need greater assistance to navigate the myriad of law, regulation and policy. Hospitals want to be active partners in the effort to promote program integrity and hope to work closely with HCFA and its program integrity partners on education and prevention efforts.

We appreciate your interest in these matters and look forward to working with you on this important legislation.

Sincerely,

THOMAS A. SCULLY,
President and CEO.

NATIONAL ASSOCIATION FOR HOME CARE,
Washington, DC, July 27, 2000.

Hon. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: On behalf of the National Association for Home Care (NAHC), the nation's largest organization representing home care providers and the patients they serve, I want to extend my sincerest appreciation and support for your legislation, ''The Health Care Provider Bill of Rights and Access Assurance Act.'' This legislation to reform the regulatory processes used by the Health Care Financing Administration (HCFA) to administer the Medicare program is greatly needed.

Home health agencies are currently instituting an overwhelming number of administrative changes. Many of these changes are costly and significantly increase the workloads of already strained agency staffs, affecting the ability of agencies to retain staff and continue to provide high-quality, appropriate care. HCFA frequently ignores public notice and comment requirements in implementing programmatic changes, and often underestimates or downplays the impact of new requirements on struggling agencies. As a result, providers are subject to onerous and burdensome requirements without an opportunity for input, and are given insufficient time to make operational changes in order to comply with regulations.

This legislation would ensure public input in HCFA's regulatory process and prevent arbitrary actions and erroneous decisions by HCFA from having a devastating impact on home care providers and their patients before corrective action is taken. Too often today home care agencies are bankrupted and their patients lose care before faulty policies are corrected. This bill would provide an opportunity to correct errors before irreparable harm is done. It would also prevent sanctions for conduct which providers did not know was against the rules. Providers have every intention of following the rules, but they must have advance notice of what the rules are.

The Medicare home health benefit is at great risk due to severe financial reductions and onerous and unnecessary administrative burdens. Direct intervention by the Congress is necessary to ensure the integrity and future of this important and popular benefit. We deeply appreciate your concern for home health patients and those who care for them. Enactment of the provisions in this bill would make a major contribution to expanding access to home health care and strengthening the home care infrastructure. Our hats are off to you for this groundbreaking legislation.

With best regards,

Sincerely,

VAL HALAMANDARIS,
President.

HEALTHCARE LEADERSHIP COUNCIL,
Washington, DC, July 26, 2000.

Hon. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: On behalf of the Healthcare Leadership Council (HLC), I would like to express our deep appreciation for your proposal to help health care providers comply with Medicare's increasingly burdensome regulatory maze.

The HLC is a chief executive coalition of over 50 of the largest health care organizations in the country, including hospital systems, insurers, pharmaceutical companies, and medical device companies. The HLC has zero tolerance for true fraud and abuse. True fraud and abuse in our health care system undermines quality, threatens patients' trust and should not be tolerated.

However, the public's confidence in the nation's health care system has been eroded by headlines of health care fraud investigations that are most often not the result of true, intentional fraud—but rather errors or misunderstandings due to countless, complex regulations. We believe strongly that Medicare's complexity actually undermines compliance and, ultimately, the quality of patient care.

The Provider Bill of Rights and Access Assurance Act contains several provisions that will improve communication and relations among Medicare's providers, regulators, and enforcers. Provisions that we particularly support are those that would expand providers' appeals rights, coordinate voluntary disclosure procedures among enforcement agencies, and educate providers regarding the application of certain regulations through advisory opinions and other means.

The Healthcare Leadership Council commends you for your leadership on this very important issue and we stand ready to help you further refine this legislation so that it will serve to greatly improve the Medicare program for providers and patients alike.

Sincerely,

MARY R. GREALY,
President.

AMERICAN FEDERATION OF HOMECARE PROVIDERS, INC.,
Silver Spring, MD, July 25, 2000.

Sen. SPENCER ABRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR ABRAHAM: The American Federation of HomeCare Providers is pleased to endorse your legislation, the ''Medicare Provider Bill of Rights.''

Our members are small business health care providers who say that they would much rather deal with the Internal Revenue Service than with the Health Care Financing Administration (HCFA) and its contractors. Home care businesses have no rights that the Fiscal Intermediaries, carriers, and state surveyors appear to feel obligated to respect. There is no penalty for incorrect contractor decisions and no viable system to resolve disputes. Even instances of blatant abuse of providers and beneficiaries go without remedy because there is nothing to hold HCFA and its agents accountable when they are wrong and when their behavior goes beyond the bounds of ethical and legal behavior. Contractors routinely refuse to consider documentation, deny that they received records sent by providers, deny the obvious wording of the law and regulation, and sometimes even refuse to abide by court decisions.

Health care providers also believe that speaking out for the right of patients to receive an appropriate level of care and standing up for their own rights become grounds to target them for harassment. They believe that they are held to 100 percent standards of excellence and accuracy, which they are proud to meet, and those who serve as HCFA's contractors are held to no standards of excellence and accuracy in their dealings with the provider community. It is now time to ensure due process rights so that conscientious health care companies, who render critical and appropriate services in their communities and abide by the tenets of the Medicare law and regulation, are not subject to arbitrary and abusive behavior that has the potential to put them out of business, literally on the spot. Favorable decisions by Administrative Law Judges are of little comfort to a home health agency that has unjustifiably been shut down, on specious surveyor claims that it does not meet the Medicare Conditions of Participation, or

by massive statistical sampling overpayment assessments, later overturned on appeal.

Medicare providers must be accorded the same type of protections that Congress saw fit to enact for the American pubic in the Taxpayer Bill of Rights. We believe that your legislation would do just that.

Sincerely yours,

ANN B. HOWARD,
Vice President for Policy.

AMERICAN HEALTH CARE ASSOCIATION,
Washington, DC, July 28, 2000.

Hon. SPENCER ABRAHAM,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ABRAHAM: On behalf of the American Health Care Association (AHCA), a federation of state affiliates representing more than 12,000 non-profit and for-profit nursing facility, assisted living, residential care, intermediate care for the mentally retarded, and subacute care providers I am writing to thank you and express our support for your legislation, The Health Care Provider Bill of Rights and Access Assurance Act.

This legislation is extremely important to long term care providers for a number of reasons. Recently, in, Shalala v. Illinois Council on Long Term Care, Inc., the U.S. Supreme Court ruled that virtually all challenges to the legality of Medicare regulations or policy must be brought through the same Department of Health and Human Services (''HHS'') administrative review process used to address individual provider reimbursement and certification issues before proceeding to federal court. The Court's decision means that a provider or beneficiary cannot challenge the legality of any Medicare regulation or policy without accepting an adverse agency action and proceeding through a time-consuming and costly administrative process. It is particularly problematic for nursing homes because many components of HHS's survey and enforcement regulations and policies conflict with federal law and are fundamentally flawed. Your legislation would give Medicare providers the right to challenge directly the constitutionality and statutory authority of HCFA's regulations and policies.

Additionally, the bill will suspend the termination and sanction process while appeals on deficiencies are pending, as well as prohibit the public dissemination of deficiency determinations while an appeal is pending, absent clear and convincing evidence of criminal activity. In the current survey system, skilled nursing facilities are cited and then may be terminated for highly questionable deficiencies which do not present a risk to resident health and safety. Additionally, these citations may be posted on a public website and this plus the risk of closure of a facility can confuse and scare the residents and their families. Your bill would prevent facilities from closing while they appeal a citation. Also, the bill establishes precedence for administrative appeals so that providers will have an affirmative defense in appeals where other providers have gone through similar appeals. This would add must needed certainly to the complex rules and regulations under the Medicare program. We appreciate your commitment to this important provision.

Among many other provisions in the legislation, the bill will make needed changes to the False Claims Act. It will require that claims brought under the Act for damages alleged to have been sustained by the government must be of a material amount, which will limit False Claims Act claims to those that have a significant impact on the Medicare program.

Senator Abraham, we commend your efforts and praise your leadership. As the nation's largest association of long term care providers, AHCA is available to assist you in any way that we can to advance this legislation.

Sincerely,

CHARLES H. ROADMAN II, M.D.,
President and CEO.

Mr. ABRAHAM. I am continuing to reach out to additional organizations to garner their support, as well as to my colleagues in the Senate to join Senators COCHRAN of Mississippi and Senator GRAMS of Minnesota as cosponsors. Furthermore, Members of the other body will soon introduce companion legislation to S. 2999 in the hope that we can incorporate these necessary reforms in a Medicare reimbursement restoration bill or other reform legislation that may pass this Congress. Finally, I am joining Senator CRAIG in calling on the Senate Finance Committee to hold immediate hearings on this legislation, and the broader issue of HCFA regulatory complexity. With this legislation, I believe we can break down one of the primary obstacles to assuring access to quality health care in this country, the seemingly unfettered abuses of Medicare bureaucrats against doctors and providers alike. I urge my colleagues to join me on this important measure.

I believe I have laid out a comprehensive and sensible policy for ensuring the continued viability of Medicare. Medicare has provided millions of seniors access to quality health care where otherwise they would go without. But more must be done, and must be done soon: we must modernize Medicare so that it provides for coverage of prescription drug expenses; we must improve reimbursements to providers so that reform and cost containment does not come at the expense of the very access to health care Medicare is trying to provide; we must implement comprehensive Medicare reform that improves beneficiaries choices in their health care decisions, mirrors the health care needs of the modern senior, and is fiscally sound for generations to come; and we must rein in the abusive and incredibly complex bureaucratic behemoth that has crippled health care providers' ability to operate efficiently in the Medicare system. We can do all of this, but time is running very short. Our seniors need these changes, and the time to act is now.

I ask unanimous consent a section-by-section analysis of the measure be printed in the RECORD.

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

THE ABRAHAM HEALTH CARE PROVIDERS' BILL OF RIGHTS (S. 2999)

SECTION-BY-SECTION SUMMARY

Title I—Regulatory Reform

Section 101. Prohibiting the Retroactive Application of Regulations

Providers have complained that HCFA, its Financial Intermediaries (FI's; the private firms that administer the Part A payments), and its carriers (the private firms that administer the Part B payments), issue retroactive rules and policies that are not subject to the Administrative Procedures Act. In fact, they show where HCFA has often issued these rules and policies rather than regulations specifically to avoid the requirements of the Administrative Procedures Act (public hearings, public discussion periods, publication in the Federal Register, etc.), and that they do so retroactively. This section will prohibit HCFA from issuing anything regarding the legal standards governing the scope of benefits, the payments rates, or eligibility rules except by regulation, and then only prospectively, so that no retroactive regulations are issued.

Section 102. Requiring HCFA to Follow Normal Regulation Issuance Procedures

Providers also complain about how HCFA circumvents the Administrative Procedures Act regulatory process by issuing interim final rules, which are implemented without the public discussion period and hearings, under emergency powers called the ''Good Cause'' clause, but fails to provide any justification other than simply that they have good cause. In order to prevent these tautologies from continuing, this section prohibits HCFA from issuing interim final regulations that haven't gone through the normal regulation public vetting process.

Section 103. GAO Report on HCFA Compliance with Regulatory Procedure Laws

Given the extensive reports of HCFA abusing its regulatory issuance authority, this section directs GAO to conduct an audit of, and report to Congress within 18 months on, HCFA's compliance with the Administrative Procedures Act and the Regulatory Flexibility Act.

Section 104. Providing for Summary Judicial Challenges of HCFA Regulations on Constitutional or Other Broad Grounds

Before the Supreme Court Decision of Shalala v. Illinois Council this spring, providers had a right to prospective judicial challenges to HCFA regulations they thought were either unconstitutional or were beyond HCFA's statutory authority to issue. After this decision, however, the only recourse providers have to challenge these regulations is to wait until they are found in violation, then appeal the HCFA decision. This section reestablishes a prospective regulatory and judicial challenge process of those HCFA regulations to challenge the constitutionality or statutory authority of a regulation, or to preemptively challenge an interim final rule issued under the Good Cause clause.

Section 105. Delineating Procedures for National Coverage Determination Changes

There is a regulatory process that is exempt from even the currently liberal HCFA regulatory issuance rules, called National Coverage Determinations. These determine what will, and will not, be covered by the Medicare program, and can change rules on what medical procedures that will be covered rules overnight. This section establishes a National Coverage Determination review process that requires a 30-day prior notice of initiating such a process, and allows for adequate public comment before implementing the new coverage determination.

Title II—Appeals Process Reform

Section 201. Expanding Providers' Overpayment Appeal Rights

Current appeal regulations only allow providers three options when HCFA tells them

they have been overpaid: admit the overpayment and pay it; submit evidence in mitigation to reduce the amount of alleged overpayment but waive all appeal rights; or appeal the decision, but be subjected to a Statistically Valid Random Sample Audit (SVRS), a process which essentially shuts the provider down. This section will allow providers to exercise the second option (submitting evidence in mitigation) without waiving their appeal rights.

Section 202. Deadlines for Appeal Adjudication

This section requires the Medicare appeals process to be completed within 180 days, 90 days for the Administrative Law Judge first level appeal and 90 days for the Departmental Appeals Board second level appeal. Where the appeals process does not meet these deadlines, this section provides for the appeals process to be automatically advanced to the next stage.

Section 203. Provider Appeals on the Part of Deceased Beneficiaries

This section allows providers to pursue appeals on behalf of deceased beneficiaries where no substitute party is available.

Section 204. Suspending Terminations and Sanctions During Appeals

Currently, if HCFA makes a determination that a provider is abiding by HCFA standards, it can terminate that provider's participation in Medicare, publicly disseminate that deficiency information, and impose sanctions short of termination, even if the provider appeals the determination. This section suspends the termination and sanction process while appeals on deficiencies are pending, as well as prohibits the public dissemination of deficiency determinations while the appeal is pending, absent clear and convincing evidence of criminal activity.

Section 205. Establishing Precedence for Administrative Appeals

Ninety-eight percent of all appeals that are adjudicated at the first level of the appeals process (the Administrative Law Judge level), are determined in favor of the provider. This appears to be due in large part because HCFA apparently tries to squeeze providers into not fighting overpayment determinations in the hope that some providers simply will pay rather than fight. This section will give Departmental Appeals Board decisions national precedence in the Medicare appeals process so that providers will not have to fight the same appeal over and over.

Section 206. Safe Harbor for Substantial Compliance With HCFA Procedures

Providers can try their very best to comply with HCFA regulations but then be told by HCFA that they have violated some policy or rule, and be subject to fines and overpayment determinations. This section gives providers protection from HCFA action where a claim was submitted by a provider in reliance on erroneous information or written statements supplied by a Federal agency.

Section 207. GAO Audit of HCFA's Statistical Sampling Procedures

HCFA bases much of its compliance determinations on statistical sample audits, either through random audits as part of the Medicare Integrity Program, or through overpayment audits. However, there is substantial evidence that HCFA's statistical sampling procedures do not follow generally accepted procedures, and don't interpret the data in a statistically valid manner. This section direct GAO to conduct an audit of HCFA's (and its Financial Intermediaries' and Carriers') statistical sampling and utilization procedures.

Title III—Overpayment Procedure Reform

Section 301. Prohibit Retroactive Overpayment Determinations through New Policies

HCFA currently has the authority to change policy interpretations and implement them so as to make retroactive overpayments determinations, even though the previous policy may have allowed the charges. This section bars HCFA from making overpayment determinations based upon the retroactive application of a new policy interpretation.

Section 302. Prohibit Reductions of Future Payments Based on Sample Audits of Past Claims

HCFA currently reduces future payments by whatever error rate they derive from their statistical sample audits, even where there is no evidence that the pending or future payments are similarly in error, they simply assume that they are so, even if under appeal. Furthermore, the provider has no way to stop that withholding until the appeal is decided in their favor. This section bars HCFA from making such blanket withholdings from future payments, without clear and convincing evidence of fraud.

Section 303. Prohibit Withholding of Underpayments or Future Payments for Past Overpayments

In addition to withholding future payments by whatever error rate a HCFA sample audits produce, HCFA also regularly withholds underpayments owed the provider, as well as the full amount of future payments, and applies them to past overpayments, regardless of whether the provider is appealing the overpayment determination, or has entered into a repayment agreement. This can effectively strangle a provider's entire revenue flow, and has forced many providers into bankruptcy, even when such overpayments are being appealed. This section prohibits HCFA from withholding underpayments or future payments to pay for past overpayments, unless clear and convincing evidence of fraud exists.

Section 304. Suspend Overpayment Collections While Appeals are Pending

Even if a provider decides to be subjected to the lengthy and expensive appeals process, they are still required to immediately repay HCFA for alleged overpayments. This section suspends overpayment recoupment while appeals are pending. Given that appeals will be expedited under this bill to 180 days, the Medicare system will still have timely access to any overpayment funds.

Title IV—Voluntary Disclosure Procedure Reform

Section 401. Effective Voluntary Disclosure Procedures

Many times the first person to discover that a provider has been overpaid or has not been in compliance with Medicare regulations is the provider himself. However, the Department of Health and Human Services voluntary disclosure procedures still allow the Attorney General and U.S. Attorneys to use the exact same information provided by the provider to the Department Office of Inspector General under the current voluntary disclosure process against the provider for prosecution. This section directs the Secretary of Health and Human Services (HCFA's parent department) and the Attorney General to make joint voluntary disclosure procedures which provide a safe harbor from prosecution for providers who report the violation so long as these agencies haven't already approached them about the possible violation or overpayment, and there isn't previously and independently obtained clear and convincing evidence of fraud.

Title V—Criminal Law Enforcement Reform

Section 501. Rescind Law Enforcement Powers of HHS OIG Investigators

Currently, the Department of Health and Human Services' Office of Inspector General investigators are the enforcement arm of the Medicare program for HCFA, and are deputized by the U.S. Marshal Service to execute those duties. This has turned into their being granted near carte blanche authority for enforcing Medicare laws and regulations. With that, it is increasingly evident that OIG investigators may abuse that power, such as raiding hospitals and physicians offices with the same tactics that SWAT teams use on crack houses. This section rescinds OIG's deputation, and bars those investigators from carrying weapons in the execution of their duties.

Section 502. Codify More Stringent Search Warrant Rules for Health Care Facilities

Many health care providers who find themselves on the wrong side of an HHS OIG investigation are subjected to unnecessarily intrusive search warrant executions, with doctors and nurses accosted by gun-wielding investigators, and patients removed from medical care. This section codifies search warrant rules that so as to protect the confidentiality of medical records, the provider-patient relationship, and the uninterrupted continuation of medical care. Specifically, it requires the law enforcement agency requesting the search warrant to take the least intrusive approach to executing the warrant, consistent with vigorous and effective law enforcement. It also directs the law enforcement agency seeking the warrant to work closely with the Department of Justice and the relevant U.S. Attorney's office to ensure the warrant is indeed necessary and that the search minimizes disruption to patient care or threats to the confidentiality of patient records.

Title VI—Provider Compliance Education

Section 601. Provider Education Funding

This section requires Financial Intermediaries and Carriers to spend 3 percent of their Medicare funds on provider billing and compliance education, and HCFA to dedicate 10% of their Medicare Integrity Program funds to such education, so as to try to decrease the rate of provider non-compliance, as well as over- and under-billing.

Section 602. Advisory Opinions for Health Care Providers

This section requires HCFA to provide written answers to questions about coverage, billing, documentation, coding, cost reporting and procedures under the Medicare program, answers which can be used as an affirmative defense against an overpayment determination or an allegation of violating Medicare regulations.

Section 603. Extension of Existing Advisory Opinion Provisions of Law

The Health Insurance Portability and Accountability Act (HIPAA) included a provision requiring the Secretary to issue written advisory opinions on certain specified topics under the anti-kickback statute and civil monetary penalty provisions. However, that provision sunsets on August 21st, 2000. The Balanced Budget Act of 1997 (BBA 97) provides a similar provision regarding the legality of referrals under the physician self-referral laws, which also sunsets August 21st, 2000. This section extends these advisory opinion provisions permanently.

Supporting Organizations

Michigan Health & Hospital Association.
Federation of American Hospitals.
National Association for Home Care.
American Federation of Home Care Providers.

Healthcare Leadership Council.
American Health Care Association.

SUPPORTING THE PRESIDENTIAL VETO OF THE ESTATE TAX REPEAL LEGISLATION

Mr. JOHNSON. Mr. President, I will vote to uphold the President's veto of the wildly irresponsible estate tax repeal bill sent to his desk, and I will also continue to support changes in the law that will provide additional relief for the two percent of American families that are subject to this law.

Under current law, family farms and small business pay no Federal estate tax unless their property is worth more than $1.3 million. Others are eligible for an estate tax exemption of $675,000. I recently voted to raise the small business and family farm exemption to $4 million by 2001 and with a phased in exemption of $8 million by 2010. The general exemption would increase to $2 million by 2001 and $4 million by 2010.

The cost to the Treasury for this additional exemption for America's wealthiest families comes to about $61 billion over ten years. The cost of the total-repeal bill being vetoed by the President, however, comes to $105 billion over the first ten years, and a whopping $750 billion when fully phased in during the next ten years.

Very few South Dakota farms or small businesses have any Federal estate tax liability whatever under current law, but I do want to make sure that exemptions are ample. What I don't want to see, however, is an estate tax repeal bill that is so terribly expensive that it makes it almost impossible for Congress to pass tax relief for middle class taxpayers, to shore up Medicare, to pay down more of the accumulated national debt or improve education.

Keep in mind that most of the budget surplus that is being talked about will not materialize for another five years or so, and prudence would suggest to us that it may never materialize at all. Thank heavens for some adult supervision from the White House at a time when Congress has been behaving like spoiled children under the Christmas tree. Supporters of this irresponsible legislation believe there is room in our budget to give multimillionaires an $8 million tax break, but the legislation sent to the President would have broken the bank and denied relief and assistance to the other 98 percent of American families.

Once Congress concludes its partisan political finger-pointing games, it is my hope that estate tax and marriage penalty relief can be passed in a proper and careful manner that will allow for debt reduction, Medicare improvements, and a commitment to education.

PURPLE HEART AWARDED TO SPECIALIST RAYMOND S. TESTON

Mr. BURNS. Mr. President, I would like to take a moment to recognize Raymond S. Teston. Ray is a great man, and an American hero.

Specialist Raymond S. Teston had served close to one full year of field duty and was to leave Vietnam to return home to Georgia. The night before his departure, August 12, 1969, and the following morning, ''C'' troop, First Squadron, 1st Calvary of the American Division was overrun while at Base Camp, Hawk Hill, Hill 29. The first wave of the attack was from rocket propelled grenades and 122 mm rockets killing several soldiers and injuring many more. Ray was critically wounded during the ensuing battle and out of the 86 men assigned, was one of only eleven who survived.

On November 5, 1999, the President of the United States of America, the Army Adjutant General and the Secretary of the Army awarded the Purple Heart to Specialist Raymond S. Teston, United States Army, for wounds received in action in the Republic of Vietnam on August 12, 1969. This is Ray's second award of the Purple Heart; his first came on April 2, 1968, just outside of the Tam Key, Vietnam.

I commend Ray Teston's courage and bravery. I thank him, and all veterans, for their service and sacrifices to our great country and for defending our freedoms. Each time I salute the flag, I like to think of heroes such as Raymond S. Teston, who symbolize all the things that are good about this country—duty—honor—faith in our democracy. Thank you Raymond S. Teston.

SENATOR MOYNIHAN: A PROFILE IN RARE COURAGE

Mr. SCHUMER. Mr. President, I ask unanimous consent that ''Moynihan—a Profile in Rare Courage'' from yesterday's Newsday in praise of the courage and commitment of Senator DANIEL PATRICK MOYNIHAN be incorporated into the CONGRESSIONAL RECORD.

Mr. President, while certainly the race for the seat which Senator MOYNIHAN has left open has excited New Yorkers and the Nation, it is my desire today to simply remind the Nation what a treasure the State of New York bestowed on all of us through Senator MOYNIHAN. I am confident that I speak for all of my colleagues in the Senate when I say that his intellect and leadership will be greatly missed.

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

MOYNIHAN—A PROFILE IN RARE COURAGE

(By Gray Maxwell)

As the final summer of Sen. Daniel Patrick Moynihan's public career comes to an end, I think back to one languid Friday afternoon three summers ago.

Not much was happening. The Senate was in recess. So Moynihan—my boss at the time—and I went to see an exhibit of Tyndale Bibles at the Library of Congress. William Tyndale wrote the first English Bible from extant Greek and Hebrew manuscripts. Moynihan was eager to learn more about a man whose impact on the English language, largely unacknowledged, is equal to Shakespeare's.

One might wonder what Tyndale has to do with the United States Senate. Not much, I suppose. But like Tennyson's Ulysses, Moynihan is a ''gray spirit yearning in desire to follow knowledge like a sinking star.'' He has unbounded curiosity. I'm not one who thinks his intellectualism is some sort of indictment. Those who do are jealous of his capabilities, or just vapid. In a diminished era when far too many senators know far too little, I have been fortunate to work for one who knows so much and yet strives to learn so much more.

There is little I can add to what others have written or will write about his career. But I would make a few observations. On a parochial note, no other senator shares his remarkable facility for understanding and manipulating formulas—that arcane bit of legislating that drives the allocation of billions of dollars. He has ''delivered'' for New York, but it's not frequently noted because so few understand it.

More important, every time he speaks or writes, it's worth paying attention. I think back to the summer of 1990, when Sen. Phil Gramm (R–Texas) offered an amendment to a housing bill. Gramm wanted to rob Community Development Block Grant funds from a few ''Rust Belt'' states and spread them across the rest of the country. The amendment looked like a winner: More than 30 states would benefit. Moynihan spoke in opposition. He delivered an extemporaneous speech on the nature of our federal system worthy of inclusion in the seminal work of Hamilton, Madison, and Jay as The Federalist No. 86.

(His speech was effective. The amendment was defeated. New York's share of CDBG funding was preserved.) What I most want to comment on is Moynihan's courage. Too many of today's tepid, timid legislators are afraid to offer amendments they know will fail.

They are afraid of offending this constituency or that special interest. They have no heart, no courage. Moynihan always stands on principle, never on expediency. He's not afraid to cast a tough vote, to be in the minority—even a minority of one. His positions on issues from bankruptcy ''reform'' to government secrecy, from welfare repeal to habeas corpus, from the ''line item'' veto to Constitutional amendments du jour, haven't been popular. But I'm confident they are right. It just takes the rest of us a while to catch up with him.

While Moynihan has been successful as a legislator, I think of him as the patron senator of lost causes (i.e., right but unpopular). Every senator is an advocate for the middle class. That's where the votes are. What I admire and cherish about Moynihan is his long, hard, eloquent fight on behalf of the underclass—the disenfranchised, the demoralized, the destitute, the despised.

T.S. Eliot wrote to a friend, ''We fight for lost causes because we know that our defeat and dismay may be the preface to our successors' victory, though that victory itself will be temporary; we fight rather to keep something alive than in the expectation that anything will triumph.'' Eliot's wistful statement, to me, captures the essence of Moynihan. He has an unflinching sense of responsibility.

For the past quarter century, Moynihan has been the Senate's reigning intellectual. But he has been more than that. He has defended precious government institutions under attack by those who have contempt for government.

And he has been the Senate's—and the nation's—conscience. His fealty as a public servant, ultimately, has been to the truth as

best as he can determine it. He seeks it out, and he speaks it, regardless of who will be discomfited.

He has done so with rigor, and wit, a little bit of mischief now and then, and uncommon decency.

I have been privileged to work in the United States Senate for 16 years, and for several outstanding members, Republicans and Democrats. I will not see another Moynihan in my career. He is sui generis.

When Thomas Jefferson followed Benjamin Franklin as envoy to France, he told the Comte de Vergennes, ''I succeed him; no one could replace him.'' Others will succeed Moynihan; no one will replace him. We should pause for a moment, and give thanks that he has devoted his life and considerable talents to public service.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, September 5, 2000, the Federal debt stood at $5,678,475,470,839.16, five trillion, six hundred seventy-eight billion, four hundred seventy-five million, four hundred seventy thousand, eight hundred thirty-nine dollars and sixteen cents.

Five years ago, September 5, 1995, the Federal debt stood at $4,968,613,000,000, four trillion, nine hundred sixty-eight billion, six hundred thirteen million.

Ten years ago, September 5, 1990, the Federal debt stood at $3,241,866,000,000, three trillion, two hundred forty-one billion, eight hundred sixty-six million.

Fifteen years ago, September 5, 1985, the Federal debt stood at $1,823,101,000,000, one trillion, eight hundred twenty-three billion, one hundred one million.

Twenty-five years ago, September 5, 1975, the Federal debt stood at $545,270,000,000, five hundred forty-five billion, two hundred seventy million which reflects a debt increase of more than $5 trillion—$5,133,205,470,839.16, five trillion, one hundred thirty-three billion, two hundred five million, four hundred seventy thousand, eight hundred thirty-nine dollars and sixteen cents during the past 25 years.

ADDITIONAL STATEMENTS

RECOGNITION OF TOM NORRIS AND JAMES BROWN FOR CONTRIBUTIONS TO THE FEDERAL WAY SUMMER MATH PROGRAM

● Mr. GORTON. Mr. President, imagine 140 students who want to spend their summer learning math. For students participating in the Summer Math Program at Thomas Jefferson High School in Federal Way, Washington, this is just the case. For the past five years, Tom Norris and James Brown have worked tirelessly and created a successful program that has dramatically improved the math skills of hundreds of students.

When Mr. Norris and Mr. Brown started the Summer Math Program, they had five students in attendance. Since then, the program has become well-known throughout Thomas Jefferson High School as a resource for students struggling with math or hoping to improve their SAT scores and has grown by leaps and bounds.

The Summer Math Program is based on a three part system that includes: Advanced Algebra or Pre-Calculus, an SAT summer program, and ''The Math Team.'' The Advanced Algebra and Pre-Calculus course enables students who desire to complete Calculus before they leave high school to enroll in higher math classes in the following school year. The SAT summer program, offered at a much lower cost than other SAT review classes, equips students with the skills and confidence needed for their college preparatory exams. As a result, Thomas Jefferson High School has some of the highest SAT scores in the South Puget Sound of Washington State.

Additionally, students who enjoy competing in math competitions can participate on the Math Team. Students practice throughout the summer in preparation for the annual national competition which took place in July. As a true testament to the excellence of the program, Mr. Norris and Mr. Brown coached the team to a fifth-place victory last summer when the students participated against 50 other schools. This certainly was a great accomplishment for the program and students participating!

Samuel Kim, a Math Team member who will be a senior this year, told me that the Math Team, ''keeps you in the right frame of mind during summer so you can keep your math skills strong, and it gives you good interaction with others.'' Samuel had nothing but applause for his coaches stating, ''Mr. Norris is very friendly and inspirational, yet demanding and excited to see us succeed in competition, while Mr. Brown is more light-hearted in his motivational tactics.''

The record of the Math Team and the achievements of students in the Summer Math Program speaks not only to the excellence of the program but also to the efforts and drive of both Mr. Norris and Mr. Brown. Their dedication to education, and math in particular, is rarely paralleled in other local school districts during the summer months. I am impressed with the dedication of these two men to their students' education even during the summer months. It is with great pleasure that I recognize them for their outstanding service to the students of Thomas Jefferson High School.●

RETIRED U.S. DISTRICT JUDGE ROBERT R. MERHIGE, JR.

● Mr. ROBB. Mr. President, I'd like to take a moment to pay special recognition to a good friend of mine and a distinguished former jurist, Robert R. Merhige, Jr. of Richmond, Virginia. Now in private practice after serving as a U.S. District Judge, Bob was recognized a few months ago in an article in The National Law Journal as the driving force behind the resolution of the Dalkon Shield Claimants Trust. The article details Judge Merhige's efforts to resolve over 400,000 claims, and it's clear that he accomplished this difficult task by working towards a fair result with skill and intellect. He kept his eye on the ball until the job was concluded. I ask that the article be printed in the RECORD.

[From the National Law Journal, May 15, 2000]

$3 BILLION LATER, DALKON TRUST CLOSES SHOP: MASS TORT CLEARINGHOUSE SEEN BY SOME AS THE BEST-RUN OUTFIT OF ITS KIND

(By Alan Cooper)

RICHMOND, VA.—The numbers are impressive, even by mass tort standards.

More than 400,000 claims reviewed. Nearly $3 billion distributed. Administrative costs just 9%, including lawyer fees.

Even more impressive, the job is done.

The Dalkon Shield Claimants Trust closed on April 30 with a claim to being the best-managed mass tort plan so far.

Retired U.S. District Judge Robert R. Merhige, Jr., now of counsel at Hunton & Williams, gets much of the credit for what many view as the success of the trust, as well as the blame for what others see as its shortcomings.

The trust emerged from the 1985 bankruptcy petition of A.H. Robins Co., which sold 3.6 million intrauterine birth devices called the Dalkon Shield between 1971 and 1974. Robins took it off the market under government pressure.

Robins and its products liability insurer, Aetna Casualty & Surety Co., were overwhelmed by allegations that women had suffered perforated uteruses and pelvic inflammatory disease that left them sterile. More than 326,000 women filed claims in response to a worldwide ad campaign.

Judge Merhige's 1987 estimate that the liability wouldn't top $2.475 billion set off a bidding war, won by American Home Products Corp. It acquired Robins by providing about $2.3 billion for claimants, to be paid by the trust, and $700 million-plus in stock to Robins shareholders.

Claimants' payments were based on amounts Robins paid to settle cases before the bankruptcy and based on their medical records. With interest, they totaled nearly $3 billion.

Robert E. Manchester, of Burlington, Vt., who represented 3,500-plus claimants, said of Judge Merhige, ''He shaped the solution by tapping into people who were willing to be constructive.''

''There was a significant number of people who felt they were treated badly by the process''—mostly atypical claimants —plaintiffs' lawyer Stephen W. Bricker, of Richmond said.

James F. Szaller, of Cleveland's Brown & Szaller, said that Judge Merhige ''sometimes took unusual courses, but he did get it done. The result for the vast majority of people was good.''●

RETURN OF FLAGSHIP ''NIAGARA'' TO LAKE ERIE

● Mr. SANTORUM. Mr. President, I would like to recognize Captain Walter Rybka and the officers and crew of the Flagship *Niagara* on their return from their East Coast ten-month voyage. The Flagship *Niagara* is a symbol of Erie, Pennsylvania's history and serves as an Ambassador of the Commonwealth when in participates in tall ship

events. As a resident of Pennsylvania, I am proud to have such a treasure as part of our history.

The Flagship *Niagara* has played an important role in our nation's history. It sailed proudly in the War of 1812 and fought in the Battle of Lake Erie. I commend the Pennsylvania Historical and Museum Commission, the Flagship Niagara League, and the City of Erie for restoring the ship and making it available so that others in the United States may learn of its history.

I would also like to take this opportunity to express my sincere appreciation to those who serve on the Flagship *Niagara*. The Flagship *Niagara* is a part of Pennsylvania's history, and your commitment to the ship and to Erie is highly commendable.

RECOGNITION OF JIM SUTTON, SUPERINTENDENT OF THE KALAMA SCHOOL DISTRICT

● Mr. GORTON. Mr. President, I would like to bring the Senate's attention today to Mr. Jim Sutton, a man who has given a generation of Kalama students a unique look at the courageous acts of an older generation—the men and women who fought in World War II. Mr. Sutton is the Superintendent of the Kalama School District and also finds the time to teach a course on World War II and the Cold War. Through his great personal interest in WWII and his desire to transfer some of his interest onto his students, Jim has made history come alive for them.

Mr. Sutton's class, based on the book Band of Brothers, by Stephen Ambrose, uses firsthand accounts of companies who were a part of D-Day in WWII. Ambrose's book documents the accounts of E Company, which the movie, ''Saving Private Ryan,'' was based.

Mr. Sutton has made it possible for his students to meet some of these great men who fought in WWII. Jim has brought an Italian officer that fought Rommel in the African Campaign, a P–51 pilot who brought actual video footage from his wing cameras, a machine gunner who landed at D-Day, and a German soldier who spent two years in a Russian prisoner of war camp.

Anyone can see how Mr. Sutton recognizes the sacrifices of the WWII generation and has shared it with others. Most impressive was in June when five of Mr. Sutton's students accompanied him to the opening of the D-Day museum in New Orleans, Louisiana where students were able to meet their history book heroes in person.

I have always considered my ''Innovation in Education'' Awards to highlight special people and programs, and this award demonstrates how innovative a typical U.S. history class can be. Mr. Sutton has created a live link between the past and the present for his students.

Greg Rayl, Principal of Kalama Middle and High School, who nominated Mr. Sutton for the award adds, ''Too often superintendents are many steps removed from the daily classroom management and operations of their district's schools. Jim not only walks the halls interacting with students and teachers, but teaches as well.''

As an avid reader of history, I am delighted to learn about Mr. Sutton who has gone the extra mile to make history come alive for his students. I ask that the Senate join me in commending Mr. Sutton for his dedication to his students and for bringing two generations together.●

STATEMENT ON THE PASSING OF MRS. CORETTA OGBURN

● Mr. SANTORUM. Mr. President, I would like to take this opportunity to recognize Mrs. Coretta Ogburn who died on Monday July 31, 2000. She was born on July 30, 1909 in Pittsburgh to the late Sally and Henry Black.

Mrs. Ogburn graduated from the Pittsburgh Public School System and later became employed for many years with the Allegheny County Health Department from which she retired in the 1970s. She was also well known as a dedicated and highly respected community leader for her committed efforts to her Church and community organizations. She was actively involved in the Negro Emergency Education Drive (NEED), the Urban League, the YWCA, the YMCA, and the Pittsburgh branch of the NAACP.

During her tenure as a member of the NAACP, Mrs. Ogburn sat on the Executive Committee, Human Rights Dinner Committee, Scholarship Committee, Women in the NAACP (WIN), and the Membership Committee. As Chair of the Membership Committee, she was instrumental in increasing branch memberships for the organization, and in 1958, she received her first award for soliciting the most NAACP memberships. In addition, the National Office of the NAACP awarded Mrs. Ogburn a medal for her accomplishments as one of the top membership solicitors in the entire nation. Mrs. Ogburn was awarded several other awards for her commitment and dedication to this organization.

It is an honor for me to recognize Mrs. Coretta Ogburn and the selfless time and energy she put towards her community. She was a true civil servant and community leader, and Pittsburgh was very blessed to have her a resident of its city. She cared a great deal for her loved ones, illustrated true dedication to the organizations which she belonged, and will be sorely missed by all those who knew her.●

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

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–10526. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a certification relative to Armenia, Azerbaijani, Georgia, Kazakhstan, the Kyrgyz Republic, and Uzbekistan; to the Committee on Armed Services.

EC–10527. A communication from the Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, the Selected Acquisition Reports for the period from April 1 through June 30, 2000; to the Committee on Armed Services.

EC–10528. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of military expenditures for countries receiving U.S. assistance; to the Committee on Appropriations.

EC–10529. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the Missile Technology Control Regime; to the Committee on Foreign Relations.

EC–10530. A communication from the Department of Defense, General Services Administration, and the National Aeronautics and Space Administration, transmitting jointly, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation, Federal Acquisition Circular 97–19'' (FAC97–19) received on July 25, 2000; to the Committee on Governmental Affairs.

EC–10531. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10532. A communication from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled ''Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance'' (RIN3095–AA89) received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10533. A communication from the Director of the Employment Service, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Interagency Career Transition Assistance for Displaced Former Panama Canal Zone Employees'' (RIN3206–AI56) received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10534. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Retirement Eligibility For Nuclear Materials Couriers Under CSRS and FERS'' (RIN3206–AI66) received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10535. A communication from the Director of the Employment Service, Office of

Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Positions Restricted to Preference Eligibles'' (RIN3206–AI69) received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10536. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Statutory Audit of Advisory Neighborhood Commission 4C for the Period October 1, 1995 through September 30, 1999'' received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10537. A communication from the Acting Director of the Office of Government Ethics, Office of General Counsel and Legal Policy, transmitting, pursuant to law, the report of a rule entitled ''Proposed Exemption Amendments Under 18 U.S.C. 208(b)(2) for Financial Interests in Sector Mutual Funds, De Minimis Securities, and Securities of Affected Nonparty Entities in Litigation'' (RIN3209–AA09) received on August 31, 2000; to the Committee on Governmental Affairs.

EC–10538. A communication from the Acting Director of the Office of Government Ethics, Office of General Counsel and Legal Policy, transmitting, pursuant to law, the report of a rule entitled ''Standards of Ethical Conduct for Employees of the Executive Branch; Definition of Compensation for Purposes of Prohibition on Acceptance of Compensation in Connection with Certain Teaching, Speaking and Writing Activities'' (RIN3209–AA04) received on August 30, 2000; to the Committee on Governmental Affairs.

EC–10539. A communication from the Deputy Assistant Administrator of the National Oceanic Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Climate and Global Change Program'' received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10540. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska—Closes Deep-Water Species Fishery Using Trawl Gear in the Gulf of Alaska'' received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10541. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Closure of the Commercial Fishery for Gulf Group King Mackerel in the Gulf Western off Texas, Louisiana, and Alabama'' received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10542. A communication from the Chief of the Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Establishment of an Improved Model for Predicting the Broadcast Television Field Strength Received at Individual Locations'' (ET Docket 00–11, FCC 00–185) received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10543. A communication from the Chief of the Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Parts 2 and 95 of the Commission's Rules to Create a Wireless Medical Telemetry Service'' (ET 99–255 and PR 92–235) received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10544. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Wamsutter, Bairoil, Wyoming)'' (MM Docket NO. 98–86; RM–9284, RM–9671) received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10545. A communication from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule Implementing Amendment 12 to the Fishery Management Plan for Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic'' (RIN0648–AM75) received on August 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10546. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Alva, Oklahoma)'' (MM Docket No. 00–7, RM–9799) received on August 30, 2000; to the Committee on Commerce, Science , and Transportation.

EC–10547. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model DC 10–10, –15, –30, –30F, and –40 Series Airplanes and Model MD–10–10F and MD–10–30F Series Airplanes; docket no. 2000–NM–50 [8–21/8–31]'' (RIN 2120–AA64 (2000–0417)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10548. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Airbus Model A330 and A340 Series Airplanes; docket no. 2000–NM–62 [8–21/8–312]'' (RIN 2120–AA64 (2000–0418)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10549. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: British Aerospace HP137 Mk1, jetstream Series 200 and 3101 and 3201 Airplanes; docket no. 98–CE–117; [8–21/8–31]'' (RIN 2120–AA64 (2000–0419)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10550. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Wytwornia Sprzetu Model PZL–104 Wilga 80 Airplanes; docket no. 2000–CE–52 [8–21/8–31]'' (RIN 2120–AA64 (2000–0420)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10551. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 767–200, –300, and –300F Series Airplanes; docket no. 99–NM–54 [8–21/8–31]'' (RIN 2120–AA64 (2000–0421)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10552. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Bombardier Model DHC–7–100, and DHC–8–100, 200, and 300 Series Airplanes; docket no. 2000–NM–90 [8–17/8–31]'' (RIN 2120–AA64 (2000–0422)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10553. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Saab Model 340B Series Airplanes; docket no. 2000–NM–225 [8–21/8–31]'' (RIN 2120–AA64 (2000–0426)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10554. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Airbus Industrie Model A300B2 and B4 Series Airplanes; docket no. 97–NM–184 [8–16/8–31]'' (RIN 2120–AA64 (2000–0427)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10555. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 737–100, 200, 200C Series Airplanes; docket no. 2000–NM–183 [8–8/8–31]'' (RIN 2120–AA64 (2000–0428)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10556. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Lockheed Model L 1011 385 Series Airplanes; docket no. 99–NM–233 [8–16/8–31]'' (RIN 2120–AA64 (2000–0429)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10557. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: SAAB Model 340B and SAAB 2000 Series Airplanes; docket no. 99–NM–354 [8–16/8–31]'' (RIN 2120–AA64 (2000–0430)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10558. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: CFM International 56–2, 2A, 2B, 3, 3B, 3C, 5, 5A, 5B, 5C Series Turbofan Engines; docket no. 99–NE–40 [8–2/8–31]'' (RIN 2120–AA64 (2000–0431)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10559. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 747 Series Airplanes; docket no. 98–NM–285 [8–2/8–31]'' (RIN 2120–AA64 (2000–0432)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10560. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 747–200 and 300 series airplanes equipped with GE CF6–80C2 Series Engines; docket no. 99–NM–79 [8–2/8–31]'' (RIN 2120–AA64 (2000–0433)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10561. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (75); amdt. no. 2007 [8–24/8–31]'' (RIN2120–AA65 (2000–0042)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10562. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class D Stuart, FL; correction; docket no. 00–ASO–12 [8–18/8–31]'' (RIN 2120–AA66 (2000–0201)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10563. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Kearney, NE; docket no. 00–ACE–11 [8–2/8–31]'' (RIN 2120–AA66 (2000–0202)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10564. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Elko, NV; docket no. 00–ASP 5 [8–2/8–31]'' (RIN 2120–AA66 (2000–0203)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10565. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class D Airspace; Boca Raton, FL; correction; docket no. 00–ASO–22 [8–21/8–31]'' (RIN 2120–AA66 (2000–0204)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10566. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Savannah, GA; docket no. 00–ASO–10 [8–2/8–31]'' (RIN 2120–AA66 (2000–0205)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10567. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Hampton, IA; correction; docket no. 00–ACE–7 [8–2/8–31]'' (RIN 2120–AA66 (2000–0206)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10568. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Realignment to Restricted Area R–6901A Fort McCoy; WI; docket no. 00–AGL–20 [8–17/8–31]'' (RIN 2120–AA66 (2000–0207)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10569. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Removal of Class E Airspace; Melbourne, FL, and Cocos Patrick AFB, FL; docket no. 00–ASO–27 [8–24/8–31]'' (RIN 2120–AA66 (2000–0208)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10570. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; San Juan Harbor, Puerto Rico (COTP San Juan 00–065)'' (RIN2115–AA97 (2000–0056)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10571. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Lake Erie, Maumee River, Ohio (CGD09–00–079)'' (RIN2115–AA97 (2000–0079)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10572. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Lake Erie, Maumee River, Ohio (CGD09–00–080)'' (RIN2115–AA97 (2000–0080)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10573. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Fireworks Display, Rockaway Beach, NY (CGD01–00–206)'' (RIN2115–AA97 (2000–0081)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10574. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations: SLR; Sharptown Outboard Regatta, Nanticoke River, Sharptown, Maryland (CDG05–00–031)'' (RIN2115–AE46 (2000–0012)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10575. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Upper Mississippi River (CDG08–00–014)'' (RIN2115–AE47 (2000–0043)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10576. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Tickfaw River, LA (CDG08–00–019)'' (RIN2115–AE47 (2000–0044)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10577. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Red River, LA (CDG08–00–020))'' (RIN2115–AE47 (2000–0045)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10578. A communication from the Acting Chief of the Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Fire Protection Measures for Towing Vessels (USCG–1998–4445)'' (RIN2115–AF66 (2000–0001)) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10579. A communication from the Associate Bureau Chief, Wireless Telecommunications, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of the Commission's Rules to Permit Flexible Service Offerings in the Commercial Mobile Radio Services'' (WT Docket No. 96–6; FCC 00–246) received on September 5, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10580. A communication from the Congressional Budget Office, transmitting, pursuant to law, the Sequestration Update Report for Fiscal Year 2001; referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986, to the Committees on Agriculture, Nutrition, and Forestry; Armed Services; Banking, Housing, and Urban Affairs; Commerce, Science, and Transportation; Energy and Natural Resources; Environment and Public Works; Finance; Foreign Relations; Governmental Affairs; Health, Education, Labor, and Pensions; the Judiciary; Small Business; Veterans' Affairs; Indian Affairs; Intelligence; Appropriations; and the Budget.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1510: A bill to revise the laws of the United States appertaining to United States cruise vessels, and for other purposes (Rept. No. 106–396).

By Mr. SPECTER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1810: A bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures (Rept. No. 106–397).

By Mr. SPECTER, from the Committee on Veterans' Affairs, without amendment:

S. 3011: An original bill to increase, effective as of December 1, 2000, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (Rept. No. 106–398).

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted on September 5, 2000:

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

Treaty Doc. 106–8. Convention (No. 176) Concerning Safety and Health in Mines (Exec. Report No. 106–16).

TEXT OF THE COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Convention (No. 176) Concerning Safety and Health in Mines, Adopted by the International Labor Conference at its 82nd Session in Geneva on June 22, 1995 (Treaty Doc. 106–8) (hereinafter, ''The Convention''), subject to the understandings of subsection (a), the declarations of subsection (b) and the provisos of subsection (c).

(a) UNDERSTANDINGS.—The Senate's advice and consent is subject to the following understandings, which shall be included in the instrument of ratification:

(1) ARTICLE 12.—The United States understands that Article 12 does not mean that the employer in charge shall always be held responsible for the acts of an independent contractor.

(2) ARTICLE 13.—The United States understands that Article 13 neither alters nor abrogates any requirement, mandated by domestic statute, that a miner or a miner's representative must sign an inspection notice, or that a copy of a written inspection notice must be provided to the mine operator no later than the time of inspection.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be binding on the President:

(1) NOT SELF-EXECUTING.—The United States understands that the Convention is not self-executing.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) REPORT.—One year after the date the Convention enters into force for the United States, and annually for five years thereafter, the Secretary of Labor, after consultation with the Secretary of State, shall provide a report to the Committee on Foreign Relations of the Senate setting forth the following:

(i) a listing of parties which have excluded mines from the Convention's application pursuant to Article 2(a), a description of the excluded mines, an explanation of the reasons for the exclusions, and an indication of whether the party plans or has taken steps to progressively cover all mines, as set forth in Article 2(b);

(ii) a listing of countries which are or have become parties to the Convention and corresponding dates; and

(iii) an assessment of the relative costs or competitive benefits realized during the reporting period, if any, by United States mine operators as a result of United States ratification of the Convention.

(2) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–14. Food Aid Convention 1999 (Exec. Rept. 106–17).

TEXT OF THE COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Food Aid Convention, 1999, which was open for signature at the United Nations Headquarters, New York, from May 1 through June 30, 1999, and signed by the United States on June 16, 1999 (Treaty Doc. 106–14), referred to in this resolution of ratification as ''The Convention,'' subject to the declarations of subsection (a) and the proviso of subsection (b).

(a) DECLARATIONS.—The advice and consent of the Senate is subject to the following declarations:

(1) NO DIVERSON.—United States contributions pursuant to this Convention shall not be diverted to government troops or security forces in countries which have been designated as state sponsors of terrorism by the Secretary of State.

(2) PRIVATE VOLUNTARY ORGANIZATIONS.—To the maximum feasible extent, distribution of United States contributions under this Convention should be accomplished through private voluntary organizations.

(3) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The advice and consent of the Senate is subject to the following provisos:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 105–48. Inter-American Convention on Sea Turtles (Exec. Rept. 106–18).

TEXT OF THE COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Inter-American Convention for the Protection and Conservation of Sea Turtles, With Annexes, done at Caracas, Venezuela, on December 1, 1996 (Treaty Doc. 105–48), which was signed by the United States, subject to ratification, on December 13, 1996, referred to in this resolution of ratification as ''The Convention,'' subject to the understandings of subsection (a), the declarations of subsection (b) and the provisos of subsection (c).

(a) UNDERSTANDINGS.—The advice and consent of the Senate is subject to the following understandings, which shall be included in the instrument of ratification of the Convention and shall be binding on the President:

(1) ARTICLE VI (''SECRETARIAT'').—The United States understands that no permanent secretariat is established by this Convention, and that nothing in the Convention obligates the United States to appropriate funds for the purpose of establishing a permanent secretariat now or in the future.

(2) ARTICLE XII (''INTERNATIONAL COOPERATION'').—The United States understands that, upon entry into force of this Convention for the United States, the United States will have no binding obligation under the Convention to provide additional funding or technical assistance for any of the measures listed in Article XII.

(3) ARTICLE XIII (''FINANCIAL RESOURCES'').—Bearing in mind the provisions of paragraph (7), the United States understands that establishment of a ''special fund,'' as described in this Article, imposes no obligation on Parties to participate or contribute to the fund.

(b) DECLARATIONS.—The advice and consent of the Senate is subject to the following declarations:

(1) ''NO RESERVATIONS'' CLAUSE.—Concerning Article XXIII, it is the sense of the Senate that this ''no reservations'' provision has the effect of inhibiting the Senate in its exercise of its constitutional duty to give advice and consent to ratification of a treaty, and the Senate's approval of these treaties should not be construed as a precedent for acquiescence to future treaties containing such provisions.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(3) NEW LEGISLATION.—Existing federal legislation provides sufficient legislation authority to implement United States obligations under the Convention. Accordingly, no new legislation is necessary in order for the United States to implement the Convention. Because all species of sea turtle occurring in the Western Hemisphere are listed as endangered or threatened under the Endangered Species Act of 1973, as amended (Title 16, United States Code, Section 1536 et seq.), said Act will serve as the basic authority for implementation of United States obligations under the Convention.

(4) ARTICLES IX AND X (''MONITORING PROGRAMS,'' ''COMPLIANCE'').—The United States understands that nothing in the Convention precludes the boarding, inspection or arrest by United States authorities of any vessel which is found within United States territory or maritime areas with respect to which it exercises sovereignty, sovereign rights or jurisdiction, for purposes consistent with Articles IX and X of this Convention.

(5) It is the sense of the Senate that the entry into force and implementation of this Convention in the United States should not interfere with the right of waterfront property owners, public or private, to use or alienate their property as they see fit consistent with pre-existing domestic law.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) REPORT TO CONGRESS.—The Secretary of State shall provide to the Committee on Foreign Relations of the Senate a copy of each annual report prepared by the United States in accordance with Article XI of the Convention. The Secretary shall include for the Committee's information a list of ''traditional communities'' exceptions which may have been declared by any party to the Convention.

(2) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. FEINGOLD:

S. 3005. A bill to require country of origin labeling of all forms of ginseng; to the Committee on Commerce, Science, and Transportation.

By Mr. ASHCROFT:

S. 3006. A bill to remove civil liability barriers surrounding donating fire equipment to volunteer fire companies; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. LUGAR, Mr. SPECTER, Mr. INHOFE, Mr. SANTORUM, Mr. GRAMS, Mr. MURKOWSKI, Ms. COLLINS, Mr. MOYNIHAN, and Mr. FITZGERALD):

S. 3007. A bill to provide for measures in response to a unilateral declaration of the existence of a Palestinian state; to the Committee on Foreign Relations.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, and Mr. FEINGOLD):

S. 3008. A bill to amend the Age Discrimination in Employment Act of 1967 to require, as a condition of receipt of Federal funding, that States waive immunity to suit for certain violations of that Act, and to affirm the availability of certain suits for injunctive relief to ensure compliance with that Act; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HUTCHINSON (for himself, Mr. GRAMS, Mr. WELLSTONE, Ms. COLLINS, Mr. THURMOND, Mr. HOLLINGS, and Mr. JEFFORDS):

S. 3009. A bill to provide funds to the National Center for Rural Law Enforcement; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 3010. A bill to amend title 38, United States Code, to improve procedures for the determination of the inability of veterans to defray expenses of necessary medical care, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SPECTER:

S. 3011. An original bill to increase, effective as of December 1, 2000, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; from the Committee on Veterans' Affairs; placed on the calendar.

By Mr. LEAHY:

S. 3012. A bill to amend title 18, United States Code, to impose criminal and civil penalties for false statements and failure to file reports concerning defects in foreign motor vehicle products, and to require the timely provision of notice of such defects, and for other purposes; to the Committee on the Judiciary.

By Mrs. MURRAY:

S.J. Res. 51. A joint resolution authorizing special awards to veterans of service as United States Navy Armed Guards during World War I or World War II; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. FEINGOLD:

S. Res. 348. A resolution to express the sense of the Senate that the Secretary of the Treasury, acting through the United States Customs Service, should conduct investigations into, and take such other actions as are necessary to prevent, the unreported importation of ginseng products into the United States from foreign countries; to the Committee on Finance.

By Mrs. HUTCHISON (for herself and Mr. GRAMM):

S. Con. Res. 134. Concurrent resolution designating September 8, 2000, as Galveston Hurricane National Remembrance Day; considered and agreed to.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated, on August 25, 2000.

By Mr. LUGAR:

S. 3001. A bill to amend the United States Grain Standards Act to extend the authority of the Secretary of Agriculture to collect fees, extend the authorization of appropriations, and improve the administration of that Act, to amend the United States Warehouse Act to authorize the issuance of electronic warehouse receipts, and for other purposes; from the Committee on Agriculture, Nutrition, and Forestry, placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FEINGOLD:

S. 3005. A bill to require country origin labeling of all forms of ginseng; to the Committee on Commerce, Science, and Transportation.

GINSENG TRUTH IN LABELING ACT OF 2000

Mr. FEINGOLD. Mr. President, I rise today to introduce a package of legislation (S. 3005 and S. Res. 348) that addresses the increased amount of smuggled and mis-labeled ginseng entering this country.

This legislation provides for some common sense reforms that would require country-of-origin labeling for ginseng products, and express the Sense of the Senate that customs should put a stop to the flow of smuggled ginseng into the United States. My legislation will push for stricter enforcement of ginseng importation and allow consumers the information they need to determine the origin of the ginseng they buy.

SMUGGLING-LABELING PROBLEM

Mr. President, Chinese and Native American cultures have used ginseng for thousands of years for herbal and medicinal purposes.

In America, ginseng is experiencing a newfound popularity, and I am proud to say that my home state of Wisconsin is playing a central role in ginseng's resurgence.

Wisconsin produces 97 percent of the ginseng grown in the United States, and 85 percent of the country's ginseng is grown in Marathon County.

The ginseng industry is an economic boon to Marathon County, as well as an example of the high quality for which Wisconsin's agriculture industry is known.

Wisconsin ginseng commands a premium price in world markets because it is considered to be of the highest quality and because it has a lower pesticide and chemical content.

With a huge market for this high-quality ginseng overseas, and growing popularity for the ancient root here at home, Wisconsin's ginseng industry should have a prosperous future ahead.

Unfortunately, the outlook for ginseng farmers is marred by a serious problem—smuggled and mislabeled ginseng. Wisconsin ginseng is considered so superior to ginseng grown abroad that smugglers will go to great lengths to label ginseng grown in Canada or Asia as ''Wisconsin-grown.''

Here's how the switch takes place: Smugglers take Asian or Canadian-grown ginseng and ship it to plants in China, allegedly to have the ginseng sorted into various grades.

While the sorting process is itself a legitimate part of distributing ginseng, smugglers often use it as a ruse to switch Wisconsin ginseng with the Asian or Canadian ginseng considered inferior by consumers.

The smugglers know that while Chinese-grown ginseng has a retail value of about $5–$6 per pound, while Wisconsin-grown ginseng is valued at roughly $16–$20 per pound.

To make matters even tougher for Wisconsin's ginseng farmers, there is no accurate way of testing ginseng to determine where it was grown, other than testing for pesticides that are legal in Canada and China but are banned in the United States.

And in some cases, smugglers can even find ways around the pesticide tests. A recent ConsumerLab.com study confirmed that much of the ginseng sold in the U.S. contained harmful chemicals and metals, such as lead and arsenic.

And that's because the majority of Ginseng sold in the U.S. originates from countries with lower pesticide standards, so it's vitally important that consumers know which ginseng is really grown in Wisconsin

CONSUMER/PRODUCER IMPACT

For the sake of ginseng farmers and consumers, the U.S. Senate must crack down on smuggled and mislabeled ginseng.

Without adequate labeling, consumers have no way of knowing the most basic information about the ginseng they purchase—where it was grown, what quality or grade it is, or whether it contains dangerous pesticides.

The country of origin labeling is a simple but effective way to enable consumers to make an informed decision. And putting the U.S. Senate on record in support of cracking down on ginseng smuggling is an important first step toward putting an end to the illegal ginseng trade.

The lax enforcement of smuggled ginseng also puts our producers on an unfair playing field. The mixing of superior Wisconsin ginseng with lower quality foreign ginseng root penalizes the grower and eliminates the incentive to provide the consumer with a superior product.

Mr. President, we must give ginseng growers the support they deserve by implementing country-of-origin labeling that lets consumers make in formed choices about the ginseng that they consume.

We must ensure when ginseng consumers reach for a quality ginseng product—such as Wisconsin grown ginseng—that they are getting the real thing, not a cheap imitation.

By Mr. ASHCROFT:

S. 3006. A bill to remove civil liability barriers surrounding donating fire equipment to volunteer fire companies; to the Committee on the Judiciary.

THE GOOD SAMARITAN VOLUNTEER FIREFIGHTER ASSISTANCE ACT

• Mr. ASHCROFT. Mr. President, today I rise to introduce the Good Samaritan Volunteer Firefighter Assistance Act of 2000. This bill will assist our nation's volunteer firefighters, who daily risk their lives to protect our families, friends and neighbors. The legislation I am introducing will allow volunteer fire departments to accept much needed fire-fighting supplies from manufacturers and others by limiting the liability of companies and fire departments that donate certified surplus equipment.

In the United States today, the local fire department is expected to be protector of life, property and environmental safety concerns. Many communities must rely on the capable and courageous men and women in the local volunteer fire department to protect lives and safety. In fact, 75 percent of firefighters in this country are volunteers. Most volunteer departments serve small, rural communities and are quite often the only fire fighting services available for these areas. Unfortunately, one of the largest problems faced by volunteer fire services is lack of sufficient resources. Too often, these departments are struggling to provide their members with adequate protective clothing, safety devices and training programs.

In my home state of Missouri, there are approximately 450 fire departments throughout the state that have a budget of less than $15,000 per year. Many have budgets under $7,000/year and there are even some under $2,000/year. After paying insurance premiums, most departments do not even have $5,000 in their operating budgets. This is simply not enough money to purchase new and much needed fire-fighting equipment. In addition, the cost of fire and emergency medical apparatus and equipment has steadily increased over the past 20–30 years. Because of this, volunteer firefighters spend a large amount of time raising money for new equipment; time that could be better spent providing training to respond to emergencies.

Fire protection equipment is constantly improving and advancing with new state-of-the-art innovation. Because industry is constantly updating its fire protection, it is not unusual for plants and factories to accumulate surplus fire equipment that is slightly dated, but still effective, and most is almost new, or never used. Despite the excellent condition of most of these surplus items, company attorneys usually refuse to allow donations to fire departments, which desperately need this equipment. Companies routinely destroy surplus equipment to guarantee it will never be used by other firefighters. Pressure bottles for breathing apparatus are cut in half and the regulators buried. Protective fire coats are cut apart. Fire trucks are broken up and sold for scrap. All of this is done to prevent any liability from falling on corporate donors. Approximately $20 million per year in surplus equipment is scrapped, while a lot of rural departments go without the most basic supplies, such as protective clothing. Tragically, each year millions of dollars worth of fire equipment is destroyed instead of donated to these volunteer fire departments.

Mr. President, it does not make sense that quality fire-fighting tools are destroyed because of fear of liability by those who wish to donate their unused equipment. According to some estimates, over 800,000 volunteer firefighters nationwide save state and local governments $36.8 billion annually. We need to support the volunteer fire departments, and Congress should start by removing liability barriers that keep volunteer firefighters from receiving perfectly safe, donated equipment. Under this bill a person who donates qualified fire control or fire rescue equipment to a volunteer fire company will not be liable in civil damages in any State or Federal Court for personal injuries, property damage, or death proximately caused by a defect in the equipment. In order to protect firefighters from faulty donated equipment, this bill requires the equipment to be recertified as safe by an authorized technician. The bill does not protect those persons who act with malice, gross negligence, or recklessness in making the donation; nor does it protect the manufacturer of the donated equipment.

Mr. President, this bill is supported by a number of firefighting organizations. In States that have removed liability barriers through legislation similar to this, volunteer fire companies have received millions of dollars in quality fire fighting equipment. For example, in 1997, the Texas state legislature passed a bill that limited the liability of companies who donated surplus equipment to fire departments. Prior to passage of this bill, companies in Texas had refrained from donating their used equipment for fear of potential lawsuits. Now, companies donate their surplus equipment to the Texas Forest Service, which then certifies the equipment and passes it on to volunteer fire departments. The donated equipment must meet all original specifications before it can be sent to volunteer departments. The program has already received in excess of six million dollars worth of equipment for volunteer fire departments.

Companion legislation has been introduced in the House of Representatives by Congressman CASTLE. I urge my Senate colleagues to join me in ending the wasteful destruction of useful fire equipment, saving taxpayer funds, and better equipping our volunteer firefighters to save lives. I am proud to introduce this bill and look forward to working to ensure that the federal government increases its commitment to the men and women who make up our local volunteer fire departments.•

By Mrs. FEINSTEIN (for herself, Mr. LUGAR, Mr. SPECTER, Mr. INHOFE, Mr. SANTORUM, Mr. GRAMS, Mr. MURKOWSKI, Ms. COLLINS, Mr. MOYNIHAN, and Mr. FITZGERALD):

S. 3007. A bill to provide for measures in response to a unilateral declaration of the existence of a Palestinian state; to the Committee on Foreign Relations.

UNILATERAL PALESTINIAN STATEHOOD DISAPPROVAL ACT OF 2000

Mrs. FEINSTEIN. Mr. President, I rise today to join Senator LUGAR in introducing the Unilateral Palestinian Statehood Disapproval Act. This is cosponsored by Senators MOYNIHAN, SPECTER, INHOFE, SANTORUM, GRAMS, COLLINS and MURKOWSKI.

We are now 7 days away from September 13. That is the day that the Palestinian Authority Chairman Yasser Arafat has set, in the past, as a day when he would declare, unilaterally, Palestinian statehood. He has recently said that he would reassess his intention to declare an independent Palestinian state unilaterally. I am hopeful that he will. But, nonetheless, I am concerned that neither he nor other senior Palestinian leaders have repudiated the idea of a unilateral declaration of statehood.

As part of the 1993 Oslo accords, the Israelis and Palestinians committed to resolving all outstanding issues through negotiation. Chairman Arafat reiterated this position on July 25 of this year, at the conclusion of the last round of the Camp David negotiations when he and Prime Minister Barak issued a statement agreeing on the importance of ''avoiding unilaterally action that prejudiced the outcome of negotiations.'' Indeed, one of the keys to the success of the peace process thus far has been the commitment by each side to avoid any unilateral action that would undermine the search for a mutually satisfactory agreement.

A unilateral declaration of Palestinian statehood would violate the commitments of Oslo. A unilateral declaration of statehood would be a grave blow to the peace process, one from which that process might not be able to recover.

I believe very strongly, and my cosponsors do as well, that any Palestinian state should be the result of negotiations between Israel and the Palestinians, not the result of the unilateral action of either one side or the other.

It is my sincere hope that in the next few days, Mr. Arafat and others in the Palestinian leadership will step back from the September 13 deadline and recommit themselves to the Oslo process and negotiations with Israel.

This legislation is necessary, however, because should Mr. Arafat go forward with the unilateral declaration, the repercussions for the peace process and stability in the Middle East are, indeed, both serious and severe. The United States must make it clear that

we will not recognize or condone a unilateral declaration and that the United States will work to make sure the international community neither accepts nor supports a unilaterally declared Palestinian state.

The legislation we introduce today would do the following:

It would state that the United States should not recognize any unilaterally declared Palestinian state.

It would urge the President and the Secretary of State to use all diplomatic means to work with other countries to deny recognition to such a unilaterally declared state.

It would prohibit any direct U.S. assistance to a unilaterally declared Palestinian state, except for humanitarian assistance or cooperation on antiterrorism efforts.

It would direct the Secretary of the Treasury to oppose membership in any international financial institution by a unilaterally declared Palestinian state and oppose any financial assistance from these institutions to such a state.

It would state the sense of the Congress that the President should downgrade the status of the Palestinian office in the United States to an information office.

It would also state the sense of the Congress that the President should oppose Palestinian membership in the United Nations or any other international organization, and that the United States should oppose economic or other assistance to a unilaterally declared Palestinian state, except for humanitarian or security assistance.

Finally, it would urge the President to expedite and upgrade the ongoing review of strategic relations between the United States and Israel.

We have included a Presidential national interest waiver authority so that if the President deems that even with a unilateral declaration that the peace process can move forward, the United States will have the flexibility to continue that process.

I realize that it is a little unusual to say, but it is my sincere hope that this legislation will never require action, let alone implementation.

I have been a long-time supporter of the peace process and for a peace agreement that provides security for Israel and leads to the consensual establishment of a Palestinian state that will be a peaceful neighbor of Israel. Since coming to the Senate, I have worked long and hard as an advocate for peace in the Middle East and as a supporter of the negotiations led by President Clinton, Secretaries Christopher and Albright, and conducted so ably by Dennis Ross.

Because of this support, it is my sincere hope that Mr. Arafat will not choose to heed those who have suggested that the Palestinian Authority should unilaterally declare a Palestinian state on September 13. If Mr. Arafat is willing to continue to work within the context of the peace process and stick to his commitments at Oslo and Camp David not to take unilateral steps, then I believe the United States should continue our partnership with the Palestinian people in search for peace. Under such circumstances, there is no need for this legislation.

I was deeply disappointed that the last round of negotiations at Camp David did not succeed in reaching an agreement. Prime Minister Barak appeared to make every effort to reach out and extend the hand of peace and placed items on the table for negotiation that no Israeli Prime Minister was previously even willing to discuss with the Palestinian leadership.

Although there is still a long way to go, I believe that if both sides are sincere in their desire for peace, a negotiated settlement is still possible, and it is my hope that Israel and its Palestinian neighbors will once again find themselves at the negotiating table in the not too distant future. I understand that Mr. Arafat, Prime Minister Barak, and President Clinton will be meeting in New York this week, and I hope the talks can get back on track. But if the Palestinians should choose to endanger the peace process by a unilateral declaration of statehood on September 13, the United States must be clear what our policy should be.

The United States has a vital and an important role to play as an honest broker in the region and as a guarantor of the peace process and any peace that may result. It is precisely our role as an honest broker that compels me to offer this legislation. If the Palestinians take unilateral steps that undermine the peace process, the United States must make it clear that we will neither condone nor support such actions.

I urge my colleagues to join the Senator from Indiana and me in sending a clear and compelling message in support of the Middle East peace process. Unilateral actions are not acceptable to the United States, and should the Palestinian Authority choose to break with the peace process, the United States will act accordingly.

Mr. President, it is my understanding that Senator SPECTER may well be coming to the floor to make some comments on this. If he does, I ask unanimous consent that his comments be reflected directly following mine and Senator LUGAR's.

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

Mr. LUGAR. Mr. President, I rise to join Senator FEINSTEIN and other Members from both sides of the aisle to introduce the Unilateral Palestinian Statehood Disapproval Act of 2000. I am pleased to be an original co-sponsor of this legislation.

At the conclusion of the July round of negotiations between Israel and the Palestinian Authority at Camp David, Prime Minister Barak and Chairman Arafat issued a statement agreeing on the importance of ''avoiding unilateral action that prejudices the outcome of negotiations.'' They both acknowledged that progress is best assured if both parties refrain from unilateral actions that would have the effect of undermining the peace process.

After the Camp David talks ended, Chairman Arafat announced that he intended to unilaterally declare an independent Palestinian state by September 13 if negotiations with Israel did not conclude in a satisfactory manner by then. Such a statement is harmful to the negotiations and would be disastrous to the peace process.

It is important for the Congress to be heard on this issue. A unilateral declaration of a Palestinian state is objectionable and would create an unnecessary rupture in our ability to work with the Palestinian Authority to advance the peace process. It is my hope that Chairman Arafat will listen to the voices of other leaders in the Arab world, and elsewhere, which have counseled caution and urged him to refrain from these unilateral steps toward statehood.

Our legislation proposes several targeted limitations and restrictions on the Palestinian Authority should they decide to declare a Palestinian state in advance of a final agreement. It states that if Chairman Arafat unilaterally declares a Palestinian state, the U.S. should not recognize it, that we should work with our friends and allies not to recognize any such state, and that we should downgrade the Palestinian office in the United States to an information office.

The legislation places limitations on official U.S. assistance to a unilaterally declared Palestinian state but provides exceptions for cooperation on anti-terrorism and security matters. Our bill also urges the President to oppose membership to a unilaterally declared Palestinian state in the United Nations and to oppose any economic and financial assistance from the U.N., affiliated agencies and international financial institutions.

It is my hope that none of these restrictions will have to be implemented. Because we want to insure that the President can use all the tools available to him to assist the parties to succeed in the peace negotiations, we included a presidential national interest waiver authority on those provisions pertaining to economic and financial assistance.

I hope my colleagues will agree to support this legislation and the longstanding effort to construct a comprehensive peace in the Middle East.

Mr. SPECTER. Mr. President, I have sought recognition to comment about the statements by Palestinian Chairman Yasser Arafat that there may be a unilateral declaration of Palestinian statehood on September 13. That, in my judgment, would be a grave mistake, and the United States and our allies ought to do everything in our power to prevent Chairman Arafat of the Palestinian Authority from making that unilateral declaration of statehood.

When the Oslo accords were signed in 1993, there was an agreement that all of the outstanding issues between Israel and the Palestinian Authority would be negotiated with a solution. There have been very extensive discussions, including recent talks at Camp David, which have not produced that kind of an agreement and that has led Chairman Arafat to raise the issue—perhaps more accurately called ''threat''—to have a unilateral declaration of statehood on September 13.

I have cosponsored S. 3007, which was introduced today by the distinguished Senator from California, Mrs. FEINSTEIN, which calls for action by the United States in the event that there is a unilateral declaration of statehood. The bill contains provisions which would articulate the policy of the United States not to recognize a unilaterally declared Palestinian state, to extend diplomatic efforts to deny recognition by working with the allies of the United States, the European Union, Japan, and other countries, to downgrade the status of the Palestinian office in the United States if there should be such a unilateral declaration, to prohibit U.S. assistance to the Palestinian Authority if there should be such a unilateral declaration, to take steps to oppose Palestinian membership in the United Nations or other international organizations, and to oppose Palestinian membership in or assistance from the international financial institutions.

I believe this bill is an effective shot across the bow.

I wrote to Chairman Arafat on August 18 of this year, urging Chairman Arafat to abandon any thoughts about a unilateral declaration of statehood for the Palestinian Authority. I ask unanimous consent that the full text of this letter be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 1.)

Mr. SPECTER. Mr. President, the essence of the letter which I wrote to Chairman Arafat is contained in two paragraphs where I say:

> . . . There is a strong feeling, both in the United States Senate and the United States House of Representatives, as well as that expressed by President Clinton, that there be no such unilateral declaration of statehood.
>
> There has been tremendous support in the Senate and House, as well as from the President, for an overall peace settlement and that Congressional support has included U.S. contributions to implement such an accord. That Congressional support would certainly be eroded by a unilateral declaration of statehood.

I had urged Chairman Arafat in the past to avoid a unilateral declaration of statehood when the possibility was raised that such a unilateral declaration might be made back on May 4, 1999.

Chairman Arafat came to the United States on March 23, and I was scheduled at that time to visit him in his hotel in Virginia, but shortly before our scheduled appointment I found that Chairman Arafat was visiting on the House side in the Capitol complex, and I had an opportunity to invite Chairman Arafat to my Capitol office.

At that time, we had an extensive discussion where I urged him not to make the unilateral declaration of statehood. He asked me at that time, if he would refrain from that unilateral declaration of statehood, whether I would make a statement saying it was a wise course of action, giving recognition to the restraint of Chairman Arafat and the Palestinian Authority. I said I would do so and that I would make a statement on the floor of the Senate on May 5 if Chairman Arafat and the Palestinian Authority, in fact, did not make a unilateral declaration of statehood. I wrote Chairman Arafat to that effect on March 31, 1999.

I ask unanimous consent that a copy of this letter be printed in the Congressional RECORD at the conclusion of my statement.

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

(See exhibit 2.)

Mr. SPECTER. Mr. President, I made two statements for the CONGRESSIONAL RECORD—one on April 26, 1999, which I incorporate by reference, and another statement on May 4, 1999, when Chairman Arafat and the Palestinian Authority did not make a unilateral declaration of statehood.

The meeting I had with Chairman Arafat in my Capitol office was a very interesting one and a very constructive one. One note which I had referred to in one of my earlier statements on the floor is worth a very brief reference. I have a very large poster which has a joint picture of President Clinton with thumbs up and a picture of Chairman Arafat right next to him making the V sign, obviously not taken together but juxtaposed together on one large poster. It looks like a campaign poster, almost as if the two men were running for political office, which, of course, they were not.

I had accompanied President Clinton on his trip to Israel in December of 1998. I saw the poster and thought it a nice item of memorabilia and had it framed and put in my Capitol office. When Chairman Arafat saw his picture on my wall, it did a good bit more than any of my persuasive comments to establish an aura of goodwill in a complimentary sense. He very much liked seeing his picture there. In fact, he wanted to take a picture of the two of us standing in front of his picture, which now stands beside the poster in my Capitol office.

I mention that because of the—I am searching for the right word. ''Congenial meeting'' might not be exactly right, but it was a businesslike meeting where Chairman Arafat listened to my arguments against a unilateral declaration of statehood.

When I recite this, I do not really mean to suggest my voice was the determinative voice. I think that comported with what the Palestinian Authority had in mind in any event. I think every extra bit of pressure that can be brought ought to be brought. That is why I wrote to Chairman Arafat earlier this year, on August 18, and that is why I am supporting the bill introduced by the Senator from California, Mrs. FEINSTEIN, which would impose certain restraints and, in effect, certain sanctions on the Palestinian Authority if they do make a unilateral declaration of statehood. In my judgment, it would set back the peace process between Israel and the Palestinian Authority substantially. I retain some optimism that the differences between Israel and the Palestinian Authority may yet be reconciled.

I compliment the President and the Secretary of State for their very extensive efforts to try to bring about that accord. I believe those efforts should be continued and intensified. I also compliment Dennis Ross of the State Department who has done so much in the negotiating process with the parties.

While there are meetings underway at the United Nations, there may be some occasion for the President to act further in consultation with Israeli Prime Minister Barak and Palestinian Authority Chairman Yasser Arafat to try to bring about advances on the peace process and ultimately an accord. But certainly a unilateral declaration of statehood by the Palestinian Authority would be met with grave opposition in this Chamber—I know that for a certainty—and I believe also in the House of Representatives.

In conclusion, I urge Chairman Arafat and his colleagues in the Palestinian Authority not to make a unilateral declaration of statehood on September 13, or at any other time, but to continue the peace process to try to work out outstanding differences in accordance with the commitments made by the Palestinian Authority on the Oslo accord.

I thank the Chair and yield the floor.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, March 31, 1999.

Chairman YASSER ARAFAT,
President of the National Authority,
Gaza City, GAZA, Palestinian National Authority.

DEAR MR. CHAIRMAN: Thank you very much for coming to my Senate hideaway and for our very productive discussion on March 23.

Following up on that discussion, I urge that the Palestinian Authority not make a unilateral declaration of statehood on May 4 or on any subsequent date. The issue of the Palestinian state is a matter for negotiation under the terms of the Oslo Accords.

I understand your position that this issue will not be decided by you alone but will be submitted to the Palestinian Authority Council.

When I was asked at our meeting whether you and the Palestinian Authority would receive credit for refraining from the unilateral declaration of statehood, I replied that I would go to the Senate floor on May 5 or as soon thereafter as possible and compliment your action in not unilaterally declaring a Palestinian state.

I look forward to continuing discussions with you on the important issues in the Mid-East peace process.

Sincerely,

ARLEN SPECTER.

EXHIBIT 2

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, August 18, 2000.

Chairman YASSER ARAFAT,
President of the National Authority,
Gaza City, GAZA, Palestinian National Authority.

DEAR CHAIRMAN ARAFAT: On March 23, 1999, when you visited my Senate Office in Washington, I urged you not to make a unilateral declaration of Palestinian statehood, which had been discussed as a possibility for May 4, 2000.

At that time, I told you that I would make a statement on the Senate floor on May 5, 1999, praising your decision not to declare statehood unilaterally if, in fact, you made that decision. You did not declare statehood on May 4, 1999; and, as promised, I made the statement on the Senate floor. For your rereview, I enclose a copy of that statement.

Now, again, there is talk that there may be a unilateral declaration of Palestinian statehood on September 13, 2000. Again, I urge you not to make such a declaration, but to continue negotiations to try to work out an overall agreement with Israel.

I know that there is a strong feeling, both in the United States Senate and the United States House of Representatives, as well as that expressed by President Clinton, that there be no such unilateral declaration of statehood.

There has been tremendous support in the Senate and House, as well as from the President, for an overall peace settlement and that Congressional support has included U.S. contributions to implement such an accord. That Congressional support would certainly be eroded by a unilateral declaration of statehood.

If you do not make such a unilateral declaration of Palestinian statehood on September 13, I will again speak on the Senate floor in praise of your restraint.

Again, I urge you to renew discussions with Israel for an overall settlement.

I look forward to our next meeting when you are in Washington or I am in the Mideast.

Sincerely,

ARLEN SPECTER.

Mr. REID. Mr. President, before the Senator from Pennsylvania leaves the floor, I want the RECORD to reflect the statements he has made are bipartisan in nature. I underline and underscore the importance of the statement of the Senator from Pennsylvania. I think it would be very unwise for Chairman Arafat to move unilaterally on establishing statehood. I hope he will sit back and look at the great loss that will take place if an agreement is not reached at this time.

I commend and applaud the Senator from Pennsylvania for his statement.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Nevada for those very timely comments. It is important to have that note of bipartisanship. May the RECORD further reflect, 20 minutes ago the distinguished Senator from New Mexico said he wanted to do something sharp at 6 p.m., and the big hand is at the 12 and the little hand is at the 6 in this instant.

Mr. DOMENICI. Mr. President, if I knew when I asked the Senator from Pennsylvania if he could be finished in 20 minutes that he was going to be delivering such an important speech, I might have been reluctant to ask him. I do commend him on that speech—not the brevity and coming in on time, but the substance is very important.

Mr. SPECTER. Mr. President, I thank my colleague from New Mexico for those comments. We have worked together for many years and earlier today on the Appropriations Committee, and I appreciate what he just said.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, and Mr. FEINGOLD):

S. 3008. A bill to amend the Age Discrimination in Employment Act of 1967 to require, as a condition of receipt of Federal funding, that States waive immunity to suit for certain violations of that Act, and to affirm the availability of certain suits for injunctive relief to ensure compliance with that Act; to the Committee on Health, Education, Labor, and Pensions.

THE OLDER WORKERS RIGHTS RESTORATION ACT OF 2000

Mr. JEFFORDS. Mr. President, I am pleased to be here today to introduce legislation that will restore to state employees the ability to bring claims of age discrimination against their employers under the Age Discrimination and Employment Act of 1967. The Older Workers Rights Restoration Act of 2000 seeks to provide state employees who allege age discrimination the same procedures and remedies as those afforded to other employees with respect to ADEA.

This legislation is needed to protect older workers like Professor Dan Kimel, who has taught physics at Florida State University for nearly 35 years. Despite his years of faithful service, in 1992, Professor Kimel found that he was earning less in real dollars than his starting salary. To add insult to injury, his employer was hiring younger faculty out of graduate schools at salaries that were higher than he and other long-service faculty members were earning. In 1995, Professor Kimel and 34 colleagues brought a claim of age discrimination against the Florida Board of Regents.

Dan Kimel and his colleagues brought their cases under the Age Discrimination and Employment Act of 1967 (''ADEA''). In 1974, Congress amended the ADEA to ensure that state employees, such as Dan Kimel has full protection against age discrimination. I stand before you today because this past January the Supreme Court ruled that Dan Kimel and other affected faculty do not have the right to bring their ADEA claims against their employer. The Court in Kimel v. Florida Board of Regents, held that Congress did not have the power to abrogate state sovereign immunity to individuals under the ADEA. As a result of the decision, state employees, who are victims of age discrimination, no longer have the remedies that are available to individuals who work in the private sector, for local governments or for federal government. Indeed, unless a state chooses to waive its sovereign immunity or the Equal Employment Opportunity Commission decides to bring a suit, state workers now find themselves with no federal remedy for their claims of age discrimination. In effect, this decision has transformed older state employees into second class citizens.

For a right without a remedy is no right at all. Employees should not have to lose their right to redress simply because they happen to work for a state government. And a considerable portion of our workforce has been impacted. In Vermont, for example, the State is one of our largest employers. We cannot and should not permit these state workers to lose the right to redress age discrimination.

This legislation will resolve this problem. The Older Workers Rights Restoration Act of 2000 will restore the full protections of the ADEA to Dan Kimel and countless other state employees in federally assisted programs. The legislation will do this by requiring the states to waive their sovereign immunity as a condition of receiving federal funds for their programs or activities. The Older Workers Rights Restoration Act of 2000 follows the framework of many other civil rights laws, including the Civil Rights Restoration Act of 1987. Under this framework, immunity is only waived with regard to the program or activity actually receiving federal funds. States are not obligated to accept such funds; and if they do not they are immune from private ADEA suits. The legislation also confirms that these employees may bring actions for equitable relief under the ADEA.

I urge all my colleagues to join me in supporting this bill.

I ask unanimous consent that a copy of this bill be printed in the RECORD.

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

S. 3008

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 ''Older Workers Rights Restoration Act of 2000''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Since 1974, the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) has prohibited States from discriminating in employment on the basis of age. In EEOC v. Wyoming, 460 U.S. 226 (1983), the Supreme Court upheld Congress' constitutional authority to prohibit States from discriminating in employment on the basis of age. The prohibitions of the Age Discrimination in Employment Act of 1967 remain in effect and continue to apply to the States, as the prohibitions have for more than 25 years.

(2) Age discrimination in employment remains a serious problem both nationally and

among State agencies, and has invidious effects on its victims, the labor force, and the economy as a whole. For example, age discrimination in employment—

(A) increases the risk of unemployment among older workers, who will as a result be more likely to be dependent on government resources;

(B) prevents the best use of available labor resources;

(C) adversely effects the morale and productivity of older workers; and

(D) perpetuates unwarranted stereotypes about the abilities of older workers.

(3) Private civil suits by the victims of employment discrimination have been a crucial tool for enforcement of the Age Discrimination in Employment Act of 1967 since the enactment of that Act. In Kimel v. Florida Board of Regents, 120 S. Ct. 631 (2000), however, the Supreme Court held that Congress lacks the power under the 14th amendment to abrogate State sovereign immunity to suits by individuals under the Age Discrimination in Employment Act of 1967. The Federal Government has an important interest in ensuring that Federal funds are not used to facilitate violation of, the Age Discrimination in Employment Act of 1967. Private civil suits are a critical tool for advancing that interest.

(4) As a result of the Kimel decision, although age-based discrimination by State employers remains unlawful, the victims of such discrimination lack important remedies for vindication of their rights that are available to all other employees covered under the Act, including employees in the private sector, of local government, and of the Federal Government. Unless a State chooses to waive sovereign immunity, or the Equal Employment Opportunity Commission brings an action on their behalf, State employees victimized by violations of the Age Discrimination in Employment Act of 1967 have no adequate Federal remedy for violations of the Act. In the absence of the deterrent effect that such remedies provide, there is a greater likelihood that entities carrying out federally funded programs and activities will use Federal funds to violate the Act, or that the Federal funds will otherwise subsidize or facilitate violations of the Act.

(5) Federal law has long treated nondiscrimination obligations as a core component of programs or activities that are, in whole or part, assisted by Federal funds. Federal funds should not be used, directly or indirectly, to subsidize invidious discrimination. Assuring nondiscrimination in employment is a crucial aspect of assuring nondiscrimination in those programs and activities.

(6) Discrimination on the basis of age in federally assisted programs or activities is, in contexts other than employment, forbidden by the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.). Congress determined that it was not necessary for the Age Discrimination Act of 1975 to apply to employment discrimination because the Age Discrimination in Employment Act of 1974 already forbade discrimination in employment by, and authorized suits against, State agencies and other entities that receive Federal funds. In section 1003 of the Rehabilitation Act Amendments of 1986 (42 U.S.C. 2000d–7), Congress required all State recipients of Federal assistance to waive any immunity from suit for discrimination claims arising under the Age Discrimination Act of 1975. The earlier limitation in the Age Discrimination Act of 1975, originally intended only to avoid duplicative coverage and remedies, has in the wake of the Kimel decision become a serious loophole leaving millions of State employees without an important Federal remedy for age discrimination resulting in the use of such funds to subsidize or facilitate violations of the Age Discrimination in Employment Act of 1967.

(7) The Supreme Court has upheld Congress' authority to condition receipt of Federal funds on acceptance by the States or other recipients of conditions regarding or related to the use of those funds, as in Cannon v. University of Chicago, 441 U.S. 677 (1979). The Court has further recognized that Congress may require a State, as a condition of receipt of Federal assistance, to waive the State's sovereign immunity to suits for a violation of Federal law, as in College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 527 U.S. 666 (1999). In the wake of the Kimel decision, in order to assure compliance with, and to provide effective remedies for violations of, the Age Discrimination in Employment Act of 1967 in State programs or activities receiving Federal assistance, and in order to ensure that Federal funds do not subsidize or facilitate violations of the Age Discrimination in Employment Act of 1967, it is necessary to require such a waiver as a condition of receipt of that Federal financial assistance.

(8) The waiver resulting from the acceptance of Federal funds by 1 State program or activity under this Act will not eliminate a State's immunity with respect to other programs or activities that do not receive Federal funds; a State waives sovereign immunity only with respect to Age Discrimination in Employment Act of 1967 suits brought by employees within the programs or activities that receive such funds. With regard to those programs and activities that are covered by the waiver, the State employees will be accorded only the same remedies that were available to State employees under the Age Discrimination in Employment Act of 1967 before Kimel and that are accorded to all other covered employees under the Act.

(9) The Supreme Court has repeatedly held that State sovereign immunity does not bar suits for prospective injunctive relief brought against State officials, as in ex parte Young, 209 U.S. 123 (1908). Clarification of the language of the Age Discrimination in Employment Act of 1967 will confirm that the Act authorizes such suits. The injunctive relief available in such suits will continue to be no broader than the injunctive relief that was available under the Act before the Kimel decision, and that is available to all other employees under that Act.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to provide to State employees in federally assisted programs or activities the same rights and remedies for practices violating the Age Discrimination in Employment Act of 1967 as are available to other employees under that Act, and that were available to State employees prior to the Supreme Court's decision in Kimel v. Florida Board of Regents, 120 S. Ct. 631 (2000);

(2) to provide that the receipt of Federal funding for use in a program or activity constitutes a State waiver of sovereign immunity from suits by employees within that program or activity for violations of the Age Discrimination in Employment Act of 1967; and

(3) to affirm that suits for equitable relief are available against State officials in their official capacities for violations of the Age Discrimination in Employment Act of 1967.

SEC. 4. REMEDIES FOR STATE EMPLOYEES.

Section 7 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following:

''(g)(1)(A) A State's receipt or use of Federal financial assistance in any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by an employee of that program or activity under this Act for equitable, legal, or other relief authorized under this Act.

''(B) In this paragraph, the term 'program or activity' has the meaning given the term in section 309 of the Age Discrimination Act of 1975 (42 U.S.C. 6107).

''(2) An official of a State may be sued in the official capacity of the official by any employee who has complied with the procedures of subsections (d) and (e), for equitable relief that is authorized under this Act. In such a suit the court may award to the prevailing party those costs authorized by section 722 of the Revised Statutes (42 U.S.C. 1988).''.

SEC. 5. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of such provision or amendment to another person or circumstance shall not be affected.

SEC. 6. EFFECTIVE DATE.

(a) WAIVER OF SOVEREIGN IMMUNITY.—With respect to a particular program or activity, section 7(g)(1) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)(1)) applies to conduct occurring on or after the day, after the date of enactment of this Act, on which a State first receives Federal financial assistance for use in that program or activity.

(b) SUITS AGAINST OFFICIALS.—Section 7(g)(2) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)(2)) applies to any suit pending on or after the date of enactment of this Act.

Mr. FEINGOLD. Mr. President, I am pleased to join my distinguished colleagues, Senator JEFFORDS and Senator KENNEDY, as an original cosponsor of the Older Workers Rights Restoration Act of 2000.

With advances in medicine and science, Americans are living longer than ever before. This means that older Americans are also working longer than ever before. We should ensure that those Americans who work well into the golden years of their lives—including state employees—can do so without fear of being denied a job, fired or overlooked for a promotion based on their age.

Since enactment of the Age Discrimination in Employment Act in 1967, our Nation has come a long way in eliminating age discrimination in the workplace. But the Supreme Court's decision earlier this year in Kimel v. Florida Board of Regents threatens to turn back the clock on the progress we've made. Under that decision, a state employee who has a claim of employment discrimination based on age cannot bring a private lawsuit against a state government under the Age Discrimination in Employment Act. The state government is immune from such suits. The individual's only legal recourse is to file a complaint with the Equal Employment Opportunity Commission and hope that the EEOC takes the case. But the EEOC has limited resources and only pursues a fraction of the cases filed.

Mr. President, this result is unacceptable. Older American workers

make important contributions to their employers—both businesses and governments, at the state and federal levels. Older Americans should be able to work free of even a hint of discrimination. And older Americans employed by state governments deserve the same protections against discrimination on the job that other older Americans employed by private businesses or the federal government enjoy.

This bill that we introduce today would do just that. It ensures that state employees in federally assisted programs or activities have the same rights and remedies for practices violating the Age Discrimination in Employment Act as are available to other employees under that act and that were available to state employees prior to the Supreme Court's Kimel decision.

Mr. President, I have had a longstanding commitment to aging issues, both as a U.S. Senator and, previously, as a Wisconsin State Senator. In the U.S. Senate, I have served on the Special Committee on Aging. In the Wisconsin state senate, I served for ten years as the chairman of the Senate Committee on Aging. In fact, the first legislation I introduced as a state senator was a bill to eliminate mandatory retirement. That bill passed and was signed into law. As a result, older Wisconsin residents have the right to work without being forced to retire at a certain age.

I look forward to working with Senator JEFFORDS to move this important legislation through the Senate. I urge my colleagues to join us in taking this step toward restoring protections for state employees against age discrimination.

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

By Mr. GRASSLEY:

S. 3010. A bill to amend title 38, United States Code, to improve procedures for the determination of the inability of veterans to defray expenses of necessary medical care, and for other purposes; to the Committee on Veterans' Affairs.

LEGISLATION FOR THE BENEFIT OF LAND-RICH CASH POOR VETERANS

Mr. GRASSLEY. Mr. President, I am today introducing a bill which would exclude the value of real property of a veteran, or a veteran's spouse or dependent, in determining how a veteran's eligibility for health care from the Department of Veterans Affair (VA) is classified. The bill would also simplify eligibility determinations by eliminating the annual self-reporting burden for veterans, and instead enable the Department to obtain income information directly from the Internal Revenue Service and the Social Security Administration.

The problem asset-rich, cash-poor veterans experience in gaining eligibility for veterans pension and health care benefits was brought to my attention late last year by one of my constituents, Larry Sundall. Larry is one of Iowa's county veterans service officers. He serves veterans in Emmet County, in northwest Iowa. In the course of his work, he was finding that many of his farmer-veteran constituents where in desperate straits with no, or little, income, but still could not qualify for VA pension programs without selling their land. Because of the value of their land, these veterans would also be classified in Category 7 for purposes of health service eligibility in the event they sought health care from the VA. Category 7 veterans can receive health care services as long as the VA has sufficient funds. However, they are required to pay co-payments for any health care they receive through the VA because of the value of their land, even if they have no income and are in debt to boot. If the administration and Congress don't appropriate enough money, these Category 7 veterans will not be eligible for health care services from the VA.

At Larry's urging, I decided to convene a meeting of interested parties in Des Moines last April to talk over this issue. Because many of his county veterans officials in Iowa, Minnesota, Nebraska, and South Dakota were encountering constituents with similar problems, we invited the associations of county veterans service officers from those states to send a representative to participate. We invited the State Veterans Affairs Officers from those states. VA staff from headquarters, regional offices, and VISNs also participated. The meeting was very useful and informative from my perspective, and I am grateful to all who participated. As it happens, the VA's Health Services Administration had already recognized the asset test as a problem for veterans and had formed a task force to look into the feasibility of eliminating the asset test. The Veterans Benefits Administration had also begun to discuss the issue. In any case, VA participants at the meeting agreed to convey the essentials of our discussion to principal officials at VA headquarters.

The problem follows from a provision of Title 38 which holds that the Secretary may deny benefits to a veteran ''. . . when the corpus of the estate of the veteran . . . is such that under all the circumstances . . . it is reasonable that some part of the corpus of such estates be consumed for the veteran's maintenance''. In other words, if the income and estate of a veteran are large enough, they should be used before the veteran receives benefits from the VA. The law also states, however, that liquidations of assets should be required only when it can be done at ''no substantial sacrifice'' to the veteran. Regulations implementing this provision of law contain essentially the same language. The complications begin with a VA manual, 21–1, which lays out criteria to be used by VA staff in adjudicating eligibility for pension and health benefits. Under the criteria set out in M21–1, the net worth of a veteran must be adjudicated when the veteran's income and net worth is greater than $50,000. Ownership of $50,000 of farm land or other real property does not automatically and inevitably mean that adjudicators will declare a farmer veteran ineligible for these VA programs. In principle, the $50,000 is just a threshold which is to trigger adjudication of a veteran's claim for benefits, not to automatically disqualify a veteran for benefits.

But there are two problems with the treatment of assets in the schema. First is the $50,000 level. It's obviously much too low, even as a trigger for adjudication. In Iowa currently, the average value of an acre of farm land is $1,781. So a farm holding valued at $50,000 would average about 28 acres, clearly two small to be viable. A 40 acre farm, at the current average value per acre, would be worth $71,240. A more viable 80 acre farm would be valued at $142,480. It seems to me, therefore, that the threshold triggering review of a farmer veteran's income and assets should be raised to $150,000. But, second, and more fundamentally, the law stipulates, as I noted earlier, that divestiture of an estate should not involve ''substantial sacrifice''. It is difficult for me to see that selling off the family farm, in many, if not most, cases, the sole source of livelihood for a farm family, would not involve substantial sacrifice. It thus seems inherently unrealistic to require a veteran to liquidate land holdings in order to become eligible for VA pension benefits or in order to pay co-payments for VA health care services.

What the bill I am introducing today would do is eliminate completely the asset test as a factor is establishing eligibility for health care services. A veteran's income, however, would still be considered in eligibility determinations. The bill would also permit the Secretary to determine the attributable income of the veteran using income date from the year preceding the prior year in the event that the Secretary is unable to use prior year data. Finally, the bill would permit the Secretary to use information obtained from the Secretary of the Department of Health and Human Services and the Treasury for the purpose of determining the attributable income of a veteran.

The VA estimates that this proposal should save the VA money, Mr. President. They estimate that more than $11 million would be saved in fiscal year 2001, growing to more than $13 million in fiscal year 2005.

I ask that the full text of the bill be included in the RECORD.

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

S. 3010

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

SECTION 1. IMPROVEMENT OF PROCEDURES FOR DETERMINATION OF INABILITY TO DEFRAY EXPENSES OF NECESSARY MEDICAL CARE.

(a) EXCLUSION OF CERTAIN ASSETS FROM ATTRIBUTABLE INCOME AND CORPUS OF ESTATES.—Subsection (f) of section 1722 of title 38, United States Code, is amended—

(1) in paragraph (1), by inserting before the period at the end the following: '', except that such income shall not include the value of any real property of the veteran or the veteran's spouse or dependent children, if any, or any income of the veteran's dependent children, if any''; and

(2) in paragraph (2), by striking ''the estates'' and all that follows and inserting ''the estate of the veteran's spouse, if any, but does not include any real property of the veteran, the veteran's spouse, or any dependent children of the veteran, nor any income of dependent children of the veteran.''.

(b) ALTERNATIVE YEAR FOR DETERMINATION OF ATTRIBUTABLE INCOME.—That section is further amended by adding at the end the following new subsection:

''(h) For purposes of determining the attributable income of a veteran under this section, the Secretary may determine the attributable income of the veteran for the year preceding the previous year, rather than for the previous year, if the Secretary finds that available data do not permit a timely determination of the attributable income of the veteran for the previous year for such purposes.''.

(c) USE OF INCOME INFORMATION FROM CERTAIN OTHER FEDERAL AGENCIES.—Section 5317 of that title is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection (f):

''(f) In addition to any other activities under this section, the Secretary may utilize income information obtained under this section from the Secretary of Health and Human Services or the Secretary of the Treasury for the purpose of determining the attributable income of a veteran under section 1722 of this title, in lieu of obtaining income information directly from the veteran for that purpose.''.

(d) PERMANENT AUTHORITY TO OBTAIN INFORMATION.—(1) Section 5317 of that title, as amended by subsection (c), is further amended by striking subsection (h).

(2) Section 6103(*l*)(7)(D) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(*l*)(7)(D)) is amended in the flush matter at the end by striking the second sentence.

By Mr. LEAHY:

S. 3012. A bill to amend title 18, United States Code, to impose criminal and civil penalties for false statements and failure to file reports concerning defects in foreign motor vehicle products, and to require the timely provision of notice of such defects, and for other purposes; to the Committee on the Judiciary.

TRANSPORTATION INFORMATION RECALL ENHANCEMENT ACT

Mr. LEAHY. Mr. President, like so many Americans, I have been faced with a barrage of confusing and frightening information about the recent Firestone tire recall. I have a Ford Explorer, and it has Firestone tires on it. My wife and I drive it and take our children and our friends and others for rides in that vehicle. So I understand what a lot of my fellow Vermonters are going through regarding this deadly episode. It never should have happened.

But it is not just Explorer owners who are at risk—pedestrians, joggers, bicyclists, and other cars could be hit by out-of-control vehicles or by tire pieces.

The tires on my car are the same size and type as those covered by the recall. But they were manufactured at a different plant—a North Carolina plant. Even though employees of that plant have raised serious concerns about quality control in that factory, the tires on my Explorer are not eligible for the recall. But I have to tell you, I look long at them each time I get into the vehicle, and it is in the back of my mind every time I drive.

Even though they tell me that they are not yet the subject of a recall, I wonder what tomorrow's news may bring.

The first foreign recall occurred on August 1999, but the Secretary of Transportation apparently was not even informed of this by the manufacturer until May of 2000—nearly a year after the fact. That is outrageous. It is unacceptable. Worse yet, that kind of delay has proven deadly. I don't even want to think about the lives that could have been saved had there been quicker action, and had the manufacturers been honest enough to notify the public immediately.

Even after the recall was issued, the deadly risk continues as families have to wait to get replacement tires. I want to mention one sad case. A grandfather, Gary Meek of Farmersville, California, was a retired police officer. He, his wife and granddaughter, Amy, 13 years old, were driving on August 16, a couple weeks ago, when a Firestone tire on the Ford Explorer separated. His wife survived the crash, but Mr. Meek and his granddaughter were killed. His widow has to carry on with those awful memories.

I am going to introduce legislation today to mandate that the Secretary of Transportation be immediately notified of defects in motor vehicles or vehicle components—immediately after the foreign manufacturer becomes aware of the dangerous defect or when the manufacturer is notified about the defect by the foreign government. This notification would be earlier in time than the beginning of a foreign recall or any efforts to replace the defective product.

My bill also requires the manufacturer file a full report on the circumstances regarding each defective vehicle or vehicle component. The bill will impose stiff criminal penalties for false or misleading statements, or efforts to coverup the truth, regarding these reports. It also imposes criminal and civil penalties for other violations of the bill. In other words, if tires are defective, or are going to be recalled or replaced in some other country, they have to notify us—and notify us accurately and truthfully.

One would think some of these foreign tire companies would feel a moral duty to save lives. You would think that would be enough to motivate them. One would think even the idea of huge fines might motivate them. That doesn't seem to be enough. Maybe if they think they will get a jail sentence if they don't notify us truthfully, maybe, they will put the interests of the lives and safety of the public ahead of the short-term gains of their own companies.

My bill, the Transportation Information Recall Enhancement Act, requires notification of a foreign dangerous defect within 48 hours. It requires even more detailed information filings a few days later. My bill also requires notification of increases in deaths or serious injuries in foreign countries regarding vehicles and vehicle components that could prove deadly if they are on American soil.

Secretary Slater said in an interview that there should be a law requiring that the United States be immediately notified of foreign recalls. We are on the way to making that a reality. I will work with any Senator, Republican or Democrat, on this issue so we can pass this legislation or any other bill to get the job done in the next couple of weeks.

It is incomprehensible to me how any corporate executives can live with themselves when they withhold information that could have saved people's lives. If they are going to conceal the truth or make false statements, they should face criminal sanctions. Sometimes if a person thinks they are going to end up in the slammer, they will pay a lot more attention to the safety of people, rather than simply looking at the balance sheet.

For example, we just received reports about Mitsubishi over the past two decades. For 20 years, they routinely withheld information about dangerous products which ended up in America and other countries. These corporate officers should be forced to explain their inaction to the families of those who have been injured using their products. Maybe Americans should not buy any Mitsubishi products because they lied for 20 years. Criminal penalties are clearly needed. In the global economy there has to be some compassion for the suffering that is sometimes caused around the world. There seems to be almost a disconnect. The President of Ford Motors, for example, when he heard that Congress was going to question him, at first was unwilling to testify personally.

I think he heard an almost national outcry over that insolence and disregard of the people of this country, insolence and arrogance that kept him from realizing how concerned Americans were. Fortunately, he changed his mind and found the time. I suspect the appropriate congressional committees would have gotten a subpoena, and the result would have been the same. He would have testified.

Every corporation has a right to sell their products. Every corporation has a right to make a decent profit. They

ought to be able to do that. When they know they have a product that can bring about death or injury, and especially when only they know it and nobody else does, they ought to make those facts known. The law should be very clear that they have to make it known. If they manufacture a product in this country to sell both here and abroad, if there are problems in the other country and the product is defective, they should notify this country of that fact. They will lose some business in the short term. In the long term, they will do better. The American public will be secure, and the American public will not be endangered.

What Firestone did, what Ford did, and for that matter, what Mitsubishi did, was wrong. It was absolutely wrong. I want corporate leaders never to do this again. I want a law that says if you provide information to our government regarding defective products that is false, misleading or untruthful that you are going to go to jail.

Mr. President, I ask unanimous consent to print a summary of the bill in the RECORD.

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

S. 3012

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 ''Transportation Information Recall Enhancement Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) in an interview with ABC News on September 3, 2000, Secretary of Transportation Rodney Slater stated that he thinks there should be a law requiring that the United States be immediately notified of a foreign recall, ''especially in the global economy when you've got U.S. goods really being used by individuals around the world. We should know when there's a problem someplace else.'';

(2) as of the date of enactment of this Act, there is no legal requirement for manufacturers of motor vehicles and their components to notify United States agencies of a recall issued in a foreign country;

(3) between August 1999 and spring 2000, Ford Motor Company replaced Firestone tires on 46,912 vehicles in Saudi Arabia, Thailand, Malaysia, and South America;

(4)(A) on May 2, 2000, the National Highway Traffic Safety Administration opened a preliminary evaluation into Firestone ATX, ATX II, and Wilderness AT tires after receiving 90 complaints, primarily from consumers in the Southeast and Southwest, about tread separations or blowouts;

(B) as of September 2000, the National Highway Traffic Safety Administration has received over 1,400 complaints, including reports of more than 250 injuries and 88 deaths; and

(C) some of the complaints date back to the early 1990s, and 797 of the complaints report that a tire failure took place between August 1, 1999, and August 9, 2000; and

(5)(A) on August 9, 2000, Bridgestone/Firestone announced a United States recall of 6,500,000 ATX, ATX II, and Wilderness AT tires; and

(B) that date was 3 months after the National Highway Traffic Safety Administration commenced its investigation and nearly 9 months after Ford Motor Company initiated the replacement of the tires in foreign countries.

(b) PURPOSE.—The purpose of this Act is to ensure that defects in motor vehicles or replacement equipment in foreign countries are quickly, accurately and truthfully reported to the United States Secretary of Transportation in cases in which—

(1) the motor vehicles or replacement equipment is manufactured for export to the United States; or

(2) the motor vehicles or replacement equipment is manufactured in the United States using a manufacturing process that is the same as, or similar to, the manufacturing process used in the foreign country, with the result that the motor vehicles or replacement equipment manufactured in the United States may also be defective.

SEC. 3. CRIMINAL AND CIVIL PENALTIES IN CONNECTION WITH REPORTING OF DEFECTS IN FOREIGN MOTOR VEHICLE PRODUCTS.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''§ 1036. Penalties in connection with reporting of defects in foreign motor vehicle products

''(a) DEFINITIONS.—

''(1) FOREIGN MOTOR VEHICLE PRODUCT.—The term 'foreign motor vehicle product' means a motor vehicle or replacement equipment that—

''(A) is manufactured in a foreign country for export to the United States; or

''(B) is manufactured in a foreign country using a manufacturing process that is the same as, or similar to, a manufacturing process used in the United States for a motor vehicle or replacement equipment.

''(2) OTHER TERMS.—The terms 'defect', 'manufacturer', 'motor vehicle', and 'replacement equipment' have the meanings given the terms in section 30102 of title 49.

''(b) CRIMINAL PENALTY.—A manufacturer of a foreign motor vehicle product, or an officer or employee of such a manufacturer, that, in connection with a report required to be filed under section 30118(f) of title 49, willfully—

''(1) falsifies or conceals a material fact;

''(2) makes a materially false, fictitious, or fraudulent statement or representation; or

''(3) makes or uses a false writing or document knowing that the writing or document contains any materially false, fictitious, or fraudulent statement or entry;

shall be fined under this title, imprisoned not more than 5 years, or both.

''(c) CIVIL PENALTY.—

''(1) IN GENERAL.—In addition to any civil penalty that may be assessed under chapter 301 of title 49, a manufacturer that violates section 30118(f) of title 49 shall be subject to a civil penalty of not more than $500,000 for each day of the violation.

''(2) COMPROMISE OF PENALTY.—The Attorney General may compromise the amount of a civil penalty imposed under paragraph (1).

''(3) DETERMINATION OF AMOUNT.—In determining the amount of a civil penalty or compromise under this subsection, the Attorney General shall consider—

''(A) the appropriateness of the penalty or compromise in relation to the size of the business of the manufacturer liable for the penalty; and

''(B) the gravity of the violation.

''(4) DEDUCTION OF AMOUNT OF PENALTY.—The United States Government may deduct the amount of the civil penalty imposed or compromised under this section from any amount that the Government owes the manufacturer liable for the penalty.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''1036. Penalties in connection with reporting of defects in foreign motor vehicle products.''.

SEC. 4. REPORTING OF DEFECTS IN FOREIGN MOTOR VEHICLE PRODUCTS.

Section 30118 of title 49, United States Code, is amended by adding at the end the following:

''(f) REPORTING OF DEFECTS IN FOREIGN MOTOR VEHICLE PRODUCTS.—

''(1) DEFINITION OF FOREIGN MOTOR VEHICLE PRODUCT.—The term 'foreign motor vehicle product' means a motor vehicle or replacement equipment that—

''(A) is manufactured in a foreign country for export to the United States; or

''(B) is manufactured in a foreign country using a manufacturing process that is the same as, or similar to, a manufacturing process used in the United States for a motor vehicle or replacement equipment.

''(2) REPORTING OF DEFECTS.—

''(A) INITIAL REPORT.—Not later than 48 hours after determining, or learning that a government of a foreign country has determined, that a foreign motor vehicle product contains a defect that could be related to motor vehicle safety, the manufacturer of the foreign motor vehicle product shall report the determination to the Secretary.

''(B) WRITTEN REPORT.—

''(i) IN GENERAL.—Not later than 5 days after the end of the 48-hour period described in subparagraph (A), the manufacturer shall submit to the Secretary a written report that meets the requirements of clause (ii).

''(ii) CONTENTS OF WRITTEN REPORT.—A written report under clause (i) shall contain—

''(I) a description of the foreign motor vehicle product that is the subject of the report;

''(II) a description of—

''(aa) the determination of the defect by the government of the foreign country or by the manufacturer of a foreign motor vehicle product; and

''(bb) any measures that the government requires to be taken, or the manufacturer determines should be taken, to obtain a remedy of the defect;

''(III) information concerning any serious injuries or fatalities possibly resulting from the defect; and

''(IV) such other information as the Secretary determines to be appropriate.

''(3) REPORTING OF POSSIBLE DEFECTS.—Upon making a determination that there have been a significant number of serious injuries or fatalities in a foreign country that could have resulted from a defect in a foreign motor vehicle product that could be related to motor vehicle safety (as determined in accordance with regulations promulgated by the Secretary), the manufacturer of the foreign motor vehicle product shall report the determination to the Secretary in such manner as the Secretary establishes by regulation.''.

SEC. 5. EFFECTIVE DATE.

This Act and the amendments made by this Act take effect on the date that is 180 days after the date of enactment of this Act.

SUMMARY

This Act will provide criminal penalties for making false or misleading statements in notifications or reports made to the U.S. Government regarding recalls or replacement actions regarding motor vehicles and component parts. This criminal liability and the

requirements for providing notice is triggered when a foreign government makes the manufacturer aware of the defect in motor vehicles or replacement parts, even before it triggers recalls or replacement actions.

This Act will help ensure accurate, truthful information and timely notice regarding recalls or replacement actions concerning defective motor vehicles or replacement equipment such as tires in foreign countries are quickly reported to the United States Secretary of Transportation where such vehicles are manufactured for export to the United States or where the defective product or equipment is manufactured in the United States in a manner that is similar to its manufacture in the foreign country and thus may likewise be dangerous.

The notification must be provided to the Secretary within 48 hours of when the foreign manufacturer learns or is notified of the defect by the foreign government. Within 5 days of that 48-hour deadline, a more detailed, accurate and truthful report must be provided to the Secretary of Transportation describing the basis for actions taken and providing information about serious injuries or fatalities related to the defect.

In addition, even if a defect is not identified, the Secretary must be notified each time there is a significant increase in deaths or serious injuries in a foreign country related to vehicles or vehicle components manufactured in foreign countries for export to the United States or related to vehicles or components manufactured in the United States using similar manufacturing processes (as are used in the foreign country), as defined in regulations of the Secretary.

Failure to comply with these requirements, and any related requirements set by the Secretary under the bill, shall result in a civil money penalty of up to $500,000, per day. In addition, for manufacturers or employees of foreign motor vehicle products (manufacturing vehicles for export to the United States or using manufacturing processes similar to that used in the United States) who in reporting to the Secretary knowingly or willfully: falsifies, conceals, or covers up a material fact; makes a materially false, fictitious, or fraudulent statement or representation; or makes a false writing or document, shall be imprisoned for up to 5 years and shall be subject to criminal fines of up to $500,000 for corporations, or $250,000 for individuals.

This Act shall be effective beginning six months after enactment.

By Mrs. MURRAY:

S.J Res. 51. A joint resolution authorizing special awards to veterans of service as United States Navy Armed Guards during World War I or World War II; to the Committee on Armed Services.

LEGISLATION TO HONOR NAVAL ARMED GUARD VETERANS

Mrs. MURRAY. Mr. President, I am introducing legislation today to provide a long overdue honor to a distinguished group of American veterans. The United States Naval Armed Guard made heroic contributions to our naval efforts in World War I and World War II and the time has come for a grateful nation to recognize these brave veterans.

The Armed Guard consisted of the officers, gunners, radiomen, signalmen and later medics and radarmen who were placed on cargo ships to protect them from armed assault.

The U.S. Navy Armed Guard was first constituted during World War I and armed gunners served on 384 ships. During World War II, the U.S. Navy Armed Guard served on 6,236 merchant ships. 710 of these ships were sunk and many more were damaged in combat. The Armed Guard has 144,970 men assigned to it before the war ended in 1945. 1,810 men were killed during engagements with the enemy.

I am here today because the contributions to victories in the two world wars of these fine patriots has never been recognized by our Government or the Navy. I believe the Congress should act to honor these veterans whose recognition is both deserved and long overdue.

The wartime contributions of these men were absolutely vital to the safe delivery of cargos that took the war to our enemies. Many times they stayed in the fight even as the decks of their ships were awash and sinking. What is most notable is that other nations that now are free because of the contributing sacrifices of the U.S. Navy Armed Guards, have awarded special medals in recognition of the heroic actions of the members of the U.S. Navy Armed Guard Special Force.

Mr. President, It is high time we did the right thing and recognized these fine fighting men for their service. This legislation would honor these men in a very fitting way. It will recognized former members of the U.S. Armed Guard Special Force with a special medal that honors them as American heroes. It will recognize the military character of their service by awarding each of them at least one of the three World War II campaign medals for service in the American, Asiatic-Pacific, and Europe-Africa-Middle East theaters of war. Let's do the right thing for this unrecognized group of American veterans who sacrificed so much for their country. For more than fifty years, members of the Naval Armed Guard have shared their wartime stories of sacrifice and commitment with one another. Now is the time for all Americans to acknowledge their service in a heart felt way.

I urge prompt Senate consideration and passage of this legislation.

ADDITIONAL COSPONSORS

S. 867

At the request of Mr. ROTH, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 867, a bill to designate a portion of the Arctic National Wildlife Refuge as wilderness.

S. 1215

At the request of Mr. DODD, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1215, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish headstones or markers for marked graves of, or to otherwise commemorate, certain individuals.

S. 1608

At the request of Mr. WYDEN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1608, a bill to provide annual payments to the States and counties from National Forest System lands managed by the Forest Service, and the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands managed predominately by the Bureau of Land Management, for use by the counties in which the lands are situated for the benefit of the public schools, roads, emergency and other public purposes; to encourage and provide new mechanisms for cooperation between counties and the Forest Service and the Bureau of Land Management to make necessary investments in Federal lands, and reaffirm the positive connection between Federal Lands counties and Federal Lands; and for other purposes.

S. 1732

At the request of Mr. BREAUX, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of 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.

S. 1814

At the request of Mr. SMITH of Oregon, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1814, a bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes.

S. 1915

At the request of Mr. JEFFORDS, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1915, a bill to enhance the services provided by the Environmental Protection Agency to small communities that are attempting to comply with national, State, and local environmental regulations.

S. 1938

At the request of Mr. CRAIG, the name of the Senator from Minnesota

(Mr. GRAMS) was added as a cosponsor of S. 1938, a bill to provide for the return of fair and reasonable fees to the Federal Government for the use and occupancy of National Forest System land under the recreation residence program, and for other purposes.

S. 1974

At the request of Mr. SCHUMER, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 1974, a bill to amend the Internal Revenue Code of 1986 to make higher education more affordable by providing a full tax deduction for higher education expenses and a tax credit for student education loans.

S. 2018

At the request of Mrs. HUTCHISON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2096

At the request of Mr. BAYH, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 2096, a bill to amend the Internal Revenue Code of 1986 to provide an income tax credit to long-term caregivers.

S. 2308

At the request of Mr. MOYNIHAN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2308, a bill to amend title XIX of the Social Security Act to assure preservation of safety net hospitals through maintenance of the Medicaid disproportionate share hospital program.

S. 2438

At the request of Mr. MCCAIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2438, a bill to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation, and for other purposes.

S. 2639

At the request of Mr. DOMENICI, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2639, a bill to amend the Public Health Service Act to provide programs for the treatment of mental illness.

S. 2643

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2643, a bill to amend the Foreign Assistance Act of 1961 to provide increased foreign assistance for tuberculosis prevention, treatment, and control.

S. 2686

At the request of Mr. COCHRAN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 2686, a bill to amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the names of the Senator from Vermont (Mr. LEAHY), the Senator from New Jersey (Mr. TORRICELLI), the Senator from North Dakota (Mr. CONRAD), and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2726

At the request of Mr. HELMS, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 2726, a bill to protect United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by an international criminal court to which the United States is not a party.

S. 2729

At the request of Mr. SMITH of Oregon, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2729, supra.

At the request of Mr. CONRAD, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2729, a bill to amend the Internal Revenue Code of 1986 and the Surface Mining Control and Reclamation Act of 1977 to restore stability and equity to the financing of the United Mine Workers of America Combines Benefit Fund by eliminating the liability of reachback operations, to provide additional sources of revenue to the Fund, and for other purposes.

S. 2733

At the request of Mr. SANTORUM, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 2733, a bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families.

S. 2735

At the request of Mr. CONRAD, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2735, a bill to promote access to health care services in rural areas.

S. 2787

At the request of Mr. BIDEN, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

At the request of Mr. HATCH, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2787, supra.

S. 2807

At the request of Mr. FRIST, the names of the Senator from Kentucky (Mr. BUNNING) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 2807, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and to stabilize and improve the Medicare+Choice program, and for other purposes.

S. 2858

At the request of Mr. GRAMS, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2858, a bill to amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

S. 2868

At the request of Mr. FRIST, the names of the Senator from North Carolina (Mr. HELMS), the Senator from North Dakota (Mr. CONRAD), the Senator from North Dakota (Mr. DORGAN), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 2868, a bill to amend the Public Health Service Act with respect to children's health.

S. 2879

At the request of Ms. COLLINS, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 2879, a bill to amend the Public Health Service Act to establish programs and activities to address diabetes in children and youth, and for other purposes.

S. 2937

At the request of Mr. DOMENICI, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. 2937, a bill to amend title XVIII of the Social Security Act to improve access to Medicare+Choice plans through an increase in the annual Medicare+Choice capitation rates and for other purposes.

S. 2967

At the request of Mr. MURKOWSKI, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2967, a bill to amend the Internal Revenue Code of 1986 to facilitate competition in the electric power industry.

S. 2978

At the request of Mr. DASCHLE, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2978, a bill to recruit and retain more qualified individuals to teach in Tribal Colleges or Universities.

S. 2997

At the request of Mr. KENNEDY, his name was added as a cosponsor of S. 2997, a bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low-income families.

S. CON. RES. 127

At the request of Mr. FITZGERALD, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. Con. Res. 127, a concurrent resolution expressing the sense of the Congress that the Parthenon Marbles should be returned to Greece.

S. RES. 332

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. ABRAHAM) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S.Res. 332, a resolution expressing the sense of the Senate with respect to the peace process in Northern Ireland.

S. RES. 343

At the request of Mr. FITZGERALD, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Maryland (Ms. MIKULSKI), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from New Mexico (Mr. BINGAMAN), and the Senator from Minnesota (Mr. GRAMS) were added as cosponsors of S.Res. 343, a resolution expressing the sense of the Senate that the International Red Cross and Red Crescent Movement should recognize and admit to full membership Israel's Magen David Adom Society with its emblem, the Red Shield of David.

AMENDMENT NO. 4033

At the request of Ms. COLLINS, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of Amendment No. 4033 proposed to H.R. 4733, a bill making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes.

SENATE CONCURRENT RESOLUTION 134—DESIGNATING SEPTEMBER 8, 2000, AS GALVESTON HURRICANE NATIONAL REMEMBRANCE DAY

Mrs. HUTCHISON (for herself and Mr. GRAMM) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 134

Whereas September 8, 2000 marks the 100th anniversary of the hurricane that struck Galveston, Texas on September 8, 1900, the deadliest natural disaster in United States history;

Whereas an estimated 6,000 people died in a few hours in this thriving port of 37,000, dubbed the ''Wall Street of the West'' at the dawn of the 20th century;

Whereas vast waves, surging flood waters, and powerful winds of more than 120 miles an hour overtook the town, in an era without radar, satellites, or modern radio, making off-shore hurricanes difficult to track;

Whereas the residents of Galveston island showed much courage and sacrifice during the tempest, exemplified by 10 nuns who lost their lives along with the 90 children they were trying to save at St. Mary's Orphanage on the beach;

Whereas Galveston never lost her resilient spirit, built a sturdy 17-foot sea wall that staved off other fierce hurricanes, pumped in millions of tons of sand from the Gulf of Mexico in order to raise the level of the city and its buildings to a safer height, and became a beautiful and prosperous town yet again;

Whereas the city of Galveston is this year holding a ceremony commemorating the hurricane, launching educational efforts, and celebrating the rebirth of Galveston after the storm; and

Whereas our Nation, which benefits from modern weather technology and the lessons learned from the Galveston tragedy, should never cease to improve hurricane forecasting and make life safer and more secure along our coasts: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) September 8, 2000 is designated as Galveston Hurricane National Remembrance Day; and

(2) the President is authorized and requested to issue a proclamation in memory of the thousands of Galvestonians and other Americans who lost their lives in the devastating hurricane of 1900 and the survivors who rebuilt Galveston.

SENATE RESOLUTION 348—TO EXPRESS THE SENSE OF THE SENATE THAT THE SECRETARY OF THE TREASURY, ACTING THROUGH THE UNITED STATES CUSTOMS SERVICE, SHOULD CONDUCT INVESTIGATIONS INTO, AND TAKE SUCH OTHER ACTIONS AS ARE NECESSARY TO PREVENT, THE UNREPORTED IMPORTATION OF GINSENG PRODUCTS INTO THE UNITED STATES FROM FOREIGN COUNTRIES

Mr. FEINGOLD submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 348

SECTION 1. UNREPORTED IMPORTATION OF GINSENG PRODUCTS.

It is the sense of the Senate that the Secretary of the Treasury, acting through the United States Customs Service, should, to the maximum extent practicable, conduct investigations into, and take such other actions as are necessary to prevent, the importation of ginseng products into the United States from foreign countries, including Canada and Asian countries, unless the importation is reported to the Service, as required under Federal law.

AMENDMENTS SUBMITTED

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001

LOTT AMENDMENTS NOS. 4036–4037

(Ordered to lie on the table.)

Mr. LOTT submitted two amendments intended to be proposed by him to the bill (H.R. 4733) making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes; as follows:

AMENDMENT NO. 4036

At the appropriate place in the bill, insert the following:

SEC. . Of the funds to be appropriated by section , $10,400,000 is available for the Pascagoula Harbor for operation and maintenance.

AMENDMENT NO. 4037

At the appropriate place in the bill, insert the following:

SEC. . Of the funds to be appropriated by section , $20,000,000 is available for the Gulfport Harbor for authorized channel width dredging in the North Channel.

SCHUMER (AND MOYNIHAN) AMENDMENT NO. 4038

(Ordered to lie on the table.)

Mr. SCHUMER (for himself and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 68, line 15, strike ''expended:'' and insert ''expended, of which $3,000,000 shall be available for facilities utilization at the National Synchrotron Light Source at Brookhaven National Laboratory:''.

COCHRAN AMENDMENT NO. 4039

(Ordered to lie on the table.)

Mr. COCHRAN submitted an amendment intended to be proposed him to the bill, H.R. 4733, supra; as follows:

On page 67, line 4, strike ''Fund:'' and insert ''Fund, of which an appropriate amount shall be available for innovative projects in small rural communities in the Mississippi Delta, such as Morgan City, Mississippi, to demonstrate advanced alternative energy technologies, concerning which projects the Secretary of Energy shall submit to Congress a report not later than March 31, 2001:''.

COCHRAN AMENDMENT NO. 4040

(Ordered to lie on the table.)

Mr. COCHRAN submitted an amendment intended to be proposed him to the bill, H.R. 4733, supra; as follows:

On page 90, between lines 6 and 7, insert the following:

SEC. 320. (a) FINDING.—Congress finds that the Department of Energy is seeking innovative technologies for the demilitarization of weapons components and the treatment of mixed waste resulting from the demilitarization of such components.

(b) EVALUATION OF ADAMS PROCESS.—The Secretary of Energy shall conduct an evaluation of the so-called ''Adams process'' currently being tested by the Department of Energy at its Diagnostic Instrumentation and Analysis Laboratory using funds of the Department of Defense.

(c) REPORT.—Not later than September 30, 2001, the Secretary of Energy shall submit to Congress a report on the evaluation conducted under subsection (b).

GRAMS AMENDMENT NO. 4041

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 90, between lines 6 and 7, insert the following:

SEC. 3___. REPORT ON IMPACTS OF A STATE-IMPOSED LIMIT ON THE QUANTITY OF SPENT NUCLEAR FUEL THAT MAY BE STORED ONSITE.

(a) SECRETARY OF ENERGY.—Not later than 90 days after the date of enactment of this Act, the Secretary of Energy shall submit to Congress a report containing a description of all alternatives that are available to the Northern States Power Company and the Federal Government to allow the Company to continue to operate the Prairie Island Nuclear Generating Plant until the end of the term of the license issued to the Company by the Nuclear Regulatory Commission, in view of a law of the State of Minnesota that limits the quantity of spent nuclear fuel that may be stored at the Plant, assuming that existing Federal and State laws remain unchanged.

(b) COMPTROLLER GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the potential economic and environmental impacts to ratepayers in the States of Minnesota, North Dakota, and Wisconsin if the Prairie Island Nuclear Generating Plant were to cease operation as a result of having reached the limit established by the State law referred to in subsection (a), including impacts attributable to the costs of new generation, decommissioning costs, and the costs of continued onsite storage of spent nuclear fuel until such time as the Secretary of Energy opens a repository for such fuel.

BREAUX AMENDMENT NO. 4042

(Ordered to lie on the table.)

Mr. BREAUX submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

Insert the following at the end of line 18, page 47 before the period: ''*:Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $200,000, of funds appropriated herein for Research and Development, for a topographic/bathymetric mapping project for Coastal Louisiana in cooperation with the National Oceanic and Atmospheric Administration at the interagency federal laboratory in Lafayette, Louisiana.''

GRAHAM AMENDMENT NO. 4043

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 53, line 14, before the period, insert the following: '': *Provided further*, That $1,700,000 shall be used to implement environmental restoration requirements as specified under the certification issued by the State of Florida under section 401 of the Federal Water Pollution Control Act (33 U.S.C. 1341), dated October 1999 (permit number 0129424–001–DF)''.

BREAUX AMENDMENT NO. 4044

(Ordered to lie on the table.)

Mr. BREAUX submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

At the appropriate place, insert the following:

SECTION 1. FUNDING OF THE COASTAL WETLANDS PLANNING, PROTECTION AND RESTORATION ACT.

Section 4(a) of the Act of August 9, 1950 (16 U.S.C. 777c(a)), is amended in the second sentence by striking ''2000'' and inserting ''2009''.

SCHUMER (AND OTHERS) AMENDMENT NO. 4045

(Ordered to lie on the table.)

Mr. SCHUMER (for himself, Mr. TORRICELLI, and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 48, strike line 19 and insert the following:

''Jackson County, Mississippi, $2,000,000;

''Arthur Kill Channel, New York, $5,000,000;

''Kill Van Kull Channel, New York, $53,000,000; and''.

MURKOWSKI AMENDMENT NO. 4046

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 67, line 9, after ''activities'' insert the following: '', and *Provided Further*, That, of the amounts made available for energy supply $1,000,000 shall be available for the Office of Arctic Energy''.

GRASSLEY (AND OTHERS) AMENDMENT NO. 4047

(Ordered to lie on the table.)

Mr. GRASSLEY (for himself, Mr. GRAMS, and Mr. VOINOVICH) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 90, between lines 6 and 7, insert the following:

SEC. 3___. REPORT ON NATIONAL ENERGY POLICY.

(a) FINDINGS.—Congress finds that—

(1) since July 1999—

(A) diesel prices have increased nearly 40 percent;

(B) liquid petroleum prices have increased approximately 55 percent; and

(C) gasoline prices have increased approximately 50 percent;

(2)(A) natural gas is the heating fuel for most homes and commercial buildings; and

(B) the price of natural gas increased 7.8 percent during June 2000 and has doubled since 1999;

(3) strong demand for gasoline and diesel fuel has resulted in inventories of home heating oil that are down 39 percent from a year ago;

(4) rising oil and natural gas prices are a significant factor in the 0.6 percent increase in the Consumer Price Index for June 2000 and the 3.7 percent increase over the past 12 months;

(5) demand for diesel fuel, liquid petroleum, and gasoline has continued to increase while supplies have decreased;

(6) the current energy crisis facing the United States has had and will continue to have a detrimental impact on the economy;

(7) the price of energy greatly affects the input costs of farmers, truckers, and small businesses; and

(8) on July 21, 2000, in testimony before the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Secretary of Energy stated that the Administration had developed and was in the process of finalizing a plan to address potential home heating oil and natural gas shortages.

(b) REPORT.—Not later than September 30, 2000, the Secretary of Energy shall submit to Congress a report detailing the Department of Energy's plan to address the high cost of home heating oil and natural gas.

LEVIN AMENDMENTS NOS. 4048–4049

(Ordered to lie on the table.)

Mr. LEVIN submitted two amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4048

On page 47, line 18, before the period, insert the following:

'', of which $75,000 of funds made available to provide planning assistance to States under section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d–16) shall be used to conduct a comprehensive water management study for Houghton Lake, Michigan''.

AMENDMENT NO. 4049

On page 47, strike line 18 and insert the following:

$139,219,000, to remain available until expended, of which $1,500,000 shall be made available to carry out activities under the John Glenn Great Lakes Basin Program established under section 455 of the Water Resources Development Act of 1999 (42 U.S.C. 1962d–21).

LEVIN (AND OTHERS) AMENDMENTS NOS. 4050

(Ordered to lie on the table.)

Mr. LEVIN (for himself, Mr. LAUTENBERG, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 47, strike line 18 and insert the following:

$139,219,000, to remain available until expended, of which not less than $2,000,000 shall be used for the national shoreline erosion control development and demonstration program authorized under section 5 of the Act of August 13, 1946 (33 U.S.C. 426h), including for projects on Lake Michigan in Allegan County, Michigan, on Cape May Point in southern New Jersey, and on High Island in Galveston, Texas.

LEVIN AMENDMENT NO. 4051

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 47, strike line 18 and insert the following:

$139,219,000, to remain available until expended, of which $250,000 shall be made available to develop the Detroit River Masterplan under section 568 of the Water Resources Development Act of 1999 (113 Stat. 368).

BINGAMAN AMENDMENTS NOS. 4052–4053

(Ordered to lie on the table.)

Mr. BINGAMAN submitted two amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4052

On page 83, before line 20, add the following new subsection:

''(c) The limitation in subsection (a) shall not apply to travel by Department of Energy management and operating contractor employees who are scientists or engineers when such travel is for the purpose of—

''(1) performing research or development activities; or

''(2) presenting research or development results to other scientists or engineers.''.

AMENDMENT NO. 4053

On page 83, strike line 20 and all that follows down to the end of page 84, line 23 and insert the following:

''SEC. 309. (a) None of the funds for the National Nuclear Security Administration in this Act or any future Energy and Water Development Appropriations Act may be expended after December 31 of each year under a covered contract unless the funds are expended in accordance with a Laboratory Funding Plan for Nuclear Security that has been approved by the Administrator of the National Nuclear Security Administration as part of the overall Laboratory Funding Plan required by section 310(a) of Public Law 106–60. At the beginning of each fiscal year, the Administrator shall issue directions to laboratories under a covered contract for the

programs, projects, and activities of the National Nuclear Security Administration to be conducted at such laboratories in that fiscal year. The Administrator and the laboratories under a covered contract shall devise a Laboratory Funding Plan for Nuclear Security that identifies the resources needed to carry out these programs, projects, and activities. Funds shall be released to the Laboratories only after the Secretary has approved the overall Laboratory Funding Plan containing the Laboratory Funding Plan for Nuclear Security. The Secretary shall consult with the Administrator on the overall Laboratory Funding Plans for Los Alamos National Laboratory, Lawrence Livermore National Laboratory, and Sandia National Laboratories prior to approving them. The Administrator may provide exceptions to requirements pertaining to a Laboratory Funding Plan for Nuclear Security as the Administrator considers appropriate.

''(b) For purposes of this section, 'covered contract' means a contract for the management and operation of the following laboratories: Argonne National Laboratory, Brookhaven National Laboratory, Idaho National Engineering and Environmental Laboratory, Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Oak Ridge National Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories.''

STEVENS (AND MURKOWSKI) AMENDMENT NO. 4054

(Ordered to lie on the table.)

Mr. STEVENS (for himself and Mr. MURKOWSKI) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

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

''SEC. . Within available funds under Title I, the Secretary of the Army, acting through the Chief of Engineers, shall provide up to $7,000,000 to replace and upgrade the dam in Kake, Alaska which collapsed July, 2000 to provide drinking water and hydroelectricity.''

INOUYE AMENDMENTS NOS. 4055–4056

(Ordered to lie on the table.)

Mr. INOUYE submitted two amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4055

Insert the following after line 13, page 58:

SEC. 104. In conducting the Kihei Area Erosion, HI, Reconnaissance Study the report should include the extent and causes of the erosion along the Kihei shorefront. Further, an assessment of both the regional and national recreational and environmental benefits from restoring this segment of the Kihei shoreline should be used to determine whether a federal interest exists in renourishing this shoreline.

AMENDMENT NO. 4056

Insert the following after line 13, page 58:

SEC. 105. The Waikiki Erosion Control, HI, Reconnaissance Study should include any environmental resources that have been, or may be, threatened by the erosion of this shoreline. Further, the study shall include an estimate of the total recreational and other economic benefits accruing to the public derived from restoring this segment of shoreline, in addition to any other estimated benefits the Corps deems appropriate in assessing the Federal interest in participating in the restoration of this shorefront.

REID AMENDMENTS NOS. 4057–4060

(Ordered to lie on the table.)

Mr. REID submitted four amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4057

Insert at the end of line 5, page 67 of the bill ''; *Provided, further,* That $1,000,000 is provided to initiate planning of a one MW dish engine field validation power project at UNLV in Nevada''.

AMENDMENT NO. 4058

Insert at the end of line 22, page 61, ''; *Provided Further,* That, beginning in fiscal year 2000 and thereafter, any amounts provided for the Newlands Water Rights Fund for purchasing and retiring water rights in the Newlands Reclamation Project shall be nonreimbursable.''

AMENDMENT NO. 4059

On line 4, page 67, after the word ''Fund:'' Insert the following: ''*Provided,* That $3,000,000 shall be made available for technology development and demonstration program in Combined Cooling, Heating and Power Technology Development for Thermal Load Management, District Energy Systems, and Distributed Generation, based upon natural gas, hydrogen, and renewable energy technologies. Further, the program is to be carried out by the Oak Ridge National Laboratory through its Building Equipment Technology Program.''

AMENDMENT NO. 4060

On page 90, between lines 6 and 7, insert the following:

SEC. 3. . LIMITATION ON USE OF FUNDS TO PROMOTE OR ADVERTISE PUBLIC TOURS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no funds made available under this title shall be used to promote or advertise any public tour of a facility or project of the Department of Energy.

(b) APPLICABILITY.—Subsection (a) does not apply to a public notice that is required by statute or regulation.

REID (AND OTHERS) AMENDMENT NO. 4061

(Ordered to lie on the table.)

Mr. REID (for himself Mr. JEFFORDS, and Mr. LEAHY) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 67, line 4, after the word ''Fund:'' insert the following: ''*Provided,*'' That, of the amount available for wind energy systems, not less than $5,000,000 shall be made available for small wind, including not less than $2,000,000 for the small wind turbine development project.''

REID AMENDMENTS NOS. 4062–4064

(Ordered to lie on the table.)

Mr. REID submitted three amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4062

On page 67, line 4, after the word ''Fund:'' insert the following: ''*Provided,*'' That, $4,000,000 shall be made available for the demonstration of an underground mining locomotive and an earth loader powered by hydrogen at existing mining facilities within the State of Nevada. The demonstration is subject to a private sector industry cost-share of not less than equal amount, and a portion of these funds may also be used to acquire a prototype hydrogen fueling appliance to provide on-site hydrogen in the demonstration.''

AMENDMENT NO. 4063

On page 67, line 4, after the word ''Fund:'' insert the following: ''*Provided,*'' That, $5,000,000 shall be made available to support a project to demonstrate a commercial facility employing thermo-depolymerization technology at a site adjacent to the Nevada Test Site. The project shall proceed on a cost-share basis where Federal funding shall be matched in at least an equal amount with non-federal funding.''

AMENDMENT NO. 4064

On line 15, page 68, after the word ''expended:'' Insert the following: ''*Provided,* that $2,000,000 shall be made available to the University Medical Center of Southern Nevada for acquisition of a linear accelerator.''

CONRAD (AND DORGAN) AMENDMENTS NOS. 4065–4066

(Ordered to lie on the table.)

Mr. CONRAD (for himself and Mr. DORGAN) submitted two amendments intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4065

On page 55, between lines 18 and 19, insert the following:

FLOOD CONTROL AND COASTAL EMERGENCIES

The Secretary of the Army shall, notwithstanding any other provision of law, use up to $32,000,000 of funds previously appropriated under this head to design and construct levees at Devils Lake, North Dakota, to protect areas currently protected only by roads acting as levees.

AMENDMENT NO. 4066

On page 55, between lines 18 and 19, insert the following:

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), $32,000,000 to remain available until expended: *Provided*, That the Secretary of the Army shall, notwithstanding any other provision of law, use the funds provided to design and construct levees around the lake of Devils Lake, North Dakota, to protect areas currently protected only by roads acting as levees: *Provided further*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

BUNNING AMENDMENT NO. 4067

(Ordered to lie on the table.)

Mr. BUNNING submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 97, between lines 12 and 13, insert the following:

SEC. 7 . SALE OF MINERAL RIGHTS BY THE TENNESSEE VALLEY AUTHORITY.

The Tennessee Valley Authority shall not proceed with the proposed sale of approximately 40,000 acres of mineral rights in land within the Daniel Boone National Forest, Kentucky, until after the Tennessee Valley Authority completes an environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

STEVENS (AND MURKOWSKI) AMENDMENT NO. 4068

(Ordered to lie on the table.)

Mr. STEVENS (for himself and Mr. MURKOWSKI) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 47, line 18 after the phrase ''to remain available until expended'' insert the following: ''*Provided*, that $50,000 provided herein shall be for erosion control studies in Harding Lake watershed in Alaska.''

DOMENICI AMENDMENTS NOS. 4069–4071

(Ordered to lie on the table.)

Mr. DOMENICI submitted three amendments intended to be proposed by him to the bill (H.R. 4733) supra, as follows:

AMENDMENT NO. 4069

At the appropriate place in the bill providing funding for Defense Nuclear Nonproliferation, insert the following: ''*Provided further*, That $2,000,000 shall be provided for equipment acquisition for the Incorporated Research Institutions for Seismology (IRIS) PASSCAL Instrument Center.''

AMENDMENT NO. 4070

On page 73, line 22, after the word ''expended'', insert the following: ''*Provided*, That, $3,000,000 shall be made available from within the funds provided for Science and Technology to support a program to be managed by the Carlsbad office of the Department of Energy, in coordination with the U.S.-Mexico Border Health Commission, to apply and demonstrate technologies to reduce hazardous waste streams that threaten public health and environmental security in order to advance the potential for commercialization of technologies relevant to the Department's clean-up mission: *Provided further*, That $2,000,000 shall be made available from within the funds provided for Science and Technology to support a program to be managed by the Carlsbad office of the Department of Energy to implement a program to support the Materials Corridor Partnership Initiative.''

AMENDMENT NO. 4071

On page 61, line 25, add the following before the period: '': *Provided further*, That $2,300,000 of the funding provided herein shall be for the Albuquerque Metropolitan Area Water Reclamation and Reuse project authorized by Title XVI of Public Law 102–575 to undertake phase II of the project''.

STEVENS AMENDMENTS NOS. 4072–4073

(Ordered to lie on the table.)

Mr. DOMENICI (for Mr. STEVENS) submitted two amendments intended to be proposed by him to the bill (H.R. 4733) supra; as follows:

AMENDMENT NO. 4072

On page 67, line 4, after the word ''Fund:'' insert the following: ''*Provided*, That, $1,000,000 shall be made available for the Kotzebue wind project.''

AMENDMENT NO. 4073

On page 67, line 4 after the word ''Fund:'' insert the following: ''*Provided*, That, $2,000,000 shall be made available for the design and construction of a demonstration facility for regional biomass ethanol manufacturing in Southeast Alaska.''

ABRAHAM AMENDMENT NO. 4074

(Ordered to lie on the table.)

Mr. DOMENICI (for Mr. ABRAHAM) submitted an amendment intended to be proposed by him to the bill (H.R. 4733) supra; as follows:

On page 67, line 4, after the word ''Fund:'' insert the following: ''*Provided*, That, $500,000 shall be made available for the bioreactor landfill project to be administered by the Environmental Education and Research Foundation and Michigan State University.''

COCHRAN AMENDMENT NO. 4075

(Ordered to lie on the table.)

Mr. DOMENICI (for Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill (H.R. 4733) supra; as follows:

On page 52, line 10, strike ''$324,450,000'', and insert: ''$334,450,000''.

On page 52, line 10, strike ''expended'', and insert: ''expended, of which $14,809,000 is for construction of the Yazoo Basin, Demonstration Erosion Control, Mississippi, and $375,000 is for construction of Yazoo Basin, Tributaries projects in Mississippi, and of which $6,165,000 is for operation and maintenance of the Yazoo Basin, Arkabutla, Mississippi, project, and $5,232,000 is for operation and maintenance of the Yazoo Basin, Granada, Mississippi, project''.

DOMENICI AMENDMENTS NOS. 4076–4079

(Ordered to lie on the table.)

Mr. DOMENICI submitted four amendments intended to be proposed by him to the bill (H.R. 4733) supra; as follows:

AMENDMENT NO. 4076

On page 83, before line 20, insert the following new subsection:

''(c) The limitation in subsection (a) shall not apply to reimbursement of management and operating contractor travel expenses within the Laboratory Directed Research and Development program.''

AMENDMENT NO. 4077

On page 93, line 18, strike ''enactment'' and insert: ''enactment, of which $2,000,000 shall be made available to the U.S. Army Corps of Engineers to undertake immediate measures to provide erosion control and sediment protection to sewage lines, trails, and bridges in Pueblo and Los Alamos Canyons downstream of Diamond Drive in New Mexico''.

AMENDMENT NO. 7078

On page 82, line 24, strike ''6'' and replace with ''8''.

AMENDMENT NO. 4079

On page 73, line 22, strike everything after the word ''until'' through page 74, line 3, and replace with ''expended.''

ROTH (AND BIDEN) AMENDMENT NO. 4080

(Ordered to lie on the table.)

Mr. ROTH (for himself and Mr. BIDEN) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 53, line 8, before the colon, insert the following: ''; and of which $50,000 shall be used to carry out the feasibility study described in section 1___''.

On page 58, between lines 13 and 14, insert the following:

SEC. 1___. DELAWARE RIVER TO CHESAPEAKE BAY, DELAWARE AND MARYLAND.

(a) IN GENERAL.—The Secretary of the Army, in cooperation with the Department of Transportation of the State of Delaware, shall conduct a study to determine the feasibility of providing additional crossing capacity across the Chesapeake and Delaware Canal.

(b) REQUIRED ELEMENTS.—In carrying out subsection (a), the Secretary shall—

(1) analyze the need for providing additional crossing capacity;

(2) analyze the timing, and establish a timeframe, for satisfying any need for additional crossing capacity determined under paragraph (1);

(3) analyze the feasibility, taking into account the rate of development around the canal, of developing 1 or more crossing corridors to satisfy, within the timeframe established under paragraph (2), the need for additional crossing capacity with minimal environmental impact;

(4) analyze the feasibility of maintaining the bridge across the canal in the Route 13 corridor as compared with the feasibility of the development of 1 or more new crossing corridors, taking into account the environmental impact associated with the development of 1 or more new crossing corridors; and

(5) analyze the cost of maintaining and improving the bridge across the canal in the Route 13 corridor as compared with the cost of demolition of the bridge and the development of 1 or more new crossing corridors, within the timeframe established under paragraph (2).

BAUCUS (AND OTHERS) AMENDMENT NO. 4081

Mr. DASCHLE (for Mr. BAUCUS (for himself, Mr. DASCHLE, and Mr. JOHNSON)) proposed an amendment to the bill, H.R. 4733, supra; as follows:

On page 58, strike lines 6 through 13.

ROTH (AND BIDEN) AMENDMENTS NOS. 4082–4083

(Ordered to lie on the table.)

Mr. ROTH (for himself and Mr. BIDEN) submitted two amendments intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4082

On page 58, between lines 13 and 14, insert the following:

SEC. 1___. SENSE OF THE SENATE CONCERNING THE DREDGING OF THE MAIN CHANNEL OF THE DELAWARE RIVER.

It is the sense of the Senate that—

(1) the Corps of Engineers should continue to negotiate in good faith with the State of Delaware to address outstanding environmental permitting concerns relating to the project for navigation, Delaware River Mainstem and Channel Deepening, Delaware, New Jersey, and Pennsylvania, authorized by section 101(6) of the Water Resources Development Act of 1992 (106 Stat. 4802) and modified by section 308 of the Water Resources Development Act of 1999 (113 Stat. 300); and

(2) the Corps of Engineers and the State of Delaware should resolve their differences through a legally enforceable agreement in an effort to safeguard the natural resources of the State of Delaware.

AMENDMENT NO. 4083

On page 58, between lines 13 and 14, insert the following:

SEC. ___. ST. GEORGES BRIDGE, DELAWARE.

None of the funds made available by this Act may be used to carry out any activity relating to closure or removal of the St. Georges Bridge across the Chesapeake and Delaware Canal, Delaware, including a hearing or any other activity relating to preparation of an environmental impact statement concerning the closure or removal.

ALLARD (AND OTHERS) AMENDMENTS NOS. 4084–85

(Ordered to lie on the table.)

Mr. ALLARD (for himself, Mr. VOINOVICH, and Mr. GRAMS) submitted two amendments intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4084

At the end of the bill, insert the following:

TITLE ___—DEBT REDUCTION ACT OF 2000

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Debt Reduction Act of 2000''.

SEC. ___02. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) fiscal discipline, resulting from the Balanced Budget Act of 1997, and strong economic growth have ended decades of deficit spending and have produced budget surpluses without using the social security surplus;

(2) fiscal pressures will mount in the future as the aging of the population increases budget obligations;

(3) until Congress and the President agree to legislation that strengthens social security, the social security surplus should be used to reduce the debt held by the public;

(4) strengthening the Government's fiscal position through public debt reduction increases national savings, promotes economic growth, reduces interest costs, and is a constructive way to prepare for the Government's future budget obligations; and

(5) it is fiscally responsible and in the long-term national economic interest to use an additional portion of the nonsocial security surplus to reduce the debt held by the public.

(b) PURPOSE.—It is the purpose of this title to—

(1) reduce the debt held by the public with the goal of eliminating this debt by 2013; and

(2) decrease the statutory limit on the public debt.

SEC. ___03. ESTABLISHMENT OF PUBLIC DEBT REDUCTION PAYMENT ACCOUNT.

(a) IN GENERAL.—Subchapter I of chapter 31 of title 31, United States Code, is amended by adding at the end the following new section:

''§ 3114. Public debt reduction payment account

''(a) There is established in the Treasury of the United States an account to be known as the Public Debt Reduction Payment Account (hereinafter in this section referred to as the 'account').

''(b) The Secretary of the Treasury shall use amounts in the account to pay at maturity, or to redeem or buy before maturity, any obligation of the Government held by the public and included in the public debt. Any obligation which is paid, redeemed, or bought with amounts from the account shall be canceled and retired and may not be reissued. Amounts deposited in the account are appropriated and may only be expended to carry out this section.

''(c) If the Congressional Budget Office estimates an on-budget surplus for fiscal year 2000 in the report submitted pursuant to section 202(e)(2) of the Congressional Budget Act of 1974 in excess of the amount of the surplus set forth for that fiscal year in section 101(4) of the concurrent resolution on the budget for fiscal year 2001 (House Concurrent Resolution 290, 106th Congress), then there is hereby appropriated into the account on the later of the date of enactment of this Act or the date upon which the Congressional Budget Office submits such report, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, an amount equal to that excess. The funds appropriated to this account shall remain available until expended.

''(d) The appropriation made under subsection (c) shall not be considered direct spending for purposes of section 252 of Balanced Budget and Emergency Deficit Control Act of 1985.

''(e) Establishment of and appropriations to the account shall not affect trust fund transfers that may be authorized under any other provision of law.

''(f) The Secretary of the Treasury and the Director of the Office of Management and Budget shall each take such actions as may be necessary to promptly carry out this section in accordance with sound debt management policies.

''(g) Reducing the debt pursuant to this section shall not interfere with the debt management policies or goals of the Secretary of the Treasury.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 31 of title 31, United States Code, is amended by inserting after the item relating to section 3113 the following:

''3114. Public debt reduction payment account.''.

SEC. ___04. REDUCTION OF STATUTORY LIMIT ON THE PUBLIC DEBT.

Section 3101(b) of title 31, United States Code, is amended by inserting ''minus the amount appropriated into the Public Debt Reduction Payment Account pursuant to section 3114(c)'' after ''$5,950,000,000,000''.

SEC. ___05. OFF-BUDGET STATUS OF PUBLIC DEBT REDUCTION PAYMENT ACCOUNT.

Notwithstanding any other provision of law, the receipts and disbursements of the Public Debt Reduction Payment Account established by section 3114 of title 31, United States Code, shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,

(2) the congressional budget, or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. ___06. REMOVING PUBLIC DEBT REDUCTION PAYMENT ACCOUNT FROM BUDGET PRONOUNCEMENTS.

(a) IN GENERAL.—Any official statement issued by the Office of Management and Budget, the Congressional Budget Office, or any other agency or instrumentality of the Federal Government of surplus or deficit totals of the budget of the United States Government as submitted by the President or of the surplus or deficit totals of the congressional budget, and any description of, or reference to, such totals in any official publication or material issued by either of such Offices or any other such agency or instrumentality, shall exclude the outlays and receipts of the Public Debt Reduction Payment Account established by section 3114 of title 31, United States Code.

(b) SEPARATE PUBLIC DEBT REDUCTION PAYMENT ACCOUNT BUDGET DOCUMENTS.—The excluded outlays and receipts of the Public Debt Reduction Payment Account established by section 3114 of title 31, United States Code, shall be submitted in separate budget documents.

SEC. ___07. REPORTS TO CONGRESS.

(a) REPORTS OF THE SECRETARY OF THE TREASURY.—(1) Within 30 days after the appropriation is deposited into the Public Debt Reduction Payment Account under section 3114 of title 31, United States Code, the Secretary of the Treasury shall submit a report to Congress confirming that such account has been established and the amount and date of such deposit. Such report shall also include a description of the Secretary's plan for using such money to reduce debt held by the public.

(2) Not later than October 31, 2000, and October 31, 2001, the Secretary of the Treasury shall submit a report to Congress setting forth the amount of money deposited into the Public Debt Reduction Payment Account, the amount of debt held by the public that was reduced, and a description of the actual debt instruments that were redeemed with such money.

(b) REPORT OF THE COMPTROLLER GENERAL OF THE UNITED STATES.—Not later than November 15, 2001, the Comptroller General of the United States shall submit a report to Congress verifying all of the information set forth in the reports submitted under subsection (a).

AMENDMENT NO. 4084

At the appropriate place, insert:

DEPARTMENT OF THE TREASURY

BUREAU OF THE PUBLIC DEBT

SUPPLEMENTAL APPROPRIATION FOR FISCAL YEAR 2001

GIFTS TO THE UNITED STATES FOR REDUCTION OF THE PUBLIC DEBT

For deposit of an additional amount for fiscal year 2001 into the account established under section 3113(d) of title 31, United States Code, to reduce the public debt, $5,000,000,000.

ALLARD AMENDMENT NO. 4086

(Ordered to lie on the table.)

Mr. ALLARD submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 66, between lines 11 and 12, insert the following:

SEC. 2___. USE OF COLORADO-BIG THOMPSON PROJECT FACILITIES FOR NONPROJECT WATER.

The Secretary of the Interior may enter into contracts with the city of Loveland, Colorado, or its Water and Power Department or any other agency, public utility, or enterprise of the city, providing for the use of facilities of the Colorado-Big Thompson Project, Colorado, under the Act of February 21, 1911 (43 U.S.C. 523), for—

(1) the impounding, storage, and carriage of nonproject water originating on the eastern slope of the Rocky Mountains for domestic, municipal, industrial, and other beneficial purposes; and

(2) the exchange of water originating on the eastern slope of the Rocky Mountains for the purposes specified in paragraph (1), using facilities associated with the Colorado-Big Thompson Project, Colorado.

THOMAS AMENDMENT NO. 4087

(Ordered to lie on the table.)

Mr. THOMAS submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

At the appropriate place in the bill, insert the following new section and renumber any remaining sections accordingly:

SEC. . AMENDMENT TO IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1998.

Section 2 of the Irrigation Project Contract Extension Act of 1998, Pub. L. No. 105–293, is amended by:

(a) striking the date ''December 31, 2000'' in subsection (a) and inserting in lieu thereof the date ''December 31, 2003.''; and

(b) striking subsection (b) in its entirety and renumbering the remaining subsections accordingly.

SMITH OF OREGON (AND CRAIG) AMENDMENT NO. 4088

(Ordered to lie on the table.)

Mr. SMITH of Oregon (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 66, between lines 11 and 12 insert:

SEC. . The Secretary of the Interior is authorized and directed to use not to exceed $1,000,000 of the funds appropriated under title II to refund amounts received by the United States as payments for charges assessed by the Secretary prior to January 1, 1994 for failure to file certain certification or reporting forms prior to the receipt of irrigation water, pursuant to sections 206 and 224(c) of the Reclamation Reform Act of 1982 (96 Stat. 1226, 1272; 43 U.S.C. 390ff, 390ww(c)), including the amount of associated interest assessed by the Secretary and paid to the United States pursuant to section 224(i) of the Reclamation Reform Act of 1982 101 Stat. 1330–268; 43 U.S.C. 390ww(i)).

CRAPO (AND OTHERS) AMENDMENT NO. 4089

(Ordered to lie on the table.)

Mr. CRAPO (for himself, Mr. CRAIG, and Mr. BAUCUS) submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 68, line 15, strike ''expended:'' and insert ''expended, of which $500,000 shall be available for participation by the Idaho National Engineering and Environmental Laboratory in the Greater Yellowstone Energy and Transportation Systems Study:''.

GRAMS (AND WELLSTONE) AMENDMENTS NOS. 4090–4091

(Ordered to lie on the table.)

Mr. GRAMS (for himself and Mr. WELLSTONE) submitted two amendments intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4090

On page 52, line 2, insert the following before the period: ''*Provided further*, That $1,000,000 of the funding appropriated herein shall be used to undertake the Red Lake River Flood Control Project at Crookston, Minnesota. The funding for the project would be offset by increasing the savings and slippage applied to the FY2001 Construction, General account from $_____ to $_____. The proposed amendment would have no affect on outlays.''

AMENDMENT NO. 4091

On page 52, line 2, insert the following before the period: ''*Provided further*, That $500,000 of the funding appropriated herein shall be used to undertake the Hay Creek, Roseau County, Minnesota Flood Control Project under Section 206 funding. The funding for the project would be offset by increasing the savings and slippage applied to the FY2001 Construction, General account from $_____ to $_____. The proposed amendment would have no affect on outlays.''

REED AMENDMENTS NOS. 4092–4093

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4092

On page 47, line 18, before the period, insert the following: '', of which not less than $1,500,000 shall be available for the conduct of activities related to the selection, by the Secretary of the Army in cooperation with the Environmental Protection Agency, of a permanent disposal site for environmentally sound dredged material from navigational dredging projects in the State of Rhode Island''.

AMENDMENT NO. 4093

On page 53, line 8, strike ''facilities:'' and insert the following: ''facilities, and of which $500,000 shall be available for maintenance and repair of the Sakonnet Harbor breakwater in Little Compton, Rhode Island:''.

GORTON AMENDMENT NO. 4094

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

SEC. . The Secretary may accept and expend funds contributed by port authorities to carry out work required by applicable environmental statutes, including the Endangered Species Act of 1973 (16 U.S.C. 1531, et seq.).

DODD AMENDMENT NO. 4095

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 90, between lines 6 and 7, insert the following:

SEC. 3 . AVAILABILITY OF UNOBLIGATED BALANCES.

Of the unobligated balances of funds appropriated under the heading ''ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES'' in the Energy and Water Development Appropriations Act, 1993 (106 Stat. 1332), and prior Energy and Water Development Appropriations Acts, $7,900,000 shall be made available for the University of Connecticut.

COCHRAN AMENDMENT NO. 4096

(Ordered to lie on the table.)

Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 52, line 10, strike ''$324,450,000'' and insert ''$344,044,000''

On page 52, line 15, before the period insert '': *Provided further*, That of the amounts made available under this heading for construction, there shall be provided $15,000,000 for the Demonstration Erosion Control Program and $375,000 for Tributaries in the Yazoo Basin of Mississippi; $48,647,000 for the Mississippi River levees: *Provided further*, That of the amounts made available under this heading for operation and maintenance, there shall be provided $7,242,000 for Arkabutla Lake, $4,376,000 for Enid Lake, $5,732,000 for Grenada Lake, $7,680,000 for Sardis Lake''

On page 67, line 19, strike ''$309,141,000'' and insert ''$304,241,000''

On page 68, line 14, strike ''$2,870,112,000'' and insert ''$2,854,435,000''

On page 70, line 19, strike ''210,128,000'' and insert ''$205,228,000''

DORGAN (AND CONRAD) AMENDMENTS NOS. 4097–4098

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. CONRAD) submitted two amendments intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4097

On page 61, line 11, after the colon, insert the following: ''*Provided further*, That the Secretary shall use up to $75,000 of the funds provided under this heading to conduct a study of the Oakes Test Area, North Dakota, to determine modifications or additional facilities that will reduce the costs of operating the facilities and improve the reliability of the water supply in anticipation of a future transfer of the facilities from the Federal Government to a non-Federal interest:''.

AMENDMENT NO. 4098

On page 77, at the beginning of line 26, insert the following: ''*Provided further*, That any amount spent on studies to enhance the transmission capability and transfer capacity of the transmission system and interconnected systems of the Western Area Power Administration for the delivery of power shall be non-reimbursable:''.

DOMENICI AMENDMENT NO. 4099

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 97, between lines 14 and 15, insert the following:

TITLE ___—NUCLEAR REGULATORY COMMISSION

Subtitle A—Funding

SEC. ___01. NUCLEAR REGULATORY COMMISSION ANNUAL CHARGES.

Section 6101 of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 2214) is amended—

(1) in subsection (a)(3), by striking ''September 30, 1999'' and inserting ''September 20, 2005''; and

(2) in subsection (c)—

(A) in paragraph (1), by inserting ''or certificate holder'' after ''licensee''; and

(B) by striking paragraph (2) and inserting the following:

''(2) AGGREGATE AMOUNT OF CHARGES.—

''(A) IN GENERAL.—The aggregate amount of the annual charges collected from all licensees and certificate holders in a fiscal year shall equal an amount that approximates the percentages of the budget authority of the Commission for the fiscal year stated in subparagraph (B), less—

''(i) amounts collected under subsection (b) during the fiscal year; and

''(ii) amounts appropriated to the Commission from the Nuclear Waste Fund for the fiscal year.

''(B) PERCENTAGES.—The percentages referred to in subparagraph (A) are—

''(i) 98 percent for fiscal year 2002;

''(ii) 96 percent for fiscal year 2003;

''(iii) 94 percent for fiscal year 2004;

''(iv) 92 percent for fiscal year 2005; and

''(v) 88 percent for fiscal year 2006.''.

SEC. ___02. NUCLEAR REGULATORY COMMISSION AUTHORITY OVER FORMER LICENSEES FOR DECOMMISSIONING FUNDING.

Section 161i. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(i)) is amended—

(1) by striking ''and (3)'' and inserting ''(3)''; and

(2) by inserting before the semicolon at the end the following: '', and (4) to ensure that sufficient funds will be available for the decommissioning of any production or utilization facility licensed under section 103 or 104b., including standards and restrictions governing the control, maintenance, use, and disbursement by any former licensee under this Act that has control over any fund for the decommissioning of the facility''.

SEC. ___03. COST RECOVERY FROM GOVERNMENT AGENCIES.

Section 161w. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(w)) is amended—

(1) by striking '', or which operates any facility regulated or certified under section 1701 or 1702,'';

(2) by striking ''483a'' and inserting ''9701''; and

(3) by inserting before the period at the end the following: '', and, commencing October 1, 2000, prescribe and collect from any other Government agency any fee, charge, or price that the Commission may require in accordance with section 9701 of title 31, United States Code, or any other law''.

Subtitle B—Other Provisions

SEC. ___11. OFFICE LOCATION.

Section 23 of the Atomic Energy Act of 1954 (42 U.S.C. 2033) is amended by striking ''; however, the Commission shall maintain an office for the service of process and papers within the District of Columbia''.

SEC. ___12. LICENSE PERIOD.

Section 103c. of the Atomic Energy Act of 1954 (42 U.S.C. 2133(c)) is amended—

(1) by striking ''c. Each such'' and inserting the following:

''c. LICENSE PERIOD.—

''(1) IN GENERAL.—Each such''; and

(2) by adding at the end the following:

''(2) COMBINED LICENSES.—In the case of a combined construction and operating license issued under section 185(b), the initial duration of the license may not exceed 40 years from the date on which the Commission finds, before operation of the facility, that the acceptance criteria required by section 185(b) are met.''.

SEC. ___13. ELIMINATION OF NRC ANTITRUST REVIEWS.

Section 105 of the Atomic Energy Act of 1954 (42 U.S.C. 2135) is amended by adding at the end the following:

''(d) APPLICABILITY.—Subsection (c) shall not apply to an application for a license to construct or operate a utilization facility under section 103 or 104(b) that is pending on or that is filed on or after the date of enactment of this subsection.''.

SEC. ___14. GIFT ACCEPTANCE AUTHORITY.

(a) IN GENERAL.—Section 161g. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(g)) is amended—

(1) by inserting ''(1)'' after ''(g)'';

(2) by striking ''this Act;'' and inserting ''this Act; or''; and

(3) by adding at the end the following:

''(2) accept, hold, utilize, and administer gifts of real and personal property (not including money) for the purpose of aiding or facilitating the work of the Nuclear Regulatory Commission.''.

(b) CRITERIA FOR ACCEPTANCE OF GIFTS.—

(1) IN GENERAL.—Chapter 14 of title I of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) is amended by adding at the end the following:

''SEC. 170C. CRITERIA FOR ACCEPTANCE OF GIFTS.

''(a) IN GENERAL.—The Commission shall establish written criteria for determining whether to accept gifts under section 161g.(2).

''(b) CONSIDERATIONS.—The criteria under subsection (a) shall take into consideration whether the acceptance of the gift would compromise the integrity of, or the appearance of the integrity of, the Commission or any officer or employee of the Commission.''.

(2) CONFORMING AND TECHNICAL AMENDMENTS.—The table of contents of chapter 14 of title I of the Atomic Energy Act of 1954 (42 U.S.C. prec. 2011) is amended by adding at the end the following:

''Sec. 170C. Criteria for acceptance of gifts.''.

SEC. ___15. CARRYING OF FIREARMS BY LICENSEE EMPLOYEES.

(a) IN GENERAL.—Chapter 14 of title I of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by section ___14(b)(1)) is amended—

(1) in section 161, by striking subsection k. and inserting the following:

''(k) authorize to carry a firearm in the performance of official duties such of its members, officers, and employees, such of the employees of its contractors and subcontractors (at any tier) engaged in the protection of property under the jurisdiction of the United States located at facilities owned by or contracted to the United States or being transported to or from such facilities, and such of the employees of persons licensed or certified by the Commission (including employees of contractors of licensees or certificate holders) engaged in the protection of facilities owned or operated by a Commission licensee or certificate holder that are designated by the Commission or in the protection of property of significance to the common defense and security located at facilities owned or operated by a Commission licensee or certificate holder or being transported to or from such facilities, as the Commission considers necessary in the interest of the common defense and security;'' and

(2) by adding at the end the following:

''SEC. 170D. CARRYING OF FIREARMS.

''(a) AUTHORITY TO MAKE ARREST.—

''(1) IN GENERAL.—A person authorized under section 161k. to carry a firearm may, while in the performance of, and in connection with, official duties, arrest an individual without a warrant for any offense against the United States committed in the presence of the person or for any felony under the laws of the United States if the person has a reasonable ground to believe that the individual has committed or is committing such a felony.

''(2) LIMITATION.—An employee of a contractor or subcontractor or of a Commission licensee or certificate holder (or a contractor of a licensee or certificate holder) authorized to make an arrest under paragraph (1) may make an arrest only—

''(A) when the individual is within, or is in flight directly from, the area in which the offense was committed; and

''(B) in the enforcement of—

''(i) a law regarding the property of the United States in the custody of the Department of Energy, the Nuclear Regulatory Commission, or a contractor of the Department of Energy or Nuclear Regulatory Commission or a licensee or certificate holder of the Commission;

''(ii) a law applicable to facilities owned or operated by a Commission licensee or certificate holder that are designated by the Commission under section 161k.;

''(iii) a law applicable to property of significance to the common defense and security that is in the custody of a licensee or certificate holder or a contractor of a licensee or certificate holder of the Commission; or

''(iv) any provision of this Act that subjects an offender to a fine, imprisonment, or both.

''(3) OTHER AUTHORITY.—The arrest authority conferred by this section is in addition to any arrest authority under other law.

''(4) GUIDELINES.—The Secretary and the Commission, with the approval of the Attorney General, shall issue guidelines to implement section 161k. and this subsection.''.

(b) CONFORMING AND TECHNICAL AMENDMENTS.—The table of contents of chapter 14 of title I of the Atomic Energy Act of 1954 (42 U.S.C. prec. 2011) (as amended by section ___14(b)(2)) is amended by adding at the end the following:

''Sec. 170D. Carrying of firearms.''.

SEC. ___16. UNAUTHORIZED INTRODUCTION OF DANGEROUS WEAPONS.

Section 229a. of the Atomic Energy Act of 1954 (42 U.S.C. 2278a(a)) is amended in the first sentence by inserting ''or subject to the licensing authority of the Commission or to certification by the Commission under this Act or any other Act'' before the period at the end.

SEC. ___17. SABOTAGE OF NUCLEAR FACILITIES OR FUEL.

Section 236a. of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)) is amended—

(1) in paragraph (2), by striking ''storage facility'' and inserting ''storage, treatment, or disposal facility'';

(2) in paragraph (3)—

(A) by striking ''such a utilization facility'' and inserting ''a utilization facility licensed under this Act''; and

(B) by striking ''or'' at the end;

(3) in paragraph (4)—

(A) by striking ''facility licensed'' and inserting ''or nuclear fuel fabrication facility licensed or certified''; and

(B) by striking the period at the end and inserting ''; or''; and

(4) by adding at the end the following:

''(5) any production, utilization, waste storage, waste treatment, waste disposal, uranium enrichment, or nuclear fuel fabrication facility subject to licensing or certification under this Act during construction of the facility, if the person knows or reasonably should know that there is a significant possibility that the destruction or damage caused or attempted to be caused could adversely affect public health and safety during the operation of the facility.''

BOXER AMENDMENT NO. 4100

(Ordered to lie on the table.)

Mrs. BOXER submitted an amendment intended to be proposed by her to the bill, H.R. 4733, supra; as follows:

On page 97, between lines 12 and 13, insert the following:

SEC. 7___. REPORT TO CONGRESS ON ELECTRICITY PRICES.

(a) FINDINGS.—Congress finds that—

(1) California is currently experiencing an energy crisis;

(2) rolling power outages are a serious possibility;

(3) wholesale electricity prices have soared, resulting in electrical bills that have increased as much as 300 percent in the San Diego area;

(4) small business owners and people on small or fixed incomes, especially senior citizens, are particularly suffering;

(5) the crisis is so severe that the County of San Diego recently declared a financial state of emergency; and

(6) the staff of the Federal Energy Regulatory Commission (referred to in this section as the ''Commission'') is currently investigating the crisis and is compiling a report to be presented to the Commission not later than November 1, 2000.

(b) REPORT.—

(1) IN GENERAL.—The Commission shall—

(A) continue the investigation into the cause of the summer price spike described in subsection (a); and

(B) not later than December 1, 2000, submit to Congress a report on the results of the investigation.

(2) CONTENTS.—The report shall include—

(A) data obtained from a hearing held by the Commission in San Diego;

(B) identification of the causes of the San Diego price increases;

(C) a determination whether California wholesale electricity markets are competitive;

(D) a recommendation whether a regional price cap should be set in the Western States;

(E) a determination whether manipulation of prices has occurred at the wholesale level; and

(F) a determination of the remedies, including legislation or regulations, that are necessary to correct the problem and prevent similar incidents in California and elsewhere in the United States.

HARKIN (AND OTHERS) AMENDMENT NO. 4101

(Ordered to lie on the table.)

Mr. HARKIN (for himself, Mr. REID, and Mr. FEINGOLD) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

On page 90, between lines 6 and 7, insert the following:

SEC. 320. (a) PROHIBITION ON USE OF FUNDS FOR CONSTRUCTION OF NATIONAL IGNITION FACILITY.—Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available by this Act may be obligated or expended for purposes of the construction of the National Ignition Facility.

(b) REDUCTION IN APPROPRIATIONS.—Notwithstanding any other provision of this Act, the amount appropriated by this title under ''ATOMIC ENERGY DEFENSE ACTIVITIES'' under the heading ''NATIONAL NUCLEAR SECURITY ADMINISTRATION'' under the subheading ''WEAPONS ACTIVITIES'' is hereby reduced by $74,100,000, with the amount of the reduction allocated to amounts otherwise available under that subheading for construction of the National Ignition Facility.

BAUCUS AMENDMENTS NOS. 4102–4104

(Ordered to lie on the table.)

Mr. BAUCUS submitted three amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4102

On page 66, between lines 11 and 12, insert the following:

SEC. 2____. RECREATION DEVELOPMENT, BUREAU OF RECLAMATION, MONTANA PROJECTS.

(a) IN GENERAL.—To provide a greater level of recreation management activities on reclamation project land and water areas within the State of Montana east of the Continental Divide (including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming) necessary to meet the changing needs and expectations of the public, the Secretary of the Interior may—

(1) investigate, plan, construct, operate, and maintain public recreational facilities on land withdrawn or acquired for the projects;

(2) conserve the scenery, the natural, historic, paleontologic, and archaeologic objects, and the wildlife on the land;

(3) provide for public use and enjoyment of the land and of the water areas created by a project by such means as are consistent with but subordinate to the purposes of the project; and

(4) investigate, plan, construct, operate, and maintain facilities for the conservation of fish and wildlife resources.

(b) COSTS.—The costs (including operation and maintenance costs) of carrying out subsection (a) shall be nonreimbursable and nonreturnable under Federal reclamation law.

AMENDMENT NO. 4103

On page 66, between lines 11 and 12, insert the following:

SEC. 2____. CANYON FERRY RESERVOIR, MONTANA.

(a) APPRAISALS.—Section 1004(c)(2)(B) of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–713; 113 Stat. 1501A–307) is amended—

(1) in clause (i), by striking ''be based on'' and inserting ''use'';

(2) in clause (vi), by striking ''Notwithstanding any other provision of law,'' and inserting ''To the extent consistent with the Uniform Appraisal Standards for Federal Land Acquisition,''; and

(3) by adding at the end the following:

''(vii) APPLICABILITY.—This subparagraph shall apply to the extent that its application is practicable and consistent with the Uniform Appraisal Standards for Federal Land Acquisition.''.

(b) TIMING.—Section 1004(f)(2) of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–714; 113 Stat. 1501A–308) is amended by inserting after ''Act,'' the following: ''in accordance with all applicable law,''.

(c) INTEREST.—Section 1008(b) of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–717; 113 Stat. 1501A–310) is amended by striking paragraph (4).

AMENDMENT NO. 4104

On page 66, between lines 11 and 12, insert the following:

SEC. 2____. BUREAU OF RECLAMATION.

Section 2805(a) of Reclamation Recreation Management Act of 1992 (16 U.S.C. 460*l*–33(a)) is amended by adding at the ending the following:

''(3) Any person who violates any such regulation shall be fined under title 18, United States Code, imprisoned not more than 6 months, or both. Any person charged with a violation of such a regulation may be tried and sentenced by any United States magistrate judge designated for that purpose by the court by which the magistrate was appointed, in the same manner and subject to the same conditions and limitations as provided for in section 3401 of title 18, United States Code.

''(4) The Secretary may—

''(A) authorize law enforcement personnel from the Department of the Interior to act as law enforcement officers to maintain law and order and protect persons and property on Reclamation land within the State of Montana east of the Continental Divide, including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming;

''(B) authorize law enforcement personnel of any other Federal agency that has law enforcement authority (with the exception of the Department of Defense) or law enforcement personnel of any State or local government, including an Indian tribe, when the Secretary determines it to be economical and in the public interest, and with the concurrence of that agency or the State or local government, to act as law enforcement officers on Reclamation land within the State of Montana east of the Continental Divide, including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming, with such enforcement powers as may be so assigned to the officers by the Secretary to carry out the regulations promulgated by the Commissioner of Reclamation;

''(C) cooperate with the States of Montana and Wyoming or units of local government of the States, including an Indian tribe, in the enforcement of laws or ordinances of the State or unit of local government; and

''(D) provide reimbursement to the State or local government, including an Indian tribe, for expenditures incurred in connection with activities under subparagraph (B).

''(5) An officer or employee designated or authorized by the Secretary under paragraph (4) may—

''(A)(i) carry firearms on Reclamation land within the State of Montana east of the Continental Divide, including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming; and

''(ii) make arrests without warrants for any offense against the United States committed in the officer's or employee's presence, or for any felony cognizable under the laws of the United States if—

''(I) the officer or employee has reasonable grounds to believe that the person to be arrested has committed or is committing such a felony; and

''(II) the arrests occur within the Reclamation land or the person to be arrested is fleeing from the Reclamation land to avoid arrest;

''(B) execute any warrant or other process issued by a court or officer of competent jurisdiction for the enforcement of any Federal law (including any regulation) issued pursuant to law for an offense committed on Reclamation land within the State of Montana east of the Continental Divide, including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming,; and

''(C) conduct investigations of any offense against the United States committed on Reclamation land within the State of Montana east of the Continental Divide, including the portion of the Yellowtail Unit of the Pick-Sloan Project located in Wyoming, in the absence of investigation of the offense by any other Federal law enforcement agency having investigative jurisdiction over the offense committed or with the concurrence of the other agency.

''(6)(A) Except as otherwise provided in this paragraph, a law enforcement officer of any State or local government, including an Indian tribe, designated to act as a law enforcement officer under paragraph (4) shall not be deemed to be a Federal employee and shall not be subject to the laws relating to Federal employment, including laws relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal benefits.

''(B) For the purposes of chapter 171 of title 28, United States Code (commonly known as the 'Federal Tort Claims Act'), a law enforcement officer of any State or local government, including an Indian tribe, shall, when acting as a designated law enforcement officer under paragraph (4) and while under Federal supervision and control, and only when carrying out Federal law enforcement

responsibilities, be considered to be a Federal employee.

''(C) For the purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, a law enforcement officer of any State or local government, including an Indian tribe, shall, when acting as a designated law enforcement officer under paragraph (4) and while under Federal supervision and control, and only when carrying out Federal law enforcement responsibilities, be deemed to be a civil service employee of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply. Benefits under that subchapter shall be reduced by the amount of any entitlement to State or local workers' compensation benefits arising out of the injury or death.

''(7) Nothing in any of paragraphs (3) through (9) limits or restricts the investigative jurisdiction of any Federal law enforcement agency, or affects any existing right of a State or local government, including an Indian tribe, to exercise civil and criminal jurisdiction within a Reclamation project or on Reclamation land.

''(8) The law enforcement authorities provided for in this subsection may be exercised only in accordance with rules and regulations promulgated by the Secretary and approved by the Attorney General.

''(9) In this subsection, the term 'law enforcement personnel' means employees of a Federal, State, or local government agency, including an Indian tribal agency, who have successfully completed law enforcement training and are authorized to carry firearms, make arrests, and execute services of process to enforce criminal laws of their employing jurisdiction.''.

DURBIN AMENDMENTS NOS. 4105–4107

(Ordered to lie on the table.)

Mr. DURBIN submitted three amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4105

On page 58, strike lines 6 through 13 and insert the following:

SEC. 103. MISSOURI RIVER MASTER MANUAL.

None of the funds made available by this Act may be used to make final revisions to the Missouri River Master Water Control Manual.

AMENDMENT NO. 4106

Strike section 103 and insert the following:

SEC. 103. None of the funds made available in this Act may be used to make final revisions to the Missouri River Master Water Control Manual—

(a) during fiscal year 2001;

(b) within six months of the release of the draft environmental impact statement on the manual; and

(c) when it is made known to the Federal entity or official to which the funds are made available that the National Academy of Sciences has not completed its study, Missouri River Basin: Improving the Scientific Basis for Adaptive Management, Project Identification Number: WSTB–U–99–06–A.

AMENDMENT NO. 4107

Strike section 103 and insert the following:

SEC. 103. None of the funds made available in this Act may be used to make final revisions to the Missouri River Master Water Control Manual—

(a) during fiscal year 2001;

(b) within six months of the release of the draft environmental impact statement on the manual; or

(c) when it is made known to the Federal entity or official to which the funds are made available that the National Academy of Sciences has not completed its study, Missouri River Basin: Improving the Scientific Basis for Adaptive Management, Project Identification Number: WSTB–U–99–06–A.

TORRICELLI AMENDMENTS NOS. 4108–4109

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendments intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

AMENDMENT NO. 4108

On page 58, between lines 13 and 14, insert the following:

SEC. 1___. HISTORIC AREA REMEDIATION SITE, SANDY HOOK, NEW JERSEY.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) BACKGROUND AMBIENT CONTAMINATION LEVEL.—The term ''background ambient contamination level'' means the level of contamination by a contaminant that is substantially equivalent to or less than the level of such contamination in biota and sediments occurring naturally in the ocean in areas that have never been affected by dumping.

(3) CONTAMINANT.—The term ''contaminant'' means a substance that, as determined by the Administrator, poses an unacceptable threat to human health or the environment.

(4) HISTORIC AREA REMEDIATION SITE.—The term ''Historic Area Remediation Site'' means the dredged material disposal area located east of Sandy Hook, New Jersey, and described in section 228.15(d)(6) of title 40, Code of Federal Regulations (as in effect on July 1, 1999).

(b) STANDARDS.—

(1) IN GENERAL.—Not later than January 1, 2001, the Administrator, in consultation with the Secretary of the Army, shall finalize and release for public review and comment the Environmental Protection Agency Region/CENAN response to the peer review concluded in October 1998 on the Framework for Evaluating Bioaccumulation Test Results for Remediation of the Historic Area Remediation Site in accordance with the New York-New Jersey Harbor Estuary Program requirements, as required under the 1996 Comprehensive Conservation Management Plan.

SEC. 1___. APPROPRIATION FOR ALTERNATIVE NONOCEAN REMEDIATION SITES.

There is appropriated, out of any money in the Treasury not otherwise appropriated, to the Secretary of the Army for fiscal year 2001, an additional amount of $8,000,000 to carry out a nonocean alternative remediation demonstration project for dredged material at the Historic Area Remediation Site.

AMENDMENT NO. 4109

On page 53, line 8, after ''facilities'', insert the following: '', and of which not less than $200,000 of funds made available for the Delaware River, Philadelphia to the Sea, shall be made available for the Philadelphia District of the Corps of Engineers to establish a program to allow the direct marketing of dredged material from the Delaware River Deepening Project to public agencies and private entities''.

TORRICELLI (AND OTHERS) AMENDMENT NO. 4110

(Ordered to lie on the table.)

Mr. TORRICELLI (for himself, Mr. LAUTENBERG, Mr. SCHUMER, Mr. MOYNIHAN, and Mr. DODD) submitted an amendment intended to be proposed by them to the bill, H.R. 4733, supra; as follows:

At the appropriate place, insert the following:

SECTION 1. REDESIGNATION OF INTERSTATE SANITATION COMMISSION AND DISTRICT.

(a) INTERSTATE SANITATION COMMISSION.—

(1) IN GENERAL.—The district known as the ''Interstate Sanitation Commission'', established by article III of the Tri-State Compact described in the Resolution entitled, ''A Joint Resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission'', approved August 27, 1935 (49 Stat. 933), is redesignated as the ''Interstate Environmental Commission''.

(2) REFERENCES.—Any reference in a law, regulation, map, document, paper, or other record of the United States to the Interstate Sanitation Commission shall be deemed to be a reference to the Interstate Environmental Commission.

(b) INTERSTATE SANITATION DISTRICT.—

(1) IN GENERAL.—The district known as the ''Interstate Sanitation District'', established by article II of the Tri-State Compact described in the Resolution entitled, ''A Joint Resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission'', approved August 27, 1935 (49 Stat. 932), is redesignated as the ''Interstate Environmental District''.

(2) REFERENCES.—Any reference in a law, regulation, map, document, paper, or other record of the United States to the Interstate Sanitation District shall be deemed to be a reference to the Interstate Environmental District.

STEVENS AMENDMENT NO. 4111

(Ordered to lie on the table.)

Mr. DOMENICI (for Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill, H.R. 4733, supra; as follows:

On page 68, line 21 after the word ''program'' insert the following: ''; *Provided further,* That $12,500,000 of the funds appropriated herein shall be available for Molecular Nuclear Medicine.''

DASCHLE AMENDMENTS NOS. 4112–4113

(Ordered to lie on the table.)

Mr. DASCHLE submitted two amendments intended to be proposed by him to the bill (H.R. 4733), supra; as follows:

AMENDMENT NO. 4112

On page 47, line 18, before the period, insert the following: '', of which $200,000 shall be made available to carry out section 447 of the Water Resources Development Act of 1999 (113 Stat. 329)''.

AMENDMENT NO. 4113

On page 67, line 4, strike ''Fund:'' and insert ''Fund, and of which not less than $100,000 shall be made available to Western Biomass Energy LLC for an ethanol demonstration project:''.

NOTICE OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled ''Slotting Fees: Are Family Farmers Battling to Stay on the Farm and in the Grocery Store?'' The hearing will be held on Tuesday, September 14, 2000, 1:00 p.m. 628 Dirksen Senate Office Building.

The hearing will be broadcast live over the Internet from our homepage address: http://www.senate.gov/sbc

For further information, please contact David Bohley at 224–5175.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, September 13, 2000 at 2:15 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on S. 2873, a bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; H.R. 3676, a bill to establish the Santa Rosa and San Jacinto Mountains National Monument in the State of California; and its companion S. 2784, a bill entitled ''Santa Rosa and San Jacinto Mountains National Monument Act of 2000; S. 2865, a bill to designate certain land of the National Forest System located in the State of Virginia as wilderness; S. 2956 and its companion bill, H.R. 4275, a bill to establish the Colorado Canyons National Conservation Area and the Black Ridge Canyons Wilderness, and for other purposes, and S. 2977, a bill to assist in the establishment of an interpretive center and museum in the vicinity of the Diamond Valley Lake in southern California to ensure the protection and interpretation of the paleontology discoveries made at the lake and to develop a trail system for the lake for use by pedestrians and nonmotorized vehicles.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mike Menge at (202) 224–6170.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this hearing is to receive testimony on S. 2749, a bill to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the settling of the western portion of the United States; S. 2885, a bill to establish the Jamestown 400th Commemoration Commission, and for other purposes; S. 2950, a bill to authorize the Secretary of the interior to establish the Sand Creek Massacre National Historic Site in the State of Colorado; S. 2959, a bill to amend the Dayton Aviation Heritage Preservation Act of 1992, and for other purposes; and S. 3000, a bill to authorize the exchange of land between the Secretary of the Interior and the Director of the Central Intelligence Agency at the George Washington Memorial Parkway in McLean, Virginia and for other purposes.

The hearing will take place on Thursday, September 14, 2000 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, D.C. 20510–6150.

For further information, please contact Jim O'Toole or Kevin Clark of the Committee staff at (202) 224–6969.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September 6, 2000 at 9:30 a.m., in open session to consider the nominations of Lieutenant General Peter Pace, USMC for appointment to the grade of general and to be commander-in-chief, United States Southern Command; Lieutenant General Charles R. Holland, USAF for appointment to the grade of general and to be commander-in-chief, United States Special Operations Command; and Major General Robert B. Flowers, USA for appointment to the grade of lieutenant general and to be the Chief of Engineers, United States Army.

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

COMMITTEE ON FINANCE

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, September 6, 2000, for an Oversight Hearing on Upper Payment Limits: Federal Medicaid Spending for Non-Medicaid Purposes.

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

COMMITTEE ON FOREIGN RELATIVES

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 6, 2000, at 10:30 a.m. to hold a hearing.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. GORTON. Mr. President, I ask unanimous that the Committee on Indian Affairs be authorized to meet on Wednesday, September 6, 2000 at 9:30 a.m. in room 485 of the Russell Senate Building to mark up S. 611, the Indian Federal Recognition Administrative Procedures Act and S. 2282, Native American Agricultural Research and Export Enhancement Act of 2000 to be followed by a hearing on S. 2580, a bill to provide for the issuance of bonds to provide funding for construction of Indian schools.

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

COMMITTEE ON THE JUDICIARY

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, September 6, 2000, at 10:00 a.m., in Dirksen 226.

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

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Administrative Oversight and the Courts be authorized to meet to conduct a hearing on Wednesday, September 6, 2000 at 2:00 p.m., in SD226.

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

PRIVILEGES OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Peter Washburn and Dan Utech, fellows on the Environment and Public Works Committee, be granted floor privileges during consideration of H.R. 4733.

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

Mr. REID. Mr. President, I further ask unanimous consent, on behalf of Senator BINGAMAN, that two fellows in his personal office, Dan Alpert and John Jennings, be allowed privileges of the Senate floor while the energy and water appropriations bill is the pending business.

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

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 106–45

Mr. CRAIG. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following convention transmitted to the Senate on September 6, 2000, by the President of the United States:

Convention for International Carriage by Air, Treaty Document No. 106–45.

I also ask that the convention be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

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

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal May 28, 1999 (the ''Convention''). The report of the Department of State, including an article-by-article analysis, is enclosed for the information of the Senate in connection with its consideration of the Convention.

I invite favorable consideration of the recommendation of the Secretary of State, as contained in the report provided herewith, that the Senate's advice and consent to the Convention be subject to a declaration on behalf of the United States, pursuant to Article 57(a) of the Convention, that the convention shall not apply to international carriage by air performed and operated directly by the United States for noncommercial purposes in respect to its functions and duties as a sovereign State. Such a declaration is consistent with the declaration made by the United States under the Convention for the Unification of Certain Rules Relating to International Carriage by Air, done at Warsaw October 12, 1929, as amended (the ''Warsaw Convention'') and is specifically permitted by the terms of the new Convention.

Upon entry into force for the United States, the Convention, where applicable, would supersede the Warsaw Convention, as amended by the Protocol to Amend the Warsaw Convention, done at Montreal September 25, 1975 (''Montreal Protocol No. 4''), which entered into force for the United States on March 4, 1999. The Convention represents a vast improvement over the liability regime established under the Warsaw Convention and its related instruments, relative to passenger rights in the event of an accident. Among other benefits, the Convention eliminates the cap on carrier liability to accident victims; holds carriers strictly liable for proven damages up to 100,000 Special Drawing Rights (approximately $135,000) (Special Drawing Rights represent an artificial 'basket' currency developed by the International Monetary Fund for internal accounting purposes to replace gold as a world standard); provides for U.S. jurisdiction for most claims brought on behalf of U.S. passengers; clarifies the duties and obligations of carriers engaged in codeshare operations; and, with respect to cargo, preserves all of the significant advances achieved by Montreal Protocol No. 4.

I recommend that the Senate give early and favorable consideration to this Convention and that the Senate give its advice and consent to ratification, subject to a declaration that the Convention shall not apply to international carriage by U.S. State aircraft, as provided for in the Convention.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 6, 2000.*

ORDER OF PROCEDURE—S. 1608

Mr. BOND. Mr. President, I ask unanimous consent that the vitiation order with respect to the agreement for consideration of S. 1608 be extended until 12 noon on Friday.

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

GALVESTON HURRICANE NATIONAL REMEMBRANCE DAY

Mr. BOND. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Con. Res. 134, submitted earlier today by Senators HUTCHISON and GRAMM.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 134) designating September 8, 2000, as Galveston Hurricane National Remembrance Day.

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

Mr. BOND. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this concurrent resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 134) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 134

Whereas September 8, 2000 marks the 100th anniversary of the hurricane that struck Galveston, Texas on September 8, 1900, the deadliest natural disaster in United States history;

Whereas an estimated 6,000 people died in a few hours in this thriving port of 37,000, dubbed the ''Wall Street of the West'' at the dawn of the 20th century;

Whereas vast waves, surging flood waters, and powerful winds of more than 120 miles an hour overtook the town, in an era without radar, satellites, or modern radio, making off-shore hurricanes difficult to track;

Whereas the residents of Galveston island showed much courage and sacrifice during the tempest, exemplified by 10 nuns who lost their lives along with the 90 children they were trying to save at St. Mary's Orphanage on the beach;

Whereas Galveston never lost her resilient spirit, built a sturdy 17-foot sea wall that staved off other fierce hurricanes, pumped in millions of tons of sand from the Gulf of Mexico in order to raise the level of the city and its buildings to a safer height, and became a beautiful and prosperous town yet again;

Whereas the city of Galveston is this year holding a ceremony commemorating the hurricane, launching educational efforts, and celebrating the rebirth of Galveston after the storm; and

Whereas our Nation, which benefits from modern weather technology and the lessons learned from the Galveston tragedy, should never cease to improve hurricane forecasting and make life safer and more secure along our coasts: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) September 8, 2000 is designated as Galveston Hurricane National Remembrance Day; and

(2) the President is authorized and requested to issue a proclamation in memory of the thousands of Galvestonians and other Americans who lost their lives in the devastating hurricane of 1900 and the survivors who rebuilt Galveston.

ORDERS FOR THURSDAY, SEPTEMBER 7, 2000

Mr. BOND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, September 7. I further ask consent that on Thursday, 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 resume debate on the Daschle motion regarding the Missouri River, with 10 minutes equally divided in the usual form prior to a vote on or in relation to the motion.

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

PROGRAM

Mr. BOND. When the Senate convenes at 9:30 a.m., there will be 10 minutes remaining for closing remarks with respect to the motion to strike the Missouri River provision contained in the energy and water appropriations bill. Immediately following that vote, a vote will occur on the motion to proceed to the China PNTR legislation. Therefore, two back-to-back votes will occur at approximately 9:40 a.m. Following those two votes, the Senate will consider the China PNTR bill. It is hoped that agreements can be reached on various amendments to the bill and, therefore, votes can be expected to occur throughout the day.

As a reminder, the filing deadline for all first-degree amendments to the energy and water appropriations bill was 6:30 this evening. As a further reminder, the Senate will continue to consider the China trade bill and the energy and water appropriations bill on a dual track for the remainder of the week, with votes expected throughout each day.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. BOND. 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 8:23 p.m., adjourned until Thursday, September 7, 2000, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 6, 2000:

DEPARTMENT OF STATE

JOSEPH R. BIDEN, JR., OF DELAWARE, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FIFTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

ROD GRAMS, OF MINNESOTA, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FIFTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN H. CAMPBELL, 0000

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. BRADFORD C. BRIGHTMAN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. H. DOUGLAS ROBERTSON, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS VICE CHIEF OF NAVAL OPERATIONS, UNITED STATES NAVY, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5035:

To be admiral

VICE ADM. WILLIAM J. FALLON, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

WARREN S. SILBERMAN, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTIONS 531 AND 624:

To be colonel

MERRITT M. SMITH, 0000

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

JAMES M. DAVIS, 0000
JEFFREY D. DOW, 0000
DAVID P. ROLANDO, 0000
LANNEAU H. SIEGLING, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 628:

To be major

JOHN ESPINOSA, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

RANDALL J. BIGELOW, 0000