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## Senate

The Senate met at 9:15 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:

Gracious Father, Your power is given in direct proportion to the pressures and perplexities we face. This gives us great courage and confidence. You give more strength as the burdens increase; You entrust us with more wisdom as the problems test our endurance. You never leave or forsake us. Your love has no end and Your patience no breaking point.

Today, we affirm what You have taught us: You have called us to supernatural leadership empowered by Your spiritual gifts of wisdom, knowledge, discernment, and vision. You press us beyond our dependence on erudition and experience alone. Thank You for challenges that help us recover our humility and opportunities that force us to the knees of our hearts.

Bless the women and men of this Senate. You have given them the awesome responsibility of being attentive to You and obedient in following Your guidance for our beloved Nation. Give them that sure sense of Your presence and the sublime satisfaction of knowing and doing Your will. Replenish their strength, renew their hope, and refresh them with Your grace. In the name of our Lord. Amen.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished Senator from Missouri is recognized.

### SCHEDULE

Mr. BOND. Mr. President, on behalf of the majority leader I would like to

announce that today there will be a period for morning business until the hour of 9:30 a.m., with Senators permitted to speak for up to 5 minutes each with the following exception: Senator BOND for up to 10 minutes.

At 9:30, the Senate will resume consideration of the continuing appropriations bill. At that time there will be 30 minutes of debate between Senators HUTCHISON and REID regarding the pending endangered species amendments. Following that debate, those amendments will be set aside and Senator DOLE will be recognized to offer an amendment.

Under a previous order, at 1 p.m. the Senate will begin 1 hour of debate on the motion to proceed to the Whitewater Committee resolution with a cloture vote beginning at 2 p.m. Following that cloture vote, there will be a vote on the motion to table the Hutchison amendment to the continuing resolution. Senators should be reminded of those votes beginning at 2 p.m., and Senators should be aware that a late night session is possible in order to complete action on that measure.

It is also hoped that the Senate may still reach an agreement with respect to the small business regulatory relief bill.

### RESERVATION OF LEADER TIME

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

### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to a period for the transaction of morning business until the hour of 9:30 a.m., with Senators permitted to speak up to 5 minutes with the following exception: Senator BOND is recognized to speak for up to 10 minutes.

The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 1610 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOND. Mr. President, I yield the floor.

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

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

### FOOD MARKETING POLICY INSTITUTE'S MISDIRECTED PRIORITIES

Mr. GRAMS. Mr. President, yesterday a mock hearing for the press was hosted by Congressmen SCHUMER and GEJDENSON, along with Prof. Ronald Cotteril, director of the Food Marketing Policy Institute at the University of Connecticut. The topic was price collusion in the cereal market, a charge which has not been proved over the past 20 years.

After review of all of the evidence which refutes the collusion theory, I find it difficult to understand why the three continue this curious drama.

I would like to present to my colleagues some history on this issue, which began with the dismissal of an antitrust complaint by the Federal Trade Commission after 10 years of tedious and costly examination of the industry by the FTC.

Last year Federal Judge Kimba Wood, former nominee for Attorney General during the Clinton administration, rejected an antitrust suit brought

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



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by the State of New York to prevent the Post Co. from buying Nabisco Shredded Wheat.

Judge Wood indicated at the time that the cereal industry was "highly competitive." She indicated that there was no collusion, and no one company was able to control prices in any market segment. She characterized the testimony of the State's star witness, Professor Cotteril, one of the hosts of today's mock hearing, as "unreliable," "flawed," and "erroneous."

Last year Congressman SCHUMER and GEJDENSON asked the Justice Department to initiate a criminal investigation into cereal prices. Justice declined the case, based on Judge Wood's decision.

Judge Wood has also noted in her decision that cereal prices rose only 6.6 percent between 1989 and 1993, while food prices rose 12.8 percent and the cost-of-living index rose 16.5 percent. Widespread use of coupons lowers the average retail price by 30 percent. Further, Judge Wood found that industry concentration declined about 27 percent between 1970 and 1994 and that store brand cereals' market share rose to 9 percent in 1993 from 4.8 percent in 1988. This trend is expected to double in the next 3 to 4 years, surpassing the market share of three of the five manufacturers.

Judge Wood also noted little brand loyalty among consumers. She also indicated that retailers may have had more to do with increasing prices. In 1994, one producer reduced its prices 40 percent, yet less than two-thirds of this price cut was passed on to consumers.

Anyone who has been in a grocery store recently knows that the range of options and prices is nearly overwhelming. Imports are adding new competition. Cereal manufacturers not only compete head on but also with other breakfast alternatives, which are also proliferating significantly. The business climate is hardly ripe for price collusion. It is hard to understand why a trend toward more competition and price increases well under cost of living increases would encourage the two Congressmen and Professor Cotteril to continue these efforts.

Professor Cotteril's Food Marketing Policy Institute has received earmarked funds from the Congress for quite a few years. If this is an example of its priorities, I believe the Congress should reconsider funding this institute.

I look forward to this debate as we pursue the fiscal 1997 appropriations.

#### CHAPLAIN OGILVIE'S 1-YEAR ANNIVERSARY

Mr. HATFIELD. Mr. President, a year ago today, my good friend, Dr. Lloyd Ogilvie joined the Senate family by becoming the 61st Senate Chaplain. I was fortunate to have known him before he became the Chaplain and now 99 other Senators have had the oppor-

tunity to be enriched by his friendship. But it is not just Senators who have been fortunate to experience the ministry of Chaplain Ogilvie. Following the example of his predecessor, Richard Halverson, Dr. Ogilvie has ministered to everyone he encounters.

I cannot speak for all of my colleagues, but I have thoroughly enjoyed Dr. Ogilvie's morning invocations. It is one of the highlights of my day. Each prayer is a poetic weaving of theological wisdom and spiritual encouragement. When I hear the Chaplain's resonant voice, I feel as if the Heavenly Father himself has entered our midst and is speaking to us here on the Senate floor. The Chaplain has the voice of God, but he is also a man after God's own heart. He has said that he sees himself as an intercessor for the Senators, and I know that he is faithful in his prayers for this body and its Members.

I have appreciated Dr. Ogilvie's careful efforts to keep the chaplaincy non-partisan, nonpolitical, and non-sectarian. His concern is genuine and he ministers indiscriminately to all who need encouragement. He is keenly aware of the spiritual needs of this body, and he makes himself readily available to address those needs.

We are fortunate to have Dr. Ogilvie among us. While I know that Dr. Ogilvie feels a special calling to his ministry as Chaplain, he has made some sacrifices to be with us. Before becoming chaplain, Dr. Ogilvie was a prolific writer, authoring over 40 books. This literary passion has taken a backseat to the pressures of the Senate. But you will hear no complaints from the Chaplain. He is engaged in his new ministry and he is committed to his new parish.

I want to congratulate the Chaplain for his year anniversary and thank him for his invaluable ministry. I am grateful for what he has done for us in the past year and I am excited about the many years ahead.

#### ON THE RETIREMENT OF DETECTIVE CHARLES J. BENNETT

Mr. MOYNIHAN. Mr. President, some while ago, the New York Historical Society conceived the notion of collecting holograph accounts of notable events in our city from contemporary New Yorkers, and thereafter auctioning them off to help with the expenses of that venerable institution. I was asked to participate and was happy to do. As would anyone my age, I have all manner of memories of our city, going back, for example, to December 7, 1941, when I learned about Pearl Harbor from a man whose shoes I was shining on the corner of Central Park West and 81st Street, across from the Planetarium. I do not really recall what I thought about all that; all I do recall for certain is that when I got home later in the day, the regular radio programming had been interrupted by bulletins from the Pacific. Between bul-

letins, the station played martial music. Well, sort of martial music. It seemed the only such record they had on was the "fight song," as they say, of the Fordham football team.

Pearl Harbor brought war to the United States but only seemed to enhance the greatness of our city. At war's end, it seemed only natural that New York should be chosen as the site of the headquarters of the United Nations, the victorious alliance that won that war.

The years since have not been so generous. At times, they have been ominous, putting our city in peril in a way world war never did, albeit much of the peril has come from abroad.

I thought of this matter, and, of a sudden, knew the event I would relate—with a penmanship that would mortify the brothers to this day. Here is what I wrote, on New Year's Day, 1995.

Early in 1985, I flew up from Washington to New York. As is our custom, I was met by Detective "Chuck" Bennett of the N.Y.P.D. On our way into town we discussed events of the day. BENNETT, with a detective's eye, commented that men were appearing on street corners snapping their fingers for no apparent reason. Two month's later he reported that they were selling something called "crack," the finger snapping being a form of street cry. It remained for Douglas Hurd, then British Home Secretary, to visit New York and tell our Drug Enforcement Agency that a new form of cocaine, which had appeared in the Bahamas in 1983, was known as "crack" and was spreading. The Plague had reached New York.

Charles Joseph Bennett, the detective who had met me at LaGuardia, was and remains a preternaturally subtle, observant, normally silent, at times near-to-invisible presence on our city streets for near quarter of a century. For 20 of those years, he has been keeping me out of harm's way. Not an easy thing to do, for public figures in our time are commonly threatened, sometimes openly, sometimes not. It has been his lot to assess the threats involved, first having learned of them or divined them. It was in this latter gift that "Chuck" excelled. Be it a U.S. Senator, the least of his worries, a head of state, a peace delegation, a terrorist infiltrator, a building, a bridge, a tunnel, there has been no threat of violence or subversion or sedition in a quarter century that he has not been involved with or aware of.

His personal qualities are legendary. Affable until the moment of danger when he can be terrifying; near-to-invisible until he must make everyone in the room stop instantly and do as he says; self-effacing, funny, deadly serious. It may seem an unusual quality for an officer of a very old organization, set in its ways and fixed in place, but "Chuck" Bennett has proved an extraordinarily adept ambassador. First with our own law enforcement organizations such as the Federal Bureau of Investigation and the Capitol Police here in Washington, but notably also with foreign detective forces, ranging

from London to Melbourne. He has formed lasting friendships not just between individuals but also between organizations that have hugely benefitted all concerned.

This April 28 he retires: at the top of his grade and the top of his form. He goes with the profound thanks of Liz, Tim, Tracey, John, Helen, and Maura for his friendship and his guardianship. And the great good wishes of all manner of New Yorkers for how well he has served us. Only Chuck Bennett would notice odd gestures on street corners and spot an epidemic on its way. Let us hope he returns regularly to New York, keeping an eye on things, and keeping in touch with those of us who love him so.

#### DR. RODNEY BELCHER

Mr. LEAHY. Mr. President, it is with great sadness that I rise today to inform the Senate of the tragic death of Dr. Rodney Belcher, an orthopedic surgeon from Arlington, VA, who was murdered in Kampala, Uganda, on March 13.

I was fortunate to have known Dr. Belcher. Seven years ago, shortly after I established the War Victims Fund, a \$5 million appropriation in the foreign aid program to provide medical and related assistance to war victims, Rod Belcher signed on with Health Volunteers Overseas. He had lived in Uganda before the civil war there, and the Agency for International Development sent him back to start a War Victims Fund program to assist people who had been disabled from war injuries. He and his wife Dawn had been there ever since.

There were tens of thousands of amputees, many victims of landmines, without access to artificial limbs. The Mulagro hospital and medical school, once the pride and joy of that country, were in ruins. There were not even basic medical supplies. There was not a single trained orthopedic surgeon in the country. The Ugandan Government was bankrupt.

Rod embraced that enormous challenge with enthusiasm, good humor, patience, and a deep, personal commitment to the Ugandan people. Over the years he won the trust and respect of the Ugandan Government, and of successive United States Ambassadors and the ambassadors of other countries who witnessed the impact he was having on the lives of so many people. He rebuilt the orthopedic clinic and trained every orthopedic surgeon in Uganda today.

When my wife Marcelle and I visited Uganda in 1990, Dr. Belcher took us around the orthopedic clinic. We saw what a difference the War Victims Fund had made, as a result of his efforts and the efforts of the Ugandans who worked with him. It was an experience that neither of us will ever forget. We saw what a difference this one American had made.

Since then I have often thought of that trip, and Rod Belcher became the

model for the volunteers that have been recruited for other War Victims Fund programs. He exemplified what we looked for in others. He had a warmth and gentleness, and a commitment to Uganda that was extraordinary.

Mr. President, on March 13, on his way to his office, Dr. Belcher was murdered when two men stole his car. He was shot in the chest and died right there.

It would be hard to conceive of a more senseless, horrible crime. Rod Belcher was a wonderfully generous human being who devoted his professional life to improving the lives of others. For the past 7 years he lived and worked in a country where getting even the simplest thing accomplished often required incredible ingenuity and persistence. Rod had both.

At his funeral, Dr. Belcher was honored by the Ugandan Vice President, the Minister of Health, the director of the hospital, the dean of the medical school, the American Ambassador, the British High Commissioner, and many others. The orthopedic clinic that he worked so hard to establish was formally named after him. The streets were lined with people who knew him personally or had heard of the American doctor who had done so much for the Ugandan people.

Rod Belcher will be terribly missed. But he leaves a legacy that anyone would be proud of. He gave the War Victims Fund its start, and for that I will always be grateful. And he leaves a core of trained Ugandan orthopedic surgeons who loved and admired him, who will carry on in his place.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

#### BALANCED BUDGET DOWNPAYMENT ACT, II

The PRESIDING OFFICER. The Chair lays before the Senate H.R. 3019. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3019) making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes.

The Senate resumed consideration of the bill.

Pending:  
Hatfield modified amendment No. 3466, in the nature of a substitute.

Reid amendment No. 3478 (to amendment No. 3466), to restore funding for and ensure the protection of endangered species of fish and wildlife.

Hutchison/Kemphorne amendment No. 3479 (to amendment No. 3478), to reduce funding for endangered species listings.

#### AMENDMENT NO. 3479

The PRESIDING OFFICER. The amendment of the Senator from Texas to the amendment of the Senator from Nevada is in order.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask that the Chair advise the Senator from Nevada when I have 5 minutes remaining of the 15.

The PRESIDING OFFICER. The Senator may proceed.

Mr. REID. Mr. President, I have here a letter from the Evangelical Environmental Network consisting of a number of people, including Dr. Robert C. Andringa, president of the Christian College Coalition; Dr. George Brushaber, president of Bethel College and Seminary; Mr. Roger Cross, president of Youth for Christ/USA; Rev. Art DeKruyter, pastor of Christ Church of Oakbrook, and on and on with other religious leaders of this country.

The letter, written to all Senators, says, among other things:

This week the Senate will be voting on an omnibus appropriations bill that contains a subtle attack on God's handiwork. Buried in the legislation is a provision to continue the moratorium on listing plants and animals as endangered or threatened, under the Endangered Species Act.

Certainly there are scientific, economic, and medical reasons for saving endangered creatures, but for many individuals and congregations linked to the Evangelical Environmental Network, the moral and spiritual aspects are the more important. The Bible records "the everlasting covenant between God and all living creatures of every kind on Earth" and God affirms that covenant after using Noah to bring the creatures through the Flood and save their lives.

Mr. President, the letter continues:

If I am going to be in the right relationship with God, I should treat the things he has made in the same way he treats them.

The moratorium on listing species is nothing more than a back door attack. While we stand by and do nothing, this supposedly "temporary" measure may stretch over more than two years, with the cost of recovering species becoming greater and greater as time passes.

The moratorium was a bad idea when instituted; it is a bad idea today. . . .

Despite anti-ESA propagandists claim, neither law nor our environmental stance values plants or animals above people. At issue is not favoritism but just and moral treatment of all of God's creatures. God placed us here as stewards, not as exploiters, and we have no right to act in a callous manner toward any living creature.

With respect to the Endangered Species Act, we are compelled to speak out because this matter relates to the core of our faith and respect for God.

Mr. President, I have read only part of the letter, but the indication from these religious leaders is that the moratorium on the Endangered Species Act is wrong and it is immoral.

Mr. President, we have received letters from all over the country, not the least of which is a letter from a group of physicians. I talked about some of the things they said yesterday. But, in effect, what they say is that it is wrong to have this moratorium; it is wrong for health reasons to millions of people throughout the world.

This letter is signed by representatives of the Physicians for Social Responsibility, the National Association

of Physicians for the Environment, someone from the Pennsylvania Medical Society, the Massachusetts Medical Society, the Nevada Medical Society, the Vermont Medical Society, the Arthritis Foundation, AIDS Action Council, Harvard School of Public Health, Boston University, and on and on, Mr. President, with people from the medical community who say that this moratorium is not only wrong from a political standpoint; it is wrong from a moral perspective.

Mr. President, last night I went back to the office and asked my staff to look at some of the things we have received over our computer, over our e-mail network. We received—and I just at random picked a few—we received something from Basking Ridge, NJ, from a woman who says:

I implore you—

It is written to various Senators.

I implore you to support Senator REID's amendment.

This matter is of critical importance because:

Listing a species under the Endangered Species Act is not a trivial matter that can be delayed indefinitely. The moratorium on listing and critical habitat designations must be lifted.

The integrity of the ESA is extremely important to your constituents. Do not allow this Congress to weaken this important legislation.

That letter was from Merideth Mueller.

I received a letter from Minnesota from one Todd Burnside of Roseville, MN. He says:

The extinction of species and the degradation of the environment are things that future generations may never forgive us for.

I received also, Mr. President, a copy of an e-mail written to all Senators:

With all my heart I beg you to vote yes to REID's amendment to H.R. 3019, so that the awful moratorium to the ESA will end. I cannot express to you how angry and disappointed I am at this government for allowing for an ESA moratorium in the first place. This act completely goes against the needs of the country in terms of economics, morality, responsibility, and common sense. At a time when we urgently need solidarity on all fronts to protect what little we have left of the natural environment and to leave something for our future generations to cherish, and to stop the massive onslaught on our natural world, we as citizens need you to protect the environment, our home.

Mr. President, it is obvious what has happened here. The second-degree amendment calls for emergency listings only. We know that this will allow people to file all kinds of lawsuits to have emergency listings. We know that there were listings prior to this moratorium being pronounced. They should proceed in an orderly fashion.

What this second-degree amendment will do is force the Department of the Interior to defend numerous lawsuits to show that what they are doing is adequate. We need to get rid of this moratorium and get back to good science and good protection of the environment and these species. What is taking place now is an assault on good science and good government.

It also allows this body to simply not go forward with reauthorizing the Endangered Species Act. As long as this moratorium is in effect, there will be no further listings, and that is wrong. This moratorium, I think it is clear, is going to continue throughout this Congress with all we have to do with all the problems with the balanced budget and 13 appropriations bills, 5 of which we did not pass last year.

I think it is going to be extremely difficult to reauthorize this bill. This is a license to repudiate the Endangered Species Act. I think we as a country and we as a Congress should be ashamed if we allow this to happen. Mr. President, I reserve the remainder of my time.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I have submitted an amendment to the amendment because I think it is most important that we keep the integrity of what we are trying to do to protect the endangered species. The authorization for the Endangered Species Act ran out several years ago. That is because of the ridiculous excesses that have been perpetrated on the private property owners in this country. So we called a moratorium on the old act so that we could reauthorize it, so that we could protect private property and protect the endangered species. And we want to have good science, we want to have cost-benefit analysis, we want to have economic impact analysis because, after all, Mr. President, there is no reason for people in the Northwest to have the entire timber industry shut down because of the spotted owl. There is no reason to have put people who had worked for generations in the timber industry there out of work and untrained to do other things.

In fact, Mr. President, you and I are paying \$250 million to retrain those people because we were protecting a spotted owl that could have been put somewhere else in a national forest to protect. We could have had it both ways if we had just used common sense, Mr. President. But we did not do that. And that is why it was necessary and why this Congress voted overwhelmingly to put a moratorium on the Endangered Species Act listing—not the preparation for listing, not the research, just the final listings—until we could have a reauthorization of the act that would put common sense into it, that would put people into the equation, because after all, people should be in the equation as well. I like to joke sometimes and say that the only endangered species not protected is *Homo sapiens*.

Now, Mr. President, it is time that we started putting common sense into this act. Let me talk to you about a few of the excesses that have caused us to be in the situation where we are, needing to do a drastic reorganization and reauthorization of this bill.

In Texas, my home State, there is a golden cheek warbler. Fish and Wildlife originally said they were going to set aside an area the size of the State of Rhode Island to protect a golden cheek warbler. Mr. President, we want to protect golden cheek warblers, but I think it is a little excessive to cause property values in that entire area to plummet to save this golden cheek warbler when we can do it with other means. Not only that, but what they said you could not do on your property is cut cedar. Now, cedar has a very bad impact on people's health. People have what we call cedar fever. People are miserable with cedar fever. So they cut cedar trees to keep people from having this very annoying sort of sneezing attack.

Well, in addition to that, even more important to the farmers and ranchers in the area, cedar absorbs water so that we lose the ability to use water downstream because the cedar trees are absorbing the water upstream. So it really is a hindrance and something that our farmers and ranchers need to deal with. One Travis County, TX, owner, Margaret Rector, invested in land 25 years ago to help her in her retirement years. In 1990, her land was worth \$830,000. After it was designated a golden cheek warbler habitat, its value plunged to \$30,000.

Mr. President, that is not a guess, that is an assessment on the county tax rolls in Travis County, TX. Mr. President, that is ridiculous. Next is the southwestern willow fly catcher in California. The Army Corps of Engineers built the Isabella Dam in Kern County, CA, to catch the runoff of melting snow from the southern Sierra Mountains to save it for use in the summer. It has saved millions in flood damage, increased the water supply, and it is the third largest food-producing county in the entire country now. But the listing in February 1995 of the southwestern willow fly catcher has put the dam's use at risk, fearing the reservoir will flood fly catcher nesting areas, a harm to the bird's habitat. Now Fish and Wildlife may force the Corps of Engineers to release water from the reservoir to protect the habitat that did not exist until the dam was built.

These are two examples, Mr. President. The jaguar in Texas. Mr. President, they have not seen a jaguar in Texas since 1948 when one wandered from Mexico, they think, and it was cited as sort of an anomaly. Now they are talking about listing the jaguar as an endangered species in Texas, having not seen one since 1948, and it could cause restrictions on land use in 30 counties along the Rio Grande River.

Mr. President, that is why so many groups and private property owners—the American Farm Bureau is alarmed by what is happening with this Endangered Species Act. They are in total support of my amendment, which does the following. My amendment just says that we will protect the ability to have emergency listings. It has been said on

this floor that we might lose some of the very important endangered species. Well, we will not. With my amendment, we give the Secretary of the Interior the right to do an emergency listing so there would not be a danger of losing an endangered species on an emergency basis.

But, Mr. President, I think it is very important that we realize that the people who are holding up the progress on the reauthorization are also the people who are here wanting to lift the moratorium. I do not understand that. I do not understand why they would want to lift the moratorium on a bill that they have all said has problems. I have pointed out a few of those problems here this morning. Why would they lift the moratorium under the old act that they say has problems when they have the power to reauthorize and to protect everyone—private property rights, private property owners, and to protect the animals under the Endangered Species Act, as well? Why would we not do things the right way, Mr. President? That is my question here today.

Mr. President, how much time remains on my side?

The PRESIDING OFFICER. The Senator from Texas has 7½ minutes remaining.

Mrs. HUTCHISON. Mr. President, I yield the floor and reserve the remainder of my time.

Mr. REID. Mr. President, I yield 4½ minutes to the Senator from Rhode Island, [Mr. CHAFEE].

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. I thank the distinguished Senator from Nevada.

Mr. President, what is wrong with the Hutchison amendment, the second-degree amendment? First of all, it maintains the moratorium on final decisions to list species through the end of this fiscal year.

Now, Mr. President, let us briefly review the bidding. Last March, the Senate approved a 6-month moratorium, a brief time out on listings under the Endangered Species Act. That was 6 months. That was extended another 5 months under the continuing resolution. Now, under this bill, the moratorium would be extended for another 7 months. That means that for a minimum of 18 months no work will be done toward conserving species that warrant protection under the Endangered Species Act, species threatened with extinction or destruction, and a lot of ground can be lost in a year and a half.

Now, Mr. President, the second point is that although the Hutchison second-degree amendment would allow emergency listings—the word “emergency” is in there—that is not an adequate or practical way to recover a species. Mr. President, you come up with emergency listing when the situation is really desperate. It is sort of a last-ditch effort to save a species, when the species is about to become extinct either through disease, or destruction by man in some fashion, or the last remnant of the habitat has been wiped out.

At this point, Mr. President, there is little hope of recovering the species. Recovery, after all, is the goal of the Endangered Species Act. That is what this is all about. If we do not want an Endangered Species Act, just let us say so. But we hear constantly on the floor of this Senate—when these amendments are brought up to really demolish the Endangered Species Act, it is prefaced by, “We are all for the act, we just want to make these corrections.” But this “correction,” so-called, really is devastating to the recovery of a species.

If you are only listing it as endangered when it reaches the emergency situation, then the cause is practically lost, in most instances, due to the destruction of the animal, bird or plant, or lost due to the destruction of the habitat that is so essential for the survival of that.

Furthermore, Mr. President, I point out that emergency listings are only temporary. Under the Endangered Species Act, they last for 240 days. You go in—it is not like a listing for an endangered species. It is an emergency situation. Normally, the Fish and Wildlife Service promulgates a final rule to list a species at the end of the 240-day emergency listing period.

Under the second-degree amendment that is presented, the Fish and Wildlife Service could not make a final rule to protect the species under the Endangered Species Act because you cannot do that. They have to go through a whole series of emergency actions—240 days, and then another 240 days. That is not the kind of situation that is really going to lead to the saving of a species. It is not going to permit long-term decisions to be made and expenditures of money, perhaps, for the saving of habitat.

So, Mr. President, I do hope the second-degree amendment will be tabled, as the distinguished Senator from Nevada will move at some period.

I reserve the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, in the Endangered Species Listing Handbook published by the Division of Endangered Species, under Procedures Guidance for the Preparations and Processing of Rules and Notices Pursuant to the Endangered Species Act:

An emergency listing is a temporary measure, providing the Act's protection for only 240 days. It is only used in extreme situations of dire imminent threat to a species' continued existence.

Mr. President, there is going to be a flood of lawsuits if this amendment of my friend from Texas is not tabled. The listing moratorium must be lifted. The motion to table that I will make should be granted, and the listing moratorium must be lifted.

First, over 500 species are dangerously close to extinction along with their life-sustaining ecosystems.

Second, the moratorium on the listing process is a display of lack of faith

in the legislative process. Really, it is arrogance, because everyone knows that as long as this moratorium is in effect, there will be no endangered species reauthorization. It removes the incentive for opponents of the Endangered Species Act to reauthorize the act.

Third, it is argued that a time out is what was needed to get reform measures in place and better science procedures in the listing process. I have two responses. The first is that there is no time out for the species who may face habitat degradation and extinction. Finally, the science is irrelevant if a species has become extinct. My second response to a time out is that the show of good faith in reauthorization that my colleagues talked about last night and this morning would be the lifting of the moratorium and proceeding with the business of reforming the act.

Fourth, I received letters from 38 physicians, chemists, dentists, and others from around the country advocating the repeal of the moratorium. I read some of their organizations today. They state with clarity: “What is often lost in the debate over species conservation is the value of species to human health.”

They continue. “\* \* \* [R]ecent studies have shown that a substantial proportion of the Nation's medicines are derived from plants and other natural resources. The medicines of tomorrow being discovered today from nature \* \* \*.”

They conclude: “When a species is lost to extinction, we have no idea what potential medical cures are lost along with it.”

I have talked about the evangelicals and representatives of religious organizations. I have read in detail from their letters. They believe that this is a moral issue and not a political issue.

My response to the second-degree amendment is, among other things:

First, the amendment fundamentally maintains the listing moratorium. That is all it does. It fails to mitigate the devastating impact of the listing moratorium because it does not allow for a final determination of an emergency listing. This means that no real recovery can take place. It is a meaningless exercise in paperwork.

Second, the second-degree amendment only creates wasteful bureaucratic procedures and would be a heyday for lawyers.

Third, the Kempthorne amendment has agreed in the past that we should try to avoid emergency listings. This is directly in the offset.

Finally, Mr. President, there is no justification, no logic, to this inactivity when the net result will be a greater cost to the taxpayer, fewer management options, and, most importantly, greater increase in the likelihood of extinction.

The amendment is a superficial legislative ploy.

I reserve the remainder of my time.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized, and the remaining time is 7 minutes.

Mrs. HUTCHISON. I had 7½ minutes the last time I asked.

The PRESIDING OFFICER. Seven minutes remain.

Mrs. HUTCHISON. I yield 5 minutes to the senior Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I am very happy to be here to support my colleague from Texas. I think on this issue she is absolutely right. Let me explain why.

In 1973, we passed the Endangered Species Act. We have gone back periodically and rewritten that law, and in the last rewriting we put in a date by which the law had to be updated in order to still have force, a sunset provision. The logic of the sunset provision was to assure that periodically as situations changed, such as the power of the bureaucracy to expand the law beyond any limit anyone foresaw when the law was written, that by that date we were going to have to go back and rewrite the law or it was going to stop having any force of law. That act expired in 1992. This is 1996. For 4 years, we have had no Endangered Species Act because the law is sunset. Granted, we have continued to allow it to operate by providing funds for that purpose. But the whole purpose of sunset is to modernize legislation to reflect the new reality.

Then in April 1995 we took a time out. This time out basically said, "It has been 3 years since this law expired." We should not allow the Fish and Wildlife Service to continue to designate endangered species without any limit, without any congressional check, until this law is reauthorized. That was eminently reasonable. It was adopted right here on the floor of the U.S. Senate, and it became the law of the land.

Now we have an effort by Senator REID to go back and, in essence, to make the endangered species law a law that operates in perpetuity where there is no requirement that it be modernized and where it can simply continue to do things like the effort by U.S. Fish and Wildlife to designate 33 counties in central Texas as being affected by an endangered species called the Golden Cheek Warbler. In the face of widespread opposition in Texas, they backed off.

But the point is we have a right to say that when Congress wrote this law, it wanted the right to periodically review it. That time for review occurred 4 years ago.

I think the Senator from Texas, Senator HUTCHISON, has proposed a reasonable compromise that will allow emergency designations and allow us to rewrite this law and make changes that the American people clearly want but which will put the pressure on those whose viewpoint is a minority viewpoint.

This is not just about endangered species. This is about whether or not we are going to let a small group of people who do not agree with the mandate of the 1994 election ride roughshod over that mandate by extending a law which expired 4 years ago and by allowing bureaucrats to continue to not consider cost and benefits. Everybody in the Senate knows that if we rewrite the Endangered Species Act in this Congress, there are going to be dramatic changes in it.

If the underlying Reid amendment which Senator HUTCHISON has amended is adopted and becomes law, we will not rewrite the Endangered Species Act—and everybody knows it. As a result, even though the majority of the American people and the majority of the Members of Congress are ready to make the changes, even though the law has expired, we will end up continuing to expand the power of the Federal bureaucracy.

I want to urge my colleagues to support the Hutchison amendment.

Let me also say that, if the underlying Reid amendment is attached to this bill, I intend to oppose this bill and I intend to vigorously fight its adoption. I think it would be an absolute outrage if we went back now and eliminated the time out we declared in April 1995 on a law which expired 4 years ago.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Texas has 2 minutes and 11 seconds.

Mrs. HUTCHISON. I thank the Chair.

Mr. President, the argument has been made in the Chamber that we might lose some very important endangered animals in America. I submitted an amendment to the amendment to make sure that that would not happen. We allow emergency listings if there really is a danger of losing any animal or any species that is under the old act.

Let us look at what the Reid amendment does. You have heard people on the other side argue that there are problems with the act, but nevertheless they are urging you in the Reid amendment to go forward under the old act which we acknowledge has problems, regardless of the fact that it costs people jobs, that it hurts the economies of many States, and that it takes away a fundamental constitutional right in this country, and that is the right to private property.

That is wrong. It would be ridiculous for the Senate to vote today to go forward, take away jobs, hurt the economy, and take away private property rights under an act which everyone has acknowledged has problems.

If we are sincere about doing what is right, if we are sincere about reauthorizing the bill with some common sense, with some protection for private prop-

erty, if we are sincere about making sure that private property rights and people's jobs have some part in the equation in the decisionmaking, then we should vote for the Hutchison-Kempthorne amendment. The Hutchison-Kempthorne amendment protects emergency listings. If there really is a danger of losing one of the endangered species, it protects that right.

However, what we must do is also protect the right of the people in this country. The jobs and the people who work for a living ought to have some protection by the Senate. If we vote for the Hutchison-Kempthorne amendment, their rights will be protected and we will also reauthorize the Endangered Species Act to protect the animals in our country as well. Let us do it right. Vote for Hutchison-Kempthorne.

I thank the Chair.

Mr. FAIRCLOTH. Mr. President, I first want to commend the Junior Senator from Idaho for his leadership on this issue. I know that reforming the Endangered Species Act is a critical issue to Idaho. It is a make or break issue for many of our constituents. I am certain that he will approach the reauthorization with the reasoned, commonsense perspective it desperately needs.

Mr. President, as a life-long farmer, I understand the value of wildlife. I have grown up with wildlife and protected it without government forcing me to. But also as a farmer, I understand the incredible burden being placed on private landowners and public resources to meet the mandates of this act.

The problem comes when the bureaucracy gets out of control and government hurts people in order to protect animals. That is precisely what is happening all around the country. And where it is not already happening, it will happen soon.

For instance, in North Carolina we have thousands of acres of valuable timberland which cannot be cut because the U.S. Fish and Wildlife Service believes it may harm red cockaded woodpeckers. Some changes have been announced recently that should help matters some. But there remains a big problem back home. By any reasonable measure the government has seized the land of many of my constituents without offering them a dime of compensation.

Unfortunately, the bureaucracy and the environmental industry do not care about the reality outside of Washington. They seek to use the Endangered Species Act and the animals themselves as tools to create Federal land use regulations nationwide. The ultimate result being thousands upon thousands of overlapping habitat ranges for each and every bug, snail, and fly the bureaucrats think we need more of.

Mr. President, the important question is: What happens when virtually all land is home to a protected animal—what happens then?

This is a very serious question. It has happened in Idaho, Senator KEMPTHORNE's State. As he has shown the committee, virtually all of Idaho is regulated as home to some sort of government protected animal. Thousands of acres of valuable farmland have been locked off to protect an underground water snail called the brunei snail. This kind of thing is going to happen everywhere when the environmental industry gets its way.

I will oppose Senator REID's amendment because we need to restrain the bureaucracy that is now operating under a flawed law. A law that gives too little consideration for the livelihood and property of people, and too much for bugs, bees, and bureaucrats.

Mr. REID. Mr. President, I ask unanimous consent that each side have an additional 1 minute.

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

Mr. REID. I yield my 1 minute to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I note that in the second-degree amendment it provides \$1 to the Fish and Wildlife Service to do the entire emergency listing. That shows you how serious the other side is about this whole proposition.

In other words, in the underlying bill, there was \$750,000 which was available for the downlisting and the other activities in connection with this program. And now they are saying that we are out to take care of this situation because there is an emergency provision, and in order to take care of it they provide \$1.

It seems to me that shows you how serious really the other side is in proposing this second-degree amendment. And so I hope that the Reid effort to table the Hutchison amendment will succeed.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mrs. HUTCHISON. Mr. President, I yield 30 seconds to my colleague from Texas and 30 seconds to my colleague from Wyoming.

Mr. GRAMM. Mr. President, I hope nobody is confused by the statement that was just made. When we took a time out in April of 1995, we did not take all the money away from the Fish and Wildlife Service. We left them the money to continue to trample on private property and the rights of citizens and to continue to fail to look at reason, responsibility, and cost and benefits. But we simply took away the right for them 3 years after the law had expired to continue to limit jobs, growth and opportunity in America. The only reason the Senator from Texas added a dollar in her amendment was because this is an appropriations bill and it was strictly a technicality. The Senators amendment does not reduce the \$750,000 available. So I hope no one is confused.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. THOMAS. I thank the Chair.

I rise in support of the Hutchison amendment. We have worked very hard now for almost a year and a half having hearings going on in the country, and clearly all of us want to have endangered species protection. But very clearly, it needs to be changed, and it needs to be upgraded.

We need to learn from the experience of the past 20 years. This is the way to do it. If we do not have passage of the Hutchison amendment, then we will not get to making the changes that need to be made. I fully support the Hutchison amendment.

The PRESIDING OFFICER. All time has expired. Under the previous order, the amendment will be laid aside and the majority leader is recognized to call up an amendment.

The Chair recognizes the majority leader.

AMENDMENTS NOS. 3480 AND 3481 TO AMENDMENT NO. 3466

(Purpose: To provide economic reconstruction funds to Bosnia-Herzegovina subject to compliance with the Dayton Accord's requirement for withdrawal of foreign troops)

(Purpose: To provide economic assistance to Bosnia and Herzegovina subject to certain conditions)

Mr. DOLE. Mr. President, I am going to offer two amendments on behalf of myself and the distinguished chairman of the Foreign Operations Subcommittee, Senator MCCONNELL. One amendment would prohibit the release of funds to Bosnia under this act until the Bosnian Federation is in compliance with article III of annex 1-A of the Dayton agreement which simply means that all foreign forces must leave Bosnia before funds for civilian implementation can be released.

I will also send to the desk another amendment on behalf of Senator MCCONNELL and myself which establishes several conditions for the use of the funds provided for civilian implementation projects in Bosnia. In my view, these two amendments should enjoy bipartisan support. As far as I know, there is no objection to the amendments, but I will offer the amendments and not ask for final disposition until everyone has had an opportunity to take a look at them.

I am pleased to cosponsor with the chairman of the Foreign Operations Subcommittee these two amendments to the Bosnia supplemental portion of the continuing resolution. I wish to address first the issues of offsets for this \$200 million in civilian implementation funding. I understand that this portion of the supplemental was designed as an "emergency" by the Appropriations Committee but was offset by the House. I hope that the conferees will ultimately offset this \$200 million request.

As we have seen over the past few months, the military aspects of the Dayton agreement have been the easiest to implement. It is the civilian side of the equation that poses the toughest

problems. Among them, facilitating the return of refugees, conducting free and fair elections, and establishing a professional civilian police force.

Indeed, the reports we are getting from Sarajevo have demonstrated that integrating the capital is more difficult than separating the various military forces. The military task is limited and clear, while the civilian task is wide-reaching and complex, with only vague lines of authority.

The United States has made a tremendous commitment of personnel and resources in Bosnia and Herzegovina. While many of us disagreed with the administration's decision to send troops to Bosnia, while many of us advocated a different policy, those American forces are now there, and therefore it is essential that we succeed. Our credibility and that of NATO is on the line. It is essential that we in the international community get Bosnia back on its feet. Otherwise, this risky deployment of thousands of American and NATO soldiers will be for naught. It will end up being a brief interlude in a long war. The challenges are immense. There are more than 2.5 million Bosnians who have been displaced from their homes. At least 60 percent of housing in Bosnia has been damaged or destroyed. Most Bosnian Moslems and Croats have no paying jobs and have been dependent on humanitarian assistance for nearly 4 years.

No doubt about it, the Bosnians need and deserve our help. However, there are problems that we cannot and should not ignore. First and foremost is the continued presence of Iranian military personnel in Bosnia and Iranian intelligence officials.

They pose a potential threat to our forces—but also to Bosnia's place in the international community. The McConnell-Dole amendment requires the President to certify that the Bosnians are in full compliance with article III of annex 1-A of the Dayton Agreement mandating the withdrawal of foreign forces, and to certify that Bosnian Government-Iranian Government cooperation on intelligence matters has been terminated.

It seems to me that through our actions today we can send two beneficial signals: That we are seriously committed to assisting Bosnia, but that the Bosnian Government's continued military and intelligence relationship with Iran must be halted.

We know that Iran provided military aid to Bosnia when the rest of the world refused to. I opposed the policy of refusing the Bosnians the means to defend themselves. The Congress opposed that policy. But, that is the past.

And now the Bosnian Government must make choices that will affect Bosnia and Herzegovina's future. Will Bosnia be part of Europe and the West or not? A continuing military and intelligence relationship with Iran clearly jeopardizes Bosnia's future as a pluralistic democratic state in Europe.

Looking further at developments within Bosnia, we need to make sure



that our economic assistance has a positive effect on the social, economic and political situation there and that other donors are doing their fair share. So, besides limiting U.S. aid to projects in the U.S. sector, the second McConnell-Dole amendment would add criteria including:

Prohibiting funds for the repair of housing in areas where displaced persons or refugees are refused the right of return due to ethnicity or political party affiliation;

Establishing, in advance, GAO audit access to the banking and financial institutions that will receive AID assistance;

A certification by the president, after 90 days, that the total U.S. contribution to reconstruction for this year, \$532 million, has been matched by a combined total of bilateral donor pledges.

These amendments do not address all problems related to the civilian effort in Bosnia, but they go a long way. For example, more congressional oversight and work will need to be done on the matter of civilian police and the international police task force which is partially funded in this supplemental. This week we saw houses being looted and burned in Sarajevo and a handful of international police are standing by and watching—because they have no arms and no authority. Another vital issue is that of arming and training Bosnian Federation Forces—which is critical to the long-term stability of Bosnia. That of course, can also only be achieved once the Bosnian Government ensures that Iranian military units are no longer on its territory.

Mr. President, helping Bosnia and the Bosnian people is the right thing to do. However, we must do so wisely—and these two amendments will ensure that U.S. dollars are spent prudently and in a manner that supports our broader goals. It is not only in Bosnia's interest, but in our interest, to have a Bosnia which is pluralistic, democratic, multiethnic and able to defend itself.

I certainly urge my colleagues to support these amendments, and I now send these amendments to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. MCCONNELL, for himself, Mr. DOLE, Mr. BENNETT, and Mrs. HUTCHISON, proposes an amendment numbered 3480 to amendment No. 3466.

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

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

The amendment is as follows:

No funds may be provided under this Act until the President certifies to the Committees on Appropriations that:

(1) The Federation of Bosnia and Herzegovina is in full compliance with Article III, Annex 1A of the Dayton Agreement; and

(2) Intelligence cooperation between Iranian officials and Bosnian officials has been terminated.

Mr. DOLE. Mr. President, I do not know if anybody now wishes to speak on these amendments, but I wanted to offer the amendments. I think Senator MCCONNELL will speak after his hearing.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mrs. HUTCHISON. Mr. President, is there a time limit on this amendment?

The PRESIDING OFFICER. There is no time limit.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I believe I sent two amendments to the desk. I ask unanimous consent to lay aside the first amendment and call up the second amendment.

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

The clerk will report the second amendment.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. MCCONNELL, for himself, Mr. DOLE, and Mrs. HUTCHISON, proposes an amendment numbered 3481 to amendment No. 3466.

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

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

The amendment is as follows:

On page 751, section entitled "Agency for International Development, Assistance for Eastern Europe and the Baltics," insert at the appropriate place, the following: "Provided further, That funds appropriated by this Act may only be made available for projects, activities, or programs within the sector assigned to American forces of NATO military Implementation Force (IFOR) and Sarajevo: *Provided further*, That priority consideration shall be given to projects and activities designated in the IFOR "Task Force Eagle civil military project list": *Provided further*, That no funds made available under this Act, or any other Act, may be obligated for the purposes of rebuilding or repairing housing in areas where refugees or displaced persons are refused the right of return due to ethnicity or political party affiliation: *Provided further*, That no funds may be made available under this heading in this Act, or any other Act, to any banking or financial institution in Bosnia and Herzegovina unless such institution agrees in advance, and in writing, to allow the United States General Accounting Office access for the purposes of audit of the use of U.S. assistance: *Provided further*, That effective ninety days after the date of enactment of this Act, none of the funds appropriated under this heading may be made available for the purposes of economic reconstruction in Bosnia and Herzegovina unless the President determines and certifies in writing to the Committees on Appropriations that the bilateral contributions pledged by non-U.S. donors are at least equivalent to the U.S. bilateral contributions made under this Act and in the FY 1995 and FY 1996 Foreign Operations, Export Financing and Related Programs Appropriations bills."

Mr. DOLE. Mr. President, I do not know of any other speakers, but there

may be requests from both sides of the aisle. I know Senator MCCONNELL wishes to speak briefly. He is now involved in a hearing. I ask the amendments be temporarily laid aside, and I yield the floor.

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

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent to speak for 5 minutes.

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

Mrs. HUTCHISON. Mr. President, I rise to speak on behalf of the amendments that have just been laid down by the majority leader and by Senator MCCONNELL of Kentucky. I think it is very important that we continue to keep in mind that the agreement that was made by the Senate, over my objection, frankly, that we would send the troops to Bosnia, nevertheless did include some very important points.

After the United States has expended so much to try to keep this peace agreement, it is most important that the agreement be kept in force, including the arming and training of the Moslems. That was a key reason that so many people on this floor voted to support sending the troops. It is most important that we get on with that part of the agreement. Otherwise, after all the money that we have spent trying to bring peace to the Balkans, the results will be short-lived, because if there is not some sort of parity there among the three parties, I think it will be difficult to keep the peace for a long term. The one chance that I think we have is if there is parity among the parties. So I hope the President will remember that part of the agreement that was made and get on with the other parts of the Dayton agreement that would give the best chance for this to be a successful mission.

So I am very pleased to support and ask unanimous consent to be added as a cosponsor of Dole-McConnell amendments.

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

Mrs. HUTCHISON. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3479

Mr. REID. Mr. President, very briefly, my friend, the senior Senator from Texas, in his closing remarks regarding the Reid and Kempthorne amendments, indicated that when the moratorium was originally placed that there was no



money involved. That factually is not so. Mr. President, \$1.5 million was rescinded at the same time that the original moratorium was passed.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, I ask unanimous consent to speak for 10 minutes.

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

Mr. LOTT. Mr. President, I rise in support of the Hutchison-Kempthorne proposal with regard to a final listing moratorium for the Endangered Species Act.

I think a lot about this issue because I have had to confront it frequently in my State of Mississippi. I have also heard of many instances in other States where major problems have been caused by the Endangered Species Act. I say this as one who voted for this act way back in 1974. I think, when we originally passed it. I thought we were passing an act that would be aimed narrowly at truly endangered species.

I was thinking about perhaps, you know, crocodiles. I was thinking about maybe white tigers. I was thinking about elephants. I had no idea the extent to which this law would be contorted and twisted and used by the bureaucracy to harass people who are trying to create jobs and provide economic opportunities.

There seems to be no end to the lengths bureaucrats will go to use the Endangered Species Act to take private and public property. I really think that common sense has been lost when it comes to this particular statute.

I do not think when I originally voted—in fact, I know that when I originally voted for this act, I had no idea that this would lead to the spotted owl situation in the Northwest. I had no idea that it would create a problem in my own State of Mississippi with species like the gopher tortoise or the ring-necked snake or the red cockaded woodpecker. I believe it never occurred to many of us who voted for this bill over 20 years ago that it would destroy jobs, cripple economic development, and put private property at risk. It has placed individual rights behind those of a ring-necked snake.

In my own State of Mississippi, we have had a real problem with the Forest Service because they want to set aside not a few hundred, not a few thousand, but 100,000 acres of timberland for the red cockaded woodpecker.

I thought that a lot of birds were involved. Unfortunately, I was wrong. As a matter of fact, it involved just three colonies. Then I thought, well maybe a colony represents a lot of birds. Unfortunately, I was wrong again. A colony is just two birds, one male and one fe-

male. My State of Mississippi will have a total of seven red cockaded woodpeckers in this 100,000-acre set-aside in the Chickasaw District of the De Soto National Forest. Seems a bit excessive, but all done in the name of the Endangered Species Act. And, guess what—the Forest Service wants still more acreage.

Most Senators can cite similar examples of unbelievable experiences and excesses with this law in their States. I think that there is a need to provide some commonsense protection for birds, fish, and plants, but a responsible balance must be reached because the Endangered Species Act is costing us millions of dollars. It is costing us thousands of acres. I think it is getting out of control. Many in this city talk about extremism by one side or the other on policy issues, and perhaps the bureaucracy's implementation of the Endangered Species Act has reached that stage.

It is time that Congress pull the Endangered Species Act back from the abyss and take a calm, reasoned look at it. That is what Senators HUTCHISON and KEMPTHORNE are requesting through their amendment. A narrow and limited pause for only one aspect of the statute.

That is what this debate is all about. Last year the Congress—not some alien group—this Congress put a hold on future listing of endangered species and the designation of critical habitat until the basic statute had been reauthorized. It should be noted that this statute is long overdue for a full review and reauthorization. The Endangered Species Act authorization and its appropriations expired in 1992. And, a pause would enable this Congress to work in a measured manner to correct the statute before more funds are spent and more economic turmoil can occur. The authorization process is the accepted method to establish and adjust public policy.

So why has it not been reauthorized? Because those that want to continue this abuse under the guise of protection are afraid that the American people will insist that the Congress apply common sense to this act. And so the debate has been stalled in the authorization committees making it impossible to bring it forward.

This leaves the appropriation process as the only legislative vehicle to address the issue. And to the credit of Senators HUTCHISON and KEMPTHORNE, they are not trying to gut or repeal the statute. Rather they are asking for a pause until the authorization work can be completed.

It should be noted that the committee with jurisdiction here in the Senate, through the efforts of Senator KEMPTHORNE of Idaho, and others, has made a valiant effort to move this authorization forward. But until it is reauthorized, we should not continue to act. Abuses that has been heaped upon many Americans as a result of this act should be stopped.

The underlying amendment by Senator REID would lift the moratorium accepted and adopted by this Congress last year. Senator REID would just take it away, saying that proper authorizations for public policies are unnecessary.

The second-degree amendment by Senators HUTCHISON and KEMPTHORNE would maintain the original moratorium, but with some changes. It would now only affect final listings and critical habitat designations. This means it will permit emergency listings to go forward if the well-being of a species is at significant risk. This is a major change because it will permit activities to go forward, but they just cannot take the final action. Again, I think that this is common sense and responsible.

There are very few areas where my constituents get absolutely livid at what is happening in America—but this is one. We have lost control of this act. Congress needs to rethink it. Congress needs to correct the problem. We can protect truly genuinely endangered species but we have gotten down to the area of subspecies—down to single blades of grass, this does not reflect our original intent. It appears that only Congress can refocus the basic statute that a bureaucracy has taken over.

So I urge my colleagues to take a serious look at what is going on across America, as well as what is being proposed here. We should not lift the Endangered Species Act moratorium without a proper reauthorization. Nor should we allow the abuses to continue.

We should support the commonsense proposal by Senator HUTCHISON. It is the right thing to do. It will give Congress time to do the reauthorization without impacting emergency listings. So I commend her for what she is trying to do. And I urge the adoption of the amendment by Senators HUTCHISON and KEMPTHORNE. I yield the floor, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SPECTER. Mr. President, I have sought recognition this morning to comment briefly about the significant amendment which was enacted yesterday adding funding for the Departments of Labor, Health and Human Services, and Education, the subcommittee of Appropriations that I chair, and to say at the outset, again, my compliments to the distinguished Senator from Iowa, Senator HARKIN, who is the ranking Democrat on the subcommittee, for his tireless work and the work of his staff, as well as my

staff, in crafting that legislation in a bipartisan compromise. But I am very fearful that if the partisan bickering and the political credit-taking continues, we are going to jeopardize our chance to see that amendment as the cornerstone of this omnibus appropriations bill go through in the House of Representatives and be signed by the President, so that it becomes law.

We have seen political gridlock in Washington in the hours of the past many months of an unprecedented nature. We have seen the Government close down twice, and we have seen the American people recoiling in disgust at the kind of fighting for political advantage which is taking place in this city. I believe that it is a matter for blame to be equally proportioned, 50 percent on each side of this aisle.

I think that what the American people are looking for is to have an accommodation and to work out these differences of opinion so that we can keep the Government going and not have another shutdown, and work in the interests of the American people.

Yesterday, Senator HARKIN and I submitted a bill which we had worked on jointly in accordance with our responsibilities as chairman and ranking member of that subcommittee and on which we had reached a good-faith, bipartisan compromise. And there was a very, very strong vote in this body—84 to 16—an unusually strong vote on an issue which is as highly contested as that one was yesterday, or what would be expected. And 37 of 53 Republicans joined in supporting that expenditure, although there were many questions as to whether that was a wise approach in the overall matter, because we are looking for a settlement on the overall budget dispute. But those differences were laid aside in the interest of funding for education, for health, and for labor and plant safety, to get that done.

No sooner was the issue resolved on the Senate floor than we had back to usual political posturing—taking credit for what had been done in a very, very partisan way. Today's New York Times quotes one Member of the Senate on the opposite side of the aisle saying—and this is attributed—"Many of our Republican friends that have been reluctant to indicate their support for this, really fell over themselves to support this measure."

Well, that is not so, Mr. President. There has been a lot of Republican support for education—both on the subcommittee with Senator JEFFORDS being the leader for education funding, and Senator DOMENICI, as well as my own participation. When an amendment was offered on the other side of the aisle several weeks ago to add substantial money for education, it received 51 votes, and there were many on the Republican side of the aisle who joined there.

Then that Member is quoted going on to say, "They expected Republicans in the House to bridle at the agreement,

but they predicted that the overwhelming bipartisan support in the Senate for the White House stance on the issue would help them prevail in the final legislation."

Mr. President, I had hoped that would be the case, and I still hope that will be the case. But I am not so sure when we have this kind of political credit-taking by Democrats for what was clearly a bipartisan movement. It is a move headed by Senator HARKIN and myself. It is a move that received an 84-to-16 vote with 37 Republican Senators supporting the measure. If we are going to go back to politics as usual and a claim of credit by the Democrats, I think this is going to be a very, very hard matter to hold in conference. There have been some very key legislative proposals that have been defeated this year when somebody crowns and takes credit in the political context before the ink is dry and before the bill is finally worked through a conference committee and is finished.

Another Member on the other side of the aisle was referenced in the Washington Times today saying:

Senator Arlen Specter, Pennsylvania Republican and coauthor of the amendment, "knows how politically vulnerable Republicans are on education."

That is not true, Mr. President. When a reference is made to what ARLEN SPECTER knows, the best source is ARLEN SPECTER. I do not believe that Republicans are any more vulnerable than Democrats on these volatile issues of public policy. I think the American people are coming to the conclusion that they ought to throw out all of the incumbents because of dissatisfaction for what is going on and the political infighting and political bickering which leads to gridlock.

When we work through a very, very tough, bipartisan amendment and accomplish the goals of adequate funding for education and do it in a way which protects the balanced budget concept, because there are offsets on all of these lines, I would ask for a moratorium on the political infighting and the political credit-taking so that we can get on with the business of the American people.

There is an old saying that "a lot could be accomplished in Washington, DC, if people were not too concerned about who got credit for what was being undertaken." I would say to my colleagues on both sides of the aisle that we ought to tone down the political rhetoric and we ought to get on with the business of the country. What we have hanging in the balance from the additional funding which we passed yesterday of \$814 million for title I school districts, which is very vital for education in America, is: \$182 million for school-to-work programs; we have some \$200 million for safe and drug-free school programs; we have some \$635 million for summer youth job training; we have very substantial funding for training for dislocated workers, a matter of enormous importance in America

today with a downsizing of American business. All of this is in jeopardy if we are going to go back to crass politics and political credit-taking and political bickering as usual.

I anticipate great concerns in the House of Representatives when they exercise their legislative discretion. In the United States, we have a bicameral form of government. We have the views of the Senate. We have the views of the House. I have great respect for what the House of Representatives has to say.

This kind of political bantering, political dialog, and political credit-taking is going to be very, very difficult to deal with, because I expect to hear all about it when we go to conference with the House of Representatives. They have their own points of view. They have their constituencies. They are elected on a 2-year basis. They have certain commitments that they have made. This does not help the process at all.

So, it is my hope that the political rhetoric and the political credit-taking will be toned down as we move ahead to try to get this omnibus appropriations bill completed.

Mr. President, beyond this omnibus appropriations bill, it is my hope that the leadership and the Government coming from the President, the administration, and the leaders of the Congress will go back to the bargaining table and try to work out an overall global settlement. We are about to undertake now the appropriations process for fiscal year 1997. We are already scheduling the appearances of the Secretary of Education, the Secretary of Health and Human Services, and the Secretary of Labor for the fiscal year 1997 budget. It is a little hard to look to the next year's budget when we have not even completed this year's budget.

We were able to have this revenue-neutral on a tough vote for many Senators, Democrats as well as Republicans, because we offset it against expenditures which are available only on a one-time basis. There had been talk on a global settlement where we addressed the issue of entitlements and had savings there. There might be as much as \$10 billion available for the issues arising out of the Department of Labor, Health and Human Services, and Education. If we are to find a way to have a budget which can be adopted for fiscal year 1997, again looking to the concerns of education, we are going to need a global settlement. If we have the same allocation, 602(b) allocation for my subcommittee, for next year as we had for last year when we go through the budget resolution, I do not know how it will be possible to find light at the end of the tunnel to add the kind of money which we added yesterday in the amendment. And we are looking to a very, very tough political season.

My thought is that, if the Congress of the United States and the administration cannot come to terms, it is not

only going to be bad public policy for the schoolchildren who very badly need the money which we passed in the Senate yesterday and hope we can get through conference, but what will happen in fiscal year 1997? It is not going to get any easier as we move from March into April, May through to October and November. So it is my hope that the people who have been negotiating on that overall budget global settlement will come to terms, or I think we are all going to have havoc to pay when we look to fiscal year 1997.

But first things first. Let us focus on the bill which is currently on the floor. Let us try to get the job done without rushing to take the credit.

Again, I thank my colleague, Senator HARKIN, for his outstanding work and leadership on this important matter and for setting a bipartisan tone which, if carried out by all Members in this body on both sides of the aisle, I think will lead us to sound public policy for the education interests and the labor interests, the funding of Labor, Health and Human Services, and Education programs.

Mr. President, in the absence of any other Senator in the Chamber, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COVERDELL). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LAUTENBERG. 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. 3482 TO AMENDMENT NO. 3466

(Purpose: To provide funding for important environmental initiatives with an offset)

Mr. LAUTENBERG. Mr. President, this morning, I send an amendment to the desk for myself, Senator MIKULSKI, Senator DASCHLE, Senator JOHN KERRY, Senator KENNEDY, Senator LIEBERMAN, and Senator LEVIN, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, Ms. MIKULSKI, Mr. DASCHLE, Mr. KERRY, Mr. KENNEDY, Mr. LIEBERMAN, and Mr. LEVIN, proposes an amendment numbered 3482 to amendment No. 3466.

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

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

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

Mr. LAUTENBERG. Mr. President, this amendment has a very simple task, I think a very important task, and that is to restore funding for a critical national priority, and that is the protection of America's environmental heritage.

There is broad support for protecting our environment. Americans across the

country want to drink clean water. They want to breathe clean air. They do not want to live near toxic waste sites that pose health risks to their families, regardless of whether they are urban or rural dwellers and regardless of the region of the country. Unfortunately, despite the public's commitment to environmental protection, this Congress has mounted a full-scale attack on our environment. The contract on America may not have mentioned the environment, but deep in the recesses of the presentation is a full-scale attack on our environment.

The contract on America does not have to mention it, but the signers of the contract appear committed to doing everything possible to gut environmental protection. First, the House of Representatives passed a series of riders on the EPA appropriations bill to essentially repeal laws protecting our air, our water, our land, and our families. Also in that legislation, EPA's budget, already underfunded, was cut by a third from the 1995 funding level, and more riders were added on the Interior appropriations bill.

One banned new listings of endangered species. Another rider essentially turned over the old growth forests to private timber interests. And then the House passed changes to the Clean Water Act. That bill dramatically weakened EPA's enforcement authority, wrote off the Nation's valuable wetlands, and included numerous other provisions apparently drafted not by legislators but by lobbyists for corporate polluters. Bills have also been introduced to cripple the Clean Air Act, to weaken our program for cleaning up toxic waste sites, and to exempt various industries from critical environmental regulation.

Another legislative proposal which passed the Senate would weaken something called the community right-to-know law. I am the author of that law, and it has been on the books for some time. It simply requires polluters to tell the public the truth about emissions that come from their place of business. It has been responsible for a 46-percent decrease in toxic emissions in 4 years. It has been a smashing success, as they say, and yet a rider to the omnibus regulatory reform bill would gut that law and allow any company to easily remove chemicals from the listing requirement.

As one can see, the list of congressional attacks on our environment goes on and on, and it is a source of great concern to millions of Americans. A poll, a Republican poll, commissioned by the Republican Party, by Linda DiVall, showed that only 35 percent of the voters would support a candidate who supported the one-third cut in EPA funding proposed by the House Republicans. Mind you, a Republican poll showed that only 35 percent of those who vote would be willing to support a candidate who supported this one-third cut in EPA funding. That is quite a revelation.

The same poll showed that while 6 out of 10 Americans say there is too much Government regulation, generally only 2 in 10 believe that the statement applies to EPA. The public, even those who consider themselves Republicans, do not trust their party on the issue of the environment.

In years past, I have been proud to work closely with many of my Republican colleagues to pass strong and effective environmental legislation. Frankly, I look forward to that opportunity this day. I know that there are Members from the other side of the aisle who care about the environment that we are leaving to our children and our grandchildren. We want to leave them the best, the cleanest available.

I wish to single out for commendation the distinguished Senator from Missouri [Mr. BOND], chairman of the subcommittee on EPA and NASA and the Veterans Administration, who has made a serious effort to increase funding for EPA over the proposals that came from the House. He has had to deal with an inadequate 602(b) allocation from the Budget Committee. He has worked hard within these constraints, and he deserves real credit for that.

Unfortunately, despite his efforts and despite the efforts of the ranking member of this subcommittee, Senator MIKULSKI from Maryland, laboring hard to try to improve the funding, because of the inadequate funding in the Republican budget for almost all domestic needs, the funding in this bill for environmental protection is just not enough to do the job. And, although better than proposals from the House, the legislation would require real cuts in critical environmental programs. Compared to last year's budget, even after the enactment of the Republican rescissions bill, the bill before us would cut EPA by over 11 percent.

So, my amendment proposes to restore funding for the environment to bring EPA's budget back up to, essentially, last year's level after the rescission.

And, perhaps most importantly, the amendment will add \$365 million for States to fund sewage treatment and drinking water programs through State revolving funds.

Our State and local governments need these funds to meet Federal standards related to the control of sewage waste and to ensure safe tapwater. States leverage this money so its real value will be many times the amount appropriated. Yet the needs are enormous. Local governments need to meet Clean Water Act mandates that will cost over \$100 billion. So this is not the time to be stingy with aid. It is critical to many hard-pressed communities and to citizens who rely on safe drinking water coming from their taps.

In addition to the \$365 million to keep our water clean, my amendment includes various other provisions that will improve our environment. These include \$50 million more for the

Superfund Program to clean up toxic waste sites, and success and progress can be directly measured there. But what is going to happen as a result of the funding levels that we presently have is we will be shutting down work on sites that had begun, that show some promise for cleanup. That will grind to a halt.

We have \$62 million for environmental technology to do the research necessary to find different ways and more effective ways to treat the environment.

We have \$75 million for the Department of Energy included in here, for its excellent weatherization program which will provide weatherization grants for 12,000 homes, and give people a chance to protect themselves against the cold so they do not have to spend as much for fuel and also do not add to the consumption levels.

Mr. President, we have \$75 million for the National Park Service, to stop the degradation that is taking place in our national parks. The National Park Service needs money. It needs staff. It needs resources to keep these parks up to the level that makes them available and makes all of us proud about these national monuments.

There is also \$5 million to advance research for methyl bromide replacements. Methyl bromide causes nausea, headaches, convulsions, and ultimately death in some cases. Research in this area is badly needed.

Unlike the underlying bill, which provides funds on the assumption that Congress and the President reach some type of budget deal, this amendment has sufficient offsets so that we can immediately get on with our efforts to protect the environment.

First, the amendment includes legislation, proposed by the administration and adopted in the House reconciliation bill, that will improve the Federal Government's ability to collect delinquent debts. The Federal Government is owed almost \$50 billion in nontax debts. We simply have to do a better job of collecting them.

The other offset included in the amendment calls for the sale of Governors Island in New York harbor. This also enjoys broad bipartisan support and was included in the House reconciliation bill. Governors Island is no longer going to be used as a Coast Guard station as it has been for so many years. It is now deemed to be inefficient and unnecessary as a place for the Coast Guard. With these offsets, our amendment is budget neutral.

Our Nation has made enormous progress since the environmental movement was ignited by Earth Day in 1970. Environmental laws have made our water safer to drink, cleaned up our oceans and rivers, made the air cleaner, and protected our land from dangerous waste disposal practices. This is no time to turn back.

Because of our work, there have been measurable improvements in our air and our water. In 1975, 60 percent of our

waters—streams, tributaries—did not meet water quality standards. Today, only 40 percent fail that test. That is a remarkable improvement, and we can continue to build on that. But if we let it slip back, it does not take long for pollution to take over.

Thanks to our environmental laws there is now a generation of children in many parts of the country who have no conception about the terrible air pollution that spoiled our air not too long ago. Even our biggest cities have fewer days of unhealthy air pollution than they did 20 years ago, despite economic growth and population increases. Lead has been taken out of gasoline, which has had a significant positive impact on children's mental health. Today, ambient levels of lead are down 89 percent since 1984.

Sulfur dioxide concentrations in urban areas are down 26 percent since 1984, improving the ability of people with asthma and other respiratory diseases to lead normal lives.

Carbon monoxide levels are down 37 percent since 1984, largely due to cleaner cars and fuels, and more effective vehicle inspection and maintenance programs. These gains have come while the number of cars and vehicle miles has grown substantially.

Ozone levels have dropped since 1984, so 43 million fewer Americans now must breathe unhealthy ozone levels.

These advances occurred because this Congress passed the laws to make it happen, not in recent sessions, but over the years, and because we provided the funding to do the job. We made an investment in the environment and that investment has paid handsome returns. But now, if we back off on our commitment to the environment, successes of the past no doubt will be reversed in short order.

The environmental challenges of the future are substantial and in many ways more difficult than those of the past. We need to control emissions from many smaller businesses, something not easy to implement or to police. We will need to develop new technologies and we need to develop alternative approaches to controlling pollution. All of these require a real commitment of resources. That fact cannot be wished away or ignored.

We have heard it said many times that we need to balance the budget because we are piling debt upon our children. But what about the environment we are leaving to our kids? In my view, and the view of the American people, the environment simply must be a national priority. We can agree on balancing the budget and at the same time making certain that we provide a cleaner environment for our future generations. If we want to balance the budget we ought to find other ways to do it than restricting environmental cleanup activities.

This amendment would simply maintain funding for environmental protection at about the same level as last year's budget, after the rescission. I

think it is a modest and certainly a reasonable proposal. I hope my colleagues on both sides of the aisle will support it.

Mr. President, we all ought to agree here, and we will agree when we cast our votes, that the environment is a priority for those of us who can do something about it. We have to decide here and now what it is that we want to leave for our kids by way of environmental protection. Do we want them to be able to breathe the air without getting sick? Do we want them to be able to go to the water tap? Sales of bottled water in this country continue to escalate. I am sure, when the original settlers came here they never dreamed they could do anything else but drink the water that was naturally available, and now some 40 percent of the population is buying bottled water. We ought to be able to assure people that, when kids go to the tap to take a drink, they are not jeopardizing their health, nor is the ground they are playing on dangerous for their well-being.

Those are the decisions we are going to make with this amendment, Mr. President. I hope that all of our friends on both sides of the aisle, Republican and Democrat, will agree that while we can discuss budget priorities, at the same time we can agree that we want to send a message on a cleaner environment.

I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise to join Senator LAUTENBERG and other of my colleagues in offering this amendment to restore critical reductions taken in the funding for environmental programs. I compliment the Senator from New Jersey for his steadfast advocacy on the environment, and I look forward to working with him on these important issues.

Mr. President, we in Maryland are budget weary. We have been battered by the budget, we have been battered by floods, and we have been battered by the shutdowns that have occurred. What has been so terrible about the shutdowns that have occurred is that they have shut down our ability to enforce America's vital, crucial environmental protection laws relating to Superfund, safe drinking water, clean water, to be able to help our people be in a safe environment and help local communities.

The full committee and the subcommittee chairmen, Senators HATFIELD and BOND, have taken important steps by restoring \$240 million in real money to this omnibus CR. This important effort, I think, will move us beyond this weariness that we have with shutdowns. I hope that at the end of this week, we have not shut down the Federal Government, we have not shut down the Environmental Protection Agency, and we have not shut down our ability to enforce public health and

safety, nor that we have shut down the funding to go to environmental contractors.

But the fact remains that despite the efforts of the chairman of the Appropriations Committee and the chairman of the Subcommittee on VA and EPA, this appropriation, this CR continues to be \$750 million below the 1995 level. It is the defunding of EPA. That is unacceptable to us on this side of the aisle, and it is unacceptable to the American people.

The American people want clean air, clean drinking water, they want contaminated and hazardous waste sites cleaned up, and they want their local communities to have the resources to provide wastewater and clean water to these communities.

The American people are absolutely opposed to efforts to weaken the environmental laws and are opposed to budget and staffing cuts that do that.

There was a recent poll that showed that 46 percent of the American people want no changes in either clean or safe drinking water.

When we talk about the impact on these budget cuts, this has a tremendous impact not only on local communities and on public health and public safety, but it absolutely has a direct impact on business.

A recent study by the University of Maryland's Jacobs Center, which is a business evaluation center, said that businesses are concerned that cuts to regulatory agencies lead to delays in permitting, and poorly trained staff also lead to a delay in permitting, which is a delay to business.

In my home State of Maryland, good environment is good business. That is why we have been such strong supporters of the Chesapeake Bay Program and the cleanup of important rivers and polluted rivers, like Back River. So the American people do not want any more cuts in EPA, and neither do I.

This amendment restores \$738 million and puts us at 1995 levels. It is essentially a freeze on EPA, but it does restore funds to implement those important standards.

It also does something else. This amendment restores programs relating to the environmental technologies initiative. That is an initiative to spur, working with the private sector, new technologies, new products that we can manufacture in the United States and sell overseas.

Mr. President, these environmental cuts have a great impact on the United States of America and its citizens, but also this has a great impact on our national reputation. The world is coming to the United States of America for our environmental expertise in Government and its form of regulation, in terms of academia, in terms of its scientific research on the environment and in terms of a private sector that has developed techniques and products in manufacturing biotechnology to clean up the environment.

What we want to do in this legislation is to restore the Environmental

Protection Agency to do this. To keep the funding cuts, I believe, will have a devastating effect on American citizens and will be a loss of national honor, as well as a national opportunity to go global.

This national opportunity will enable us to take our environmental expertise that the world wants access to and to go around the world giving out information, ideas, science and actual products.

We talk a lot in this U.S. Senate about how we need to have good jobs at good wages. I believe the frontier to do that is in the field of environment, using the expertise of EPA, working with America's academic institutions, encouraging these new technologies in the private sector. If we do that, we will not only protect our environment, but we will also be able to create jobs and be able to have an important contribution internationally.

So I hope, therefore, that my colleagues will support the Lautenberg-Mikulski-Lieberman and Kerry amendment to restore these cuts to EPA. We believe we have sound offsets to be able to do it, and I believe then we can move this process forward.

Again, I thank the chairman of the full committee, Senator HATFIELD, and the chairman of the subcommittee, Senator BOND, for taking the first step by restoring the \$240 million. We look forward now to taking the next step to put EPA at the 1995 levels.

I thank the Chair and my colleagues for their attention, and I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Chair, and I particularly want to thank the Senator from Maryland and the Senator from New Jersey, Senators MIKULSKI and LAUTENBERG, for their leadership and efforts to try to guarantee that we have a sensible environmental policy in this country.

What is really astonishing is that this is the 10th time this year that we are debating the environmental programs of this country, the 10th time we are debating the 1996 budget. We are now in the sixth month of the current fiscal year, and we are setting a historic first for the United States of America. In the 11 years that I have been in the U.S. Senate, never—never once—have we had to go into a succeeding fiscal year and still be debating the items of the last fiscal year.

I would say, without any question at all, that the responsibility that fell to the majority last year or the year before, when they won the election, has really not been discharged properly. I remember when we were in the majority, in the last occasion of 1994, all 13 appropriations bills were passed on time. Whatever compromises were necessary in order to achieve that, we understood the Constitution of this country, we understood the nature of the system.

What has really happened here in Washington in 1995 and 1996 is that a small band of radicals in the House of Representatives have fundamentally hijacked the Constitution of this country. In the name of ideological purity and of their particular point of view, they have disavowed the balance of power between the executive and the legislature. They have taken into their own hands their own definition of timing.

They are breaking the law, Mr. President. They are breaking the law. The law says that these bills will be accomplished by a specific point in time. They have not been.

So we are here for the 10th time debating where we are going. People will say, "Well, the President won't agree." Well, the President has the veto power. That is what the Founding Fathers gave him, and when the President has the veto power, and there is not a sufficient political force in the country to undermine whatever sustaining capacity there is in the Congress with that veto, then the President gets to have that balance.

The reality is, you are supposed to compromise. But that is not what is happening. I think it is very unfortunate for all concerned. I know that there are moderates on the Republican side, many in the Senate, who are uncomfortable with what is happening, who do not agree with it, who would rather see the Congress of the United States do its business. I think it is entirely inappropriate for the country to pay the price for this small group in the House of Representatives.

It is revealing that while a certain group of appropriations bills have made it into law, it is revealing that the bills that fund the agencies with primary responsibility for the environment and our natural resources, the Environmental Protection Agency and the Department of Interior, have not been signed into law. I think, Mr. President, that the fact that those particular bills have not been signed into law underscores the clash of priorities that is evidenced in the Republican approach to the funding of those bills and the Democratic approach.

The fact that the Republican leadership is still fighting for large cuts in environmental programs is, in my judgment, an indication that they are not in touch with the real concerns of the American people and their desire for clean air and clean water. The response from some will quickly be, "Wait a minute. Of course we're in touch. Being in touch means you balance the budget. We have shown that you can balance the budget." But you do not have to do it at the expense of these environmental programs.

So, in the final analysis, it really comes down to a fundamental confrontation between choices—the choices you make to balance the budget. And the choices that you make to balance the budget are the final evidence of your priorities and of your values.

That is why, Mr. President, I am here once again in this 10th series of efforts on the environment with Senator LAUTENBERG and Senator MIKULSKI and others, to speak in support of increasing the funding for specific environmental programs. What we are seeking to do is to add back over \$900 million for environmental programs at four Federal agencies—at the Environmental Protection Agency, at the Department of Energy, at the Agriculture and Interior Departments. It is our judgment that this money is critically needed in order to fully protect America's health and safety at a level that Americans have come to expect and that they believe is their right.

Mr. President, if we succeed in passing an omnibus spending bill, we are going to set the environmental budget for the EPA through the end of this fiscal year. If we pass a bill that includes environmental funding increases in this amendment, all we will have succeeded in doing is bringing us back to last year's level of protection. I think Americans need to understand that.

This is not a Democrat effort to try to add huge sums of money, even though many of us believe that in certain areas we ought to be spending more. This is simply an effort to hold our citizens harmless from a reduction below the level that we were at last year.

If, however, this amendment is defeated, Congress will have turned its back and turned the clock back on some 25 years of environmental gains. Ironically, for 19 of the last 25 years, Republicans were in charge of the EPA. It was Richard Nixon who signed into law the National Environmental Policy Act and delivered protection of the environment as a national priority. I think it is particularly ironic that after George Bush joined with us to help sign into effect the Clean Air Act, and after the many efforts of the last years that have been bipartisan, that we are suddenly thrown into this partisan clash over whether or not we can keep the funding at last year's level.

Regrettably, our friends on the other side of the aisle have made a different choice, and it is different from what most Americans are telling us that they want. I think almost every poll in the country has shown that Americans want to protect their environment: they want cleaner air, they want cleaner water, they want pristine rivers, they want our ecosystems protected, they want an abundance of species, plants, and animals, they want clean beaches and national parks, and they want public lands that are safe and they want them protected. They want cities with breathable air and industries and businesses that are willing to join in the effort to guarantee that these kinds of protections exist.

Unfortunately, Mr. President, you cannot reconcile that stated desire of the American people with the budget figures that we are being presented. So the central question in this debate is

really: What priority do you place on protecting the Nation's environment and natural resources and the health of our citizens?

I am confident that we are going to hear Senators on the other side of the aisle say, "I take no second seat to anybody in the country on protecting the environment." We will hear Senators say, "Let's not kid ourselves; nobody is against the environment. Nobody wants to have bad water," and so forth. It is fine to say that, Mr. President, but if you are in favor of cutting inspections, if you are in favor of cutting a community's ability to be able to provide that clean water, if you are voting for an amendment or a bill that reduces the commitment from last year, even though no American is asking for a reduction except for some companies, it is very hard to follow through and say, you are, in truth, voting for what you are talking about.

That is the real difference here. What are you voting for? What are you putting into the budget? What numbers do you really support? While the bill that is being brought to the floor is an improvement from the conference report, it is still a budget that is hundreds of millions of dollars below the level that most people in good conscience and good faith have decided is necessary in order to continue the level that we have committed to the American people.

In addition to that, Mr. President, the bill contains a series of legislative riders that cripple the EPA's ability to be able to protect the Nation's wetlands, which is precisely what some people want to do. They have never liked the wetlands protection. They want to develop wetlands, and they do not care about the standards. So they are intentionally setting out to cripple it. And it would also halt the Department of Energy's work on setting energy efficiency standards for appliances.

Mr. President, we have, as I have said before—but I think it needs repeating again and again—shown that you can balance the budget in 7 years without doing what the Republicans are choosing to do here. I hope that we will recognize that without restoring some of this funding, the cuts to the EPA are going to deal an extraordinarily harsh blow to efforts to be able to protect us.

I would like to bring it down to a local level, if I may, Mr. President, to my State of Massachusetts. We are trying, in this bill, to increase the State revolving fund by \$365 million over what the Republicans have provided. Every State will benefit. All cities in each of our States that are in need of new infrastructure will benefit by adding to the State revolving fund.

We have communities in Massachusetts, a community like New Bedford, for instance, about 100,000 residents, is building a sewer treatment facility that will cost more than \$200 million. It has to build this under Federal law. Yet the tax base is such that the citi-

zens cannot really afford to do that on their own. In the 1980's we had a partnership with the Federal Government where the Federal Government would provide anywhere from 55 to 75 percent of the money. That is not happening today. As a result, local communities are being harder and harder pressed to be able to try to live up to the standards that we have set at the Federal level. Because they are harder and harder pressed to do that, they get angrier and angrier over those Federal standards and begin to blame the standards themselves.

What happens here, you get caught in a vicious circle. People begin to lose their commitment to the standards and to wanting to clean up because they feel oppressed by them. The reason they feel oppressed by them is they are required to do things they do not have enough money to do. The reason they do not have enough money to do it is the Federal Government has pulled out of the partnership and taken away the help that was given in the 1970's and the 1980's. That happened, as we all remember, in 1982 when Ronald Reagan came along and stripped away title II of the Clean Water Act and left the mandate. All of a sudden the anger was directed at mandates.

Mr. President, we desperately need that kind of funding assistance. In a city like Fall River, a partner city to New Bedford, you have a similar sort of tax base, similar difficulties. You have a combined sewer overflow problem which the community desperately needs to be able to refurbish, rehabilitate the sewer overflows, 100-year-old infrastructure, a current population, and the current population is required to pay for the next 100 years. That is not fair. You have to try to spread that out.

Nowhere is that more felt, Mr. President, than in the city of Boston where we are living under a court order, Federal mandate, Federal court order, that you have to go ahead and clean up the harbor; at the same time, put in a secondary treatment facility for water, billions of dollars of expenditure. So the citizens of our State and city have seen a 40 percent increase in their water rates in the last few years. It has gone up to about \$618 per family and will go up to \$800. This drives out business, drives down the value of property, and most importantly, it is just impossible for the average family, already struggling on a lower income, to be able to pay these increasing costs.

Once again, what is the result? The result is people get angry at the mandate, even though it is a legitimate mandate that you have clean water. The result is we begin to lose the consensus in this country to be able to do these things.

Mr. President, in the 1970's and 1980's, many communities got money to the tune of 90 percent, 75 percent, 55 percent of their project being paid for by the Federal Government. In 1996, Boston has received a total of 18 percent

funding, contrary to the 55 percent, 75 percent, 90 percent of years past. Even President Bush saw fit to put \$100 million each year into our budget to help us with that. We desperately need the State revolving funds and those kind of commitments. That is an example of one State. That can be replicated all across this country. There are other communities in need of additional money.

Mr. President, there is another area that is a concern. That is the area of the funding for the cleanup of toxic waste sites. This bill provides an increase, for which we are obviously grateful, over the conference report which devastated this program. Our amendment would restore an additional \$50 million to the Superfund which is still several hundred million dollars below what the President of the United States has asked for. Now, while our amendment is not everything we would have liked, we believe what the Republicans are doing will slow the cleanups. It will continue to stall cleanup efforts in communities that have very, very patiently waited for Federal intervention.

Let me just share with my colleagues a story that I think underscores why this is so important. The toxic waste cleanups are critical to our ability to be able to provide the fundamental protection that our citizens are looking for. There was a young man in Woburn, MA, named Jimmy Anderson who got sick from a contaminated well in Woburn. He died from lymphocytic leukemia in 1981. His story underscores why this \$50 million is important. About 30 years ago, his mother, Ann, suspected that something was wrong and that their water was bad because it smelled bad. She went to authorities and said, "There is something wrong with our water." The authorities just said, "No, don't worry about it. It's OK. It will be all right." Then in 1972 her son Jimmy got sick. Despite her concerns, the wells that they were drinking from remained in use until 1979, when an environmental inspection that was triggered by a totally different event revealed that in those wells there were, indeed, high levels of toxins.

Eventually, other leukemia victims came forward. It turned out that between 1966 and 1986 there were 28 cases of leukemia among Woburn children with victims concentrated in the two sections that were served by those wells. Now, investigations revealed when they analyzed the water, that there were whole lagoons of arsenic, chromium, and lead that were discovered on a tract of land that had once housed a number of chemical plants, and from a nearby abandoned tannery that had left behind a huge mound of decades-old rotting horse hides that gave off a smell that commuters used to call the Woburn odor as they drove by.

I say to my colleagues, before we rush into adopting a budget that is

going to reduce the level of inspections and give us more Jimmy Andersons, why do we not just stop and think about what the environmental protection effort is trying to achieve and what it has achieved in its previous years. Jimmy Anderson's mother came to Congress to testify. This is what she said: "It is difficult for me to come before you today but I do so with the realization that industry has the strength, influence, and resources that we, the victims, do not. I am here as a reminder of the tragic consequence of uncontrolled toxic waste and the necessity of those who are responsible for it, to assume that responsibility."

Mr. President, in no uncertain terms, the budget that the Republicans are offering empowers those polluters and takes away the responsibility. The budget that we are offering tries to hold those people accountable and provide power to the victims.

I hope, Mr. President, that in the hours ahead we can find the same kind of bipartisan coalition that we found yesterday on education. This should not be a partisan issue. I regret that there are some who have stated their priorities different from other people's.

Finally, I hope we will rectify the legislative riders that open up more timbering, that create a greater imbalance in the relationship between our natural resources and the people of this country. There is nothing, frankly, more important, than education. This is part of our education effort. It is also part of our fundamental responsibility to the next generations. I hope we will add the money that is necessary.

Mr. BOND. Mr. President, I rise in opposition to the Lautenberg amendment. I also must point out to my colleagues that the partisan rhetoric that we are hearing about the environment is reflective of the fact that this is an election year. I have listened with great interest to some of the wild charges and political claims being made. I keep checking to find if it has anything to do with the measure before the Senate. I find, unfortunately, that it has to do more with somebody's campaign than with talking about the issues that are relevant to this bill.

My colleague from Massachusetts has just denounced the fact that we are breaking the law because there has been no appropriation for veterans, housing, environment, and space—the main subject areas of the subcommittee I chair. Well, I can tell you, Mr. President, quite simply why there has been no bill passed and signed by the President. It is because the President vetoed the bill that we presented to him that was within the budget allocation and passed by both Houses of Congress.

I can tell you, also, that beginning last November when we sought to work with the White House to find out what would be acceptable, what we need to do to accommodate their interests, we were stonewalled, absolutely

stonewalled. Leon Panetta came and said, "Well, the only way we can sign this bill is to spend \$2 billion more." This was at a time when the President was stating that he was for a balanced budget. However, he was asking that we break the budget by \$2 billion. He vetoed the bill and said we need \$2.5 billion. No longer the original \$2 billion.

Mr. President, how much is enough? How much is enough? How far do they want to break the budget? I have fought hard on this bill, and I believe we have fought responsibly to raise the amount of money appropriated for vital environmental cleanup efforts, and within the appropriations available to us under the budget agreement, we have done a good job.

(Mr. ASHCROFT assumed the chair.)

Mr. BOND. In this measure before us, we have added additional funds and we have put in a provision that if the President will agree to sign a balanced budget amendment that would make the budget balance in 2002, there will be even more money available for what I regard as a high priority, and that is environmental cleanup.

My friend from Massachusetts said, "You are supposed to compromise and negotiate." Well, on that matter, I agree with him 100 percent. But let me ask my colleagues, Mr. President, if we are supposed to negotiate and compromise, if we are supposed to come to an agreement with the White House, how do you do it when they do not show up? This Chamber is essentially empty. But this Chamber is just what I have had in attempting to deal with the White House—nobody. I have talked to the Agency head, Administrator Browner. I have talked to Ms. McGinty in the White House, head of the Council for Environmental Quality. I have talked to the Vice President. I have talked to OMB director, Alice Rivlin. I said, "We want to compromise and work with you to make sure we meet the objectives of the programs funded by this bill." We do not have a bill, Mr. President, quite simply, because the President has chosen the political tack. His political advisers say it is far better to veto and throw hot rhetoric than to sit down calmly and negotiate.

I hope the time has come when we are ready to negotiate, because I believe we have made great progress in the environment in past years. I want to see that continue. I believe the bill before us will continue that progress. I will be happy to work along with the leadership on this side and the leadership on the other side of the aisle to come to a reasonable compromise that keeps us on our budget goal of balancing the budget, so we do not put the burdens of our debt on future generations, but which will meet the objectives that are funded in this bill in the environmental area.

Let me return to the Lautenberg amendment. The Lautenberg amendment is about pumping up the rhetoric



and the polarization surrounding environmental issues. I must say that the supporting remarks are completely in that vein. It is not about ensuring that limited dollars are spent on EPA programs and activities which most effectively reduce risk to human health and the environment.

The Lautenberg amendment includes funding for the administration's entire wish list for EPA, totaling \$726 million. I would like another billion dollars, too. It is always nice to have that. Maybe the stork or the tooth fairy will bring it. I am sure we can spend more money well. But it is not possible, unless we reach other agreements that will lead us to a balanced budget, that we can accomplish that goal and put additional sums in.

There are additional sums in this measure introduced and presented by Senator HATFIELD, which will provide more funding when we come to an agreement on a balanced budget. The offsets proposed in the Lautenberg amendment are phony. They are being used in the other Democratic leadership amendment to be offered to the bill. How many times can you trot out that same old ghost of imaginary cuts? Imaginary cuts are a great offset, but they make awful thin soup because there is nothing there.

As chairman of the VA-HUD subcommittee, I have worked very hard to fund EPA adequately within the very constrained budget allocation available to the subcommittee. The bill before us today increases EPA's budget by \$402 million above the conference level, including \$240 million within title I that would be available upon the passage and the signing into law by the President of this bill, and another \$162 million in title IV of the bill, the contingency section. We can spend the \$162 million if we reach a broader budget agreement.

The total for EPA is \$6.1 billion. This, I believe, represents a good-faith effort to meet the administration's concerns, even though they are not willing to discuss those concerns with us or present us with an honest prioritized list of needs and wants.

We have made these efforts because we are concerned about the environment. We have made these efforts, and we have taken these steps because Members of this body on both sides of the aisle are interested in protecting the environment. This is a bipartisan issue.

The arguments about the Republican opposition to the environmental cleanup are absolute hogwash. It is embarrassing that we have to answer those inane charges on the floor of the Senate. It is appalling to me that someone would come down and make those assertions. But they have been made, and they are nonsense. They do not deserve further discussion.

The additional funds in title I, which are funded within the subcommittee 602(b) allocation, are provided for State revolving funds, for the Superfund and

the enforcement activities, all of which were included on the administration's wish list. As a matter of fact, they were the first ones mentioned by the Administrator of EPA when I asked her to set priorities—assistance to the States for water infrastructure construction, toxic waste cleanups for sites posing real and immediate risks, and funding to ensure that there are no employee furloughs or RIF's. Reductions to ongoing contractual support are high priorities.

Let me be clear. The amount provided in title I—that is not subject to contingency. The only contingency is that it be passed by the Congress and signed by the President. This appropriation ensures that the EPA does not have to fire or furlough a single employee. And the enforcement budget is increased, Mr. President, by \$10 million over fiscal year 1995, in a year when total funds available for commitments by this subcommittee were reduced by 12 percent from the preceding year.

We have held EPA at a higher level and even increased the enforcement budget. In addition, this legislation recommends another \$162 million in title IV, the contingency section, for additional State revolving funds operating programs and a new laboratory facility in the North Carolina Research Triangle Park, where EPA space is sadly deficient.

This legislation recommends a total of \$6.1 billion—just \$300 million, or 4 percent, less than the total fiscal year 1995 actual spending level in a bill that is 12 percent overall below. Where did we have to cut? We had to choose priorities. We cut earmarked water and sewer projects—the pork that Members love to bring home. Bringing home the bacon is unfortunately a sport that is still popular around here.

Last year's appropriations contained some \$800 million in these bringing home the bacon projects. This bill all but eliminates such earmarks.

I note that the Senator from Massachusetts, a staunch defender of the amendment that is being offered, would see funding for his State to go up by another \$75 million. Certainly it does enhance one's enthusiasm for an amendment. But I will address that part later.

H.R. 3019 provides \$1.825 billion for State revolving funds. This includes an increase of \$100 million over the President's request of \$500 million for drinking water—State revolving funds to be distributed by a formula based on need—a formula based on need and not a formula based on who can offer an amendment. It is a formula for which we hope the Environmental Protection Agency and State agencies will use good, sound science and prioritizing in determining where the money needs to go.

In fiscal year 1995 the States received only \$1.235 billion in revolving funds. This year's bill ensures that States will receive \$1.725 billion, and an additional \$100 million if title IV spending is re-

leased; that is, if the President agrees on a balanced budget. That would be an increase of almost 50 percent. The occupant of the chair and I have served as Governors. We know where the pedal hits the metal and where the rubber hits the road, which is in the States where they actually do the cleanup. In Washington we talk about it and we pontificate about it. It is the States that have to do the cleanup. It is the States that take care of the needs of their communities. It is the States that take care of the environmental risk to their citizens. And we increase that money by 50 percent in this bill.

I note that it is especially ironic that the pending amendment seeks to add back pork barrel sewer projects. This is not environmental protection so much as old-fashioned parochial political pork. That is what is involved here.

In addition to the State revolving funds this legislation fully funds State agency grants. We have recognized that the States have been assigned burdensome responsibilities by the Federal Government to protect and clean up the environment. We have tried to provide sufficient funds for them to do that despite the budgetary constraints under which we must act.

Despite very serious concerns with the Superfund program—and there are serious problems with that program, Mr. President, and everybody in this body knows there are problems with it and reservations about putting a lot of money into a program which virtually every one agrees needs to be reformed—the legislation before us actually recommends \$1.263 billion for Superfund, \$100 million more than the conference agreement. This appropriation would result in an increase in the dollars spent on actual cleanups in fiscal year 1995 and would provide level funding for enforcement activities.

The Senator from Massachusetts and other proponents of this measure have talked about the slowdown in Superfund. Slowdown is synonymous with Superfund. That is what Superfund has become—a tremendous slowdown project. It has had some tremendous benefits. It has had tremendous benefits for the lawyers who file the lawsuits and argue over who is going to be responsible. The more money we put in the Superfund the more fees we generate. This is a litigation machine. This is a lawyer's dream. The law provides more dollars for lawyers and too little for cleanup. We cannot just throw more and more dollars at it without changing the law.

If we are serious about the Superfund and toxic site cleanups—and we must be—then we have to reform the program. We are working to reform the Superfund Program so that the money in Superfund goes to what people thought it ought to, and perhaps think it still goes to; that is, cleaning up the sites.

Mr. President, many of the recommendations included in the committee reported bill for EPA were made by

the National Academy of Public Administration. This is a nonpartisan organization which was asked by my predecessor, my Democratic colleague and ranking Member, Senator BARBARA MIKULSKI, to undertake a report on reforming EPA 2 years ago. I want to say once more for the Record that Senator MIKULSKI has been a leader in promoting environmental progress and using the best management and the best science to do so, and the work that was done at her request in the National Academy of Public Administration, I think—in common forums away from the political diatribes on the floor and on the hustings—is recognized as the way we should go to make sure that we deal with the threats to health and the threats to the environment from toxic waste.

We followed the recommendations in this bill of the National Academy of Public Administration. They were presented to Congress almost a year ago, and they said turn over more responsibility to the States; turn over responsibility to the States which have developed capacity over the past 25 years to manage environmental programs. Do not step on their efforts, if they are doing a good job. If they are not doing a good job, Mr. President, there is every reason to have a Federal agency which says, "You are not doing a good enough job." If we in Missouri were polluting the air of Illinois, polluting the water of Arkansas or Mississippi or Louisiana, the national agency should step in. But if we are doing the job in Missouri in cleaning up the environment to standards set on a national basis to protect the national health and well being of the environment, then we ought to give the States the flexibility to do it.

According to NAPA, "EPA should revise its approach to oversight, regarding high-performing States with grant flexibility, reduced oversight, and greater autonomy."

That sums it up. This is what we have tried to do through the appropriations bill. We have even included authority for EPA to begin issuing block grants for maximum flexibility. We have tried in this bill to get EPA to focus on the areas of highest risk to human health and the environment, and to reduce spending for the time being on those programs which produce less bang for the buck, either in terms of the cleanup progress or the risk that they are dealing with. Rather than spending time organizing press conferences and news events, I believe that EPA should follow the recommendations of NAPA to get its own house in order. Despite EPA's claims to support NAPA's recommendations, we have seen little in terms of real change.

As I have mentioned before, Mr. President, I have been trying unsuccessfully—I have been waiting for 5 months to forge a compromise with the White House within the allocation available to my subcommittee. Since last November I have placed phone

calls, I have written letters, and I have held hearings—nothing, zip, nothing. Unfortunately, the White House seemingly has decided that portraying me and those on this side of the aisle as antienvironment is a better political strategy than compromise. My phone calls have not been returned. My letters have not been responded to.

I held a hearing on January 26. EPA administrator Carol Browner refused to admit there can—and, indeed, must be—priorities within the EPA's budget. The Administrator, when I asked her for her priorities, claimed that the entire \$966 million of add-backs demanded by the White House were critical, including earmarks for sewer construction, the pork barrel part of it. Is there anything that is more important than the environment? When you cannot set any priorities you do not have any priorities. If you refuse to prioritize, to live within a budget, then you do not have any idea of what you are trying to do.

Two weeks ago, I held a second hearing on EPA. We heard from former EPA Administrator Bill Ruckelshaus, State environmental commissioners, EPA Science Advisory Board members, and others. These witnesses confirmed the importance of setting priorities and reordering spending to achieve the most gains for the environment with the available dollars. These witnesses recognized that spending was not unlimited and there must be management discipline to ensure we allocate resources effectively.

Unfortunately, instead of attempts to compromise, we have seen nothing but incendiary rhetoric from the administration. Two weeks ago, EPA Administrator Carol Browner, at a press event staged by House Democrats, stated that the Republican budget would force her to choose between setting drinking water standards for cryptosporidium and controlling toxic water pollution in rivers, lakes, and streams.

There is not a shred of truth in that. I think cryptosporidium and controlling toxic water pollution are top priorities. How come she cannot see that? How come she wants to put pork-barrel projects and corporate welfare projects in a budget and say that those are equal in priority? They are not establishing any priorities. If they give us some priorities, we will work with them. Let us talk about things that really can clean up the environment.

The appropriation for EPA does require EPA to begin to set priorities—a novel concept. The National Academy of Public Administration, the General Accounting Office, EPA's own Science Advisory Board, and other experts who have testified before our committee recognize that EPA should begin to do it, but in no way does it force the sort of tradeoff that the Administrator described.

Let me get to one of my favorites. I am sure you read or heard or saw on TV about the President's campaign

event in New Jersey. Oh, that was a bell ringer. The political pundits and spin masters must have been rubbing their hands together in glee. He attacked Congress as being antienvironment. He accused the Congress of shutting down cleanup at a Superfund site in Wallington, NJ. He pointed out that right next to the site was a school and children were in danger. Why? It was because the Republicans in Congress wanted to subject these children to the dangers of toxic waste.

We listen to a great commentator named Paul Harvey back in our part of the country, and he says, "Now let me tell you the rest of the story." Well, the rest of the story gets pretty interesting because what he did not say, what the President did not say was that EPA chose—not Congress, EPA chose—to slow down the work at that site. We gave them the dollars and told them: You set the priorities. You prioritize your cleanup dollars to put them into the areas which pose the greatest risks to human health, and do that first.

Why did we do that? Why did we do that, Mr. President? Because we had a GAO study of existing Superfund cleanup actions. This study showed that 32 percent of the sites reflected an immediate threat to human health and the environment, and those are under present or current land uses; 15 percent would not pose any risk to human health in any event; 50 percent would pose a threat to human health only if they changed the land use.

Therefore, if you went into an industrial site where they had had manufacturing and transportation and did not clean it up and set up a kindergarten playground or a day care center, that would pose a risk. So you do not do that. Fifty percent of them pose no risk to human health under the current land use. And unless you brought in kids and had them eating the dirt, there would be no human health risks—15 percent, no human health risks. Only 30 percent of the taxpayer dollars were being spent on human health risks.

So we told EPA: Go out and spend your money where there is a human health risk. You have more than enough money to do that.

So either one of two things, Mr. President. Either EPA decided that the Wallington, NJ, site was not posing a risk to human health, which would have been a vitally important factor that reporters could ask the President about at his news conference. Or if there was a real risk to human health and EPA had staged the slowdown to give the President a political forum. One of two choices. Maybe EPA will tell us which. Did they allow the President to hype as a risk something that was not a risk, or did they slow down funding for something that really was a risk in order to give the President political gain and political mileage?

Whichever answer, it is not very pleasant. It is not something that I

think the people of America would tolerate. If there is a risk to human health, we said we will give you the money; go forward and clean up those risks first. Prioritize them. EPA has a little trouble focusing on the priorities. It is about time they did.

The amount of spending provided in the current continuing resolution and in the conference agreement is the same as the fiscal year 1995 level for actual Superfund cleanups. That is \$800 million. And the bill before us today would increase the Superfund cleanup budget by an additional \$100 million, as I have already indicated. We have told EPA they have to prioritize Superfund cleanups—something they have never done in the past—and it needs to be based on real threats to human health and the environment.

If the Wallington, NJ, site where the President staged the press event meets EPA's own risk-ranking process, there is money and that site should receive cleanup funding this year under the terms of the bill before us today.

The Lautenberg amendment continues the misinformation campaign of the White House. It seeks to add more funds for programs we have already increased in this bill. It seeks to add funds for programs which are not high priorities such as the environmental technology initiative.

The environmental technology initiative has funded private sector conferences on energy efficiency lighting. In the past, they have funded studies on how large corporations can save dollars. That is a great idea if they save dollars by energy efficiency, but for a large corporation, I think that they probably ought to be willing to fund that themselves. We have heard in the past about studies to control and study bovine emissions and many other areas that may be of scientific interest, although not of great personal interest, I would say.

We add back money for funds for enforcement. We have already increased enforcement spending over the fiscal year 1995 level.

Now, perhaps most amazingly, the amendment seeks to add funds for Boston Harbor when this bill already has \$25 million. We did accede to the request of Governor Weld of Massachusetts to continue funding it at a lower level because of the magnitude of the problem and the fact that they have to have some funding as we phase down the availability of dollars. But Boston Harbor has received almost \$600 million over the past several years, even while such earmarks are not authorized and are unfair to thousands of communities which do not receive such largesse.

Surely, it cannot be a priority to move one site above every other site in the Nation. We have said that we are making funds available to be allocated on the basis of need, on the basis of sound science. If that, in fact, is such a need and sound science requires it, then money will go there.

But, as indicated by the Senator from Massachusetts, there are lots of

requests in lots of other areas. I have had many, many Members tell me about the very difficult situations they face in their States. They have talked about water system supplies, and I said, "Yes, I understand that." And we have not done a good job in the political process of determining which of those projects has the highest priority need in terms of science, in terms of human health, and in terms of the environment. So we put the money into State revolving funds, we put the money into programs where it will be allocated on the basis of sound science, where it will be allocated on the basis of how much danger is posed. That is how the money should be allocated.

I believe we can establish decent priorities. Mr. President, if the Lautenberg amendment goes to a vote, I will oppose it because I believe in this bill there is adequate funding for EPA within the constraints imposed by the needs to balance the Federal budget. I think it is time for EPA to begin prioritizing and instill management disciplines to ensure Federal funds are spent effectively on environmental protection activities.

There have been encouraging words. I have been approached by the Democratic leadership. I have had a conversation with my ranking member and colleague, Senator MIKULSKI. They have indicated that perhaps we can reach a compromise with the administration. And if the administration does not want to play, we will reach a compromise with the Senate Democratic leadership on what we are going to do. I am tired of guessing what the priorities of the administration are.

We are more than willing to work in a reasonable manner to allocate the funds that are available and to make sure the EPA and the State agencies have the funds they need to move ahead as we work on reauthorizing and changing Superfund and other programs. If the administration is serious, if the Democrats are serious, in case they have lost my telephone number, my phone number is 224-5721. I have left a lot of messages. They have probably been erased from the e-mail screens by now, but I can be reached by fax or by message from the cloakroom. I will be waiting for a call.

This is serious business. It is time that we end the partisan charges that I think have been totally unwarranted, and talk about how we can pass a measure which actually provides funding within the budget constraints to do the vitally important environmental cleanup and enforcement work that the people of America have a right to expect.

Mr. President, because we are hoping there will be further discussion of this, we have conferred with the minority side and I have not heard objection. I therefore ask unanimous consent that this amendment be temporarily laid aside.

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

Mr. BOND. Mr. President, seeing no other Member seeking the floor, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the pending business be set aside so that I might speak for no more than 5 minutes on the preceding Lautenberg amendment.

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

Mr. LIEBERMAN. I thank the Chair. First, I ask unanimous consent that Senator LEAHY of Vermont be added as a cosponsor of the Lautenberg amendment.

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

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise in support of the amendment offered by the Senator from New Jersey to restore funding for the Environmental Protection Agency, the Department of Energy, the Department of the Interior, and the Department of Agriculture.

Senator LAUTENBERG and others have discussed the critical programs of environmental protection that would be funded by the amendment in some detail. I want to touch very briefly on a few of the key aspects of the amendment, particularly the provisions related to funding for technology.

First, Senator LAUTENBERG's amendment adds back a modest amount of funding for environmental technology, \$62 million, for a total spending on environmental technology of \$108 million. Unfortunately, the continuing resolution includes only \$46 million for spending in this critical area.

Funding for the President's Environmental Technology Initiative, which is known as ETI, is slashed from his request by 92 percent to only \$10 million. Mr. President, the failure of the continuing resolution to provide adequate funding for environmental technology is, in my opinion, very shortsighted. A small amount of funding on these programs can yield enormous savings for our regulated industries while providing superior protection for all of our citizens.

During the current debate on environmental protection, we often hear what at first appear to be conflicting messages. Some in the electorate clearly want less of the overly bureaucratic, heavy-handed command-and-control approaches we have turned to too often in the past to protect our environment. Those folks want new solutions that rely more on the marketplace. They have a good point.

On the other hand, it is clear that the public's commitment to protecting the

environment has remained very strong, and understandably so. I was pleased that at a meeting with my staff recently, representatives of the Connecticut Business and Industry Association affirmed their support for strong environmental protection laws.

Of course, that should not be surprising. Folks who run our businesses, who are citizens, are as concerned as anyone else about the quality of the air they and their families breathe and the water they drink or swim in. They want to be good citizens, good corporate citizens, of our community.

What the conflicting messages tell me is that we have to be smarter in our approaches to environmental protection, not weaker. That is precisely what the Environmental Protection Agency is working toward in its Environmental Technology Initiative.

The program is developing and promoting new approaches to regulation and new technologies that will increase our efficiency, cut costs, expand exports, and produce a healthy, productive environment for our citizens. Under the Environmental Technology Initiative, EPA is working with the States to streamline permitting processes and to ensure that the permit approval process does not penalize those companies that are willing to try new, cheaper solutions involving technological improvements in order to control pollution. The National Academy of Public Administration's report on improving EPA's programs, mandated by the Appropriations Committee, emphasized the need to eliminate regulatory and policy barriers hampering use of new technologies.

Mr. President, 63 percent of the funds proposed by the President for the Environmental Technology Initiative would be spent on programs to promote just this kind of permit flexibility and other regulatory innovative practices. These are the type of programs that the Connecticut Business and Industry Association and other businesses are telling us they want to help them meet their environmental responsibilities in a more efficient manner.

During the last Congress, I worked with colleagues on ways to promote these new, more cost-effective environmental technologies. I learned that the single most significant barrier to investment in these new technologies is that many of EPA's regulations inadvertently lock in the old, existing technologies.

Under the Environmental Technology Initiative, EPA is working now to develop regulations that correct this mistake, that do not lock in any one existing technology. They are working at EPA with State and nonprofit and Federal laboratories to test and verify the performance of these new, promising technologies. We need to make sure that this verification program can be expanded.

EPA is investing in other programs that make good economic and environmental sense. One of the most success-

ful environmental programs has been the market-based program to reduce emissions contributing to acid rain. Studies show that this very exciting new program is yielding enormous health benefits while costing the industries regulated by the Clean Air Act at least \$2 to \$3 billion less than estimated at the time of enactment of the law. ETI, the Environmental Technology Initiative, is investing in programs that will expand market-based approaches. And that is exactly what the Lautenberg amendment would support.

Over the long term, improvements in environmental technology, particularly when it comes to pollution prevention, are critical to the ability of American companies to compete. Not only do new technologies reduce compliance costs but they improve competitiveness by leading to greater efficiency. Saturday's New York Times had an exciting article about the success of the paper industry in vastly reducing its discharges of contaminated water into rivers or streams and in the process saving huge amounts of water and energy while still increasing production. Those companies have found that this approach provides a competitive advantage.

ETI is working in partnership with industry to develop these cleaner technologies. For example, it is working with industry to reduce toxic emissions released by metal finishing processes used by more than 3000 metal finishing facilities nationwide. One of these projects already is reducing the use of chromium. Another project aims to slash the time EPA takes to approve new technologies that prevent dangerous contaminants such as cryptosporidium from entering our drinking water, and other technologies that will disinfect the water as well as provide quicker confirmation of drinking water safety.

In other words, at the most basic level, the development of innovative environmental technology will enable us to maintain strong environmental protection at dramatically lower cost. Involving Federal and State agencies such as EPA as partners in this effort is important because these agencies should have a good sense of the regulations that may be promulgated in the next decade. Working in partnership with the Federal Government is the best way to focus technology development on areas where the economic and environmental benefits will be the greatest. Involvement in technology development will also help increase awareness by EPA and other regulatory agencies of what is or is not possible from a technology development standpoint as they develop regulations.

ETI is also working with industries to promote the exports and diffusion of U.S. technologies throughout the world. There is an enormous market for these technologies and U.S. companies should lead. In Connecticut, the environmental technology industry—a

\$2 billion industry according to recent reports—has become a major exporter.

Mr. President, the second provision in Senator LAUTENBERG's amendment that I want to discuss briefly is the add-back for funding for the so-called Partnership for the New Generation of Vehicles. That is sometimes referred to more familiarly as the clean car initiative. This is an extremely important and innovative program that has transformed a traditional adversarial relationship between industry and Government—in this case the auto industry—into a relationship that is built on common goals and has produced a broad-based cooperation. The goal of the program is to develop an attractive, affordable, mid-sized car, much like the Ford Taurus, Chrysler Concorde, or Chevrolet Lumina, which achieves up to 80 miles to the gallon. It is mostly recyclable, accelerates from zero to 60 miles per hour in 12 seconds.

The occupant of the chair can remember our youths together, when how fast you could go from zero to 60 was truly a measurement of one's status in life. This car is aimed to hold comfortably six passengers and to meet all safety and emissions requirements and to cost about the same as comparably sized cars on the showroom floor.

This would be a revelation. Up to 80 miles per gallon. The program is really a win-win program. Government is working as a partner with industry to protect our environment. At the same time, it is stimulating new technologies that lead to increased competitiveness for American industry in the fiercely competitive international automobile marketplace.

The clean car initiative not only protects the environment, but also jobs—high wage jobs—for our work force. This program is cost shared. Industry is pulling its own weight. Government funding is used in long term precompetitive research and development. And there is clear progress being made toward the program's goals. One representative of the partnership told Vice President GORE last year: "By the end of 1997, we will narrow the technology focus. By 2000, we will have a concept vehicle. And by the year 2004, we will have a production prototype." He added: "This is not just about jobs. It is not just about technology. It is not just about the environment. It is also about a new process of working together, for both industry and Government, in ways that have not been attempted before."

Again, the Lautenberg amendment pluses up the money available for this program. It is a very, very cost-effective investment of public funds.

Mr. President, I want to comment briefly on several other provisions in Senator LAUTENBERG's amendment. I strongly support the restoration of funding for the State revolving fund under the Clean Water Act. SRF money is critical for Connecticut and particularly Long Island Sound.

The SRF program espouses the virtues that the majority has been emphasizing this Congress—it provides low interest loans to States to meet community based environmental needs and offers flexibility in how money is spent. For example, Connecticut has received \$170 million in Federal funds and has committed over \$1 billion in State funds since 1987 to improve sewage treatment plants.

In Connecticut, clean water is not just an environmental issue—but an economic issue. Long Island Sound, for example, generates approximately \$5 billion per year for the local economy—through fin and shellfish harvest, boating, fishing, hunting, and beach-going activities. The commercial oyster harvest is a great example. In 1970, Connecticut's once thriving shellfish industry was virtually nonexistent. Today, its \$50 million harvest has the highest value in the Nation. This improvement is due in large part to required improvements in water quality.

Our work on cleaning up Long Island Sound, however, has a long way to go. Health advisories are still in effect for recreational fish consumption, and disease-causing bacterial and viruses have been responsible for numerous beach closures. Connecticut still needs hundreds of millions of dollars to perform needed improvements on public sewage system, which continue to be the largest source of pollution for the sound. The total estimated cost of upgrading the outdated plants is estimated at \$6 to \$8 billion.

I am also very concerned that the comprehensive conservation and Management plan for Long Island Sound will be curtailed without adequate SRF funding. Through this plan, representatives from EPA, New York, Connecticut and other local governments have joined forces with businesses, developers, farmers, and environmentalists to work cooperatively to upgrade sewage treatment plants, improve stormwater management and control non point source runoff. A reduction in SRF funds will limit each State's ability to assess local conditions and move toward more site-specific and flexible watershed protection approaches.

Inadequate funding of the SRF delays needed improvements in Long Island Sound and in other greater water bodies in this country—improvements that have enormous economic, recreational and environmental benefits. That is why I support the additional funding in Senator LAUTENBERG's amendment.

Finally, I want to express my strong support for the modest additions to the funding for climate change. I was pleased to be a cosponsor of an amendment offered by Senator JEFFORDS to restore a significant amount of funding for EPA's ozone depletion and global climate change programs. But I think it is critical that a minimum there be no decrease in EPA's programs from fiscal year 1995 enacted levels. Adequate funding for DOE's climate change programs is also critical.

Mr. President, the new scientific assessment by the world's leading scientists concludes that the best evidence suggest that global climate change is in progress, that the temperature changes over the last century are unlikely to be entirely due to natural causes, and that a pattern of climate response to human activities is identifiable in observed climate records. The assessment concludes that the incidence of floods, droughts, fires and pest outbreaks is expected to increase in some regions. For example, we are experiencing a continuing rise in average global sea level, which is likely to amount to more than a foot and a half by 2010. To bring that home to Connecticut, sea level rises of this magnitude along the coast could result in total inundation of barrier beaches such as Hammonasset Beach, which is probably our most popular State park, and destruction of some coastal property.

The President's global climate action plan is modest. It commits the United States to reducing greenhouse gas emission to 1990 levels by the year 2000. This is a modest step because our efforts at stabilizing emissions is different from stabilizing atmospheric concentrations. Constant annual emissions will still increase the total concentration of greenhouse gases and heat-trapping capacity of our atmosphere.

The President's plan relies on voluntary, public private partnerships which are based on building a consensus between business and Government. It does not rely on command and control regulation. If these types of innovative alternatives are to be the basis of our future approach to environmental protection, it is critical to support the programs now in existence.

I also strongly support the additional funding for the Department of Agriculture's Stewardship Incentive Program. This program provides financial and technical assistance to private nonindustrial forest land owners to manage their forest land for timber production, wildlife, recreation and aesthetics. It is an important non-regulatory incentives program for preserving wetlands and endangered species across the country that has widespread support, including the Connecticut Forest and Park Association.

Mr. BAUCUS. Mr. President, I rise today in support of the amendment offered by Senator LAUTENBERG and Senator MIKULSKI.

We have to balance the budget, and everyone has to sacrifice a bit. The new Congress does deserve some credit for trying. But it has gone about the job in the wrong way.

It wants to give new tax breaks to wealthy people and corporations. And to do that, Congress has threatened a back-door tax increase on rural America through higher water rates, and threatened the creation of good jobs by turning its back on critical research and development in environmental

technologies. This amendment will help set things right.

#### STOPPING THE BACK-DOOR WATER TAX

First, we will help small towns and rural communities meet their obligations without slapping folks with higher water bills.

How do we do that? Well, we provide money for the State revolving loan funds. These help communities and water systems treat their sewage and provide safe drinking water. Without this fund, these communities still have to keep the water safe. But they can only do it by raising water rates, sometimes through the roof.

With this amendment, small towns can keep their drinking water safe while keeping water rates low. Without this amendment, many just can not do it. So if Congress does not pass the Lautenberg amendment, the 25 million Americans who get their water from a small drinking water system could see a back-door tax increase through higher water bills. That includes virtually everyone in rural America.

#### PROTECTING HIGH-WAGE JOBS

Second, by adopting this amendment we will protect high-wage jobs that make our country cleaner, healthier, and more competitive.

We do it by restoring money for the Environmental Technology Initiatives [ETI] at the Environmental Protection Agency. Through this program, companies and local governments can participate in research and development of new technologies.

In Montana, small businesses like Yellowstone Environmental Sciences in Bozeman and public-private partnerships like the Western Environmental Technology Office in Butte are some of the most innovative players in addressing our Superfund problems. They are also some of the most promising sources of high-wage jobs for the future.

Elsewhere in America, the ETI Program is verifying the performance of new technologies that are suitable to the special cost and performance needs of small drinking water systems.

It is helping to reduce dangerous toxic emissions released by the metal finishing processes used by over 3,000 metal finishing facilities nationwide.

It is speeding up approvals of new analytical methods which can rapidly determine the nature of contamination at toxic waste sites, and make cleanups faster.

The ETI is a great example of how Government and the private sector can cooperatively advance technology while protecting the environment.

#### CONCLUSION

So we need to balance the budget, but we need to do it the right way. This amendment keeps us on the path to a balanced budget while setting the priorities straight. It will protect good jobs and prevent Congress from imposing a large back-door tax on the average family's water rates. It will help make sure our country is the clean, healthy Nation our children deserve.

I urge support for the Lautenberg-Mikulski amendment.

Mr. WELLSTONE. Mr. President, I would like to take a moment to speak in support of the pending amendment, particularly for restoring operating funds for the National Park Service. Without these funds millions of Americans will not realize the full majesty and spectacle of our national treasures.

The \$72 million restoration provides funding to manage the operational needs of our national parks. At its current level of funding the Park Service is merely treading water with respect to maintaining facilities. Additional funding provides for much-needed improvements and repair of our national treasures. This would also represent a boon to local economies as more visitors will be able to make use of upgraded parks. The proposed offset offered in the amendment ensures no additional taxpayer money will be spent. As some would seek to keep level funding in the face of increasing costs and demands, I think you now see sentiment throughout America that recognizes the need to stop irreparable damage being done to our national heritage. This funding restoration is necessary to ensure the future of a strong, accessible National Park System.

As you know, I have been a strong advocate of promoting and strengthening our national parks. Minnesota is home to a truly wondrous area, Voyageurs National Park—the crown jewel of the north. This unique water-based park is a pristine wildlife habitat where one can see wolves in the wild, bald eagles soaring overhead, and fish breaking the water in pastoral settings. Voyageurs provides Minnesotans the opportunity to explore this national treasure by boat, snowmobile, floatplanes, skiing, or hiking. Last summer I had the privilege of boating in the park and I don't believe I've ever been so thrilled with the beauty of nature as I was on that trip.

I want to see more people visit and enjoy this spectacular resource. As with other national parks, this cannot happen without adequate operating funds, money that will preserve and enhance the beauty of jewels like Voyageurs. I have fought to maintain the carefully managed multiple use nature of Voyageurs, to address water level problems, to achieve better safety for boaters, and at the same time benefit fish spawning and wildlife habitat.

Northern Minnesota has a rich history of individuality; the proud people of this area have worked the land and provided for their families through toil and sweat. Maintaining and improving facilities at Voyageurs, ensuring the multiple-use nature of the park, will allow more people to come and enjoy it, bring more jobs to the local economy, and lead to economic development. Northern Minnesota deserves it and I will work to make it happen.

Some of my colleagues are all too often willing to turn back the environmental clock, to say get rid of Govern-

ment regulation, to go back to the days of unregulated extraction and exploitation of our lands. I say we cannot go back, we must preserve nature's wonders for generations to come. We cannot back down from the gains we've made in protecting our great heritage. This must be a shared responsibility, one that accounts for the needs of the many and the few.

When Congress voted to establish Voyageurs, we said yes to preserving this wonderful and pristine resource for all Americans. We said no to future lakeshore development, to building homes and putting up private property and no trespassing signs. We made a decision to provide multiple use recreation in a natural setting, free of development, free of timbering and free of the threat of losing this resource. Now we have to invest in this resource to ensure that all Americans and their children will experience our National Parks.

We often say that someone has good common sense, but we are losing sight of what constitutes common sense—or what makes sense. It makes no sense to risk the loss of this treasure. Common sense should compel us to guard and protect our parks. Once we walk away—once we fail to provide adequate funding, it is too difficult to recover what we have lost.

We must continue to support the gains we've made with respect to our national parks. We must maintain and improve the treasures we have set aside. We must make them accessible to all, to share the splendor of nature.

Take some time, come to Minnesota, enjoy the beauty of Voyageurs. I promise you my friends, once you've experience the wonders of our northern jewel, you will support full funding for our national parks and you will help to ensure their beauty for generations to come.

Mr. LEVIN. Mr. President, I am pleased to be a cosponsor of the amendment before us.

Americans have a core belief in protecting the environment, regardless of party affiliation. They may differ on the means to achieve conservation and protection of our natural resources, but they are in agreement that we cannot squander or waste this precious heritage. In this regard, we are the envy of the world. Few other nations have approached protection of the environment in such a comprehensive fashion. Our parks, our drinking and waste water systems, and our pollution prevention efforts are envied around the world.

Some seek to rewrite our environmental laws through the budgetary and appropriations process, rather than through the more deliberative process which gave us those laws. It is surely true that many of these statutes could be improved. In fact, I have introduced legislation to amend the Clean Air Act because I do not believe that it addresses adequately the matter of interstate transportation of air pollution. I

have supported various bills to amend the Safe Drinking Water Act, the Resource Conservation and Recovery Act. And, as my colleagues are aware, I support improving and reforming the Federal Government's rulemaking process. However, I vigorously oppose wholesale changes in the bedrock protection principles underpinning these laws. Americans will not and should not accept such changes.

We have made huge strides in reducing pollution of the laws Congress, States, and local governments have crafted over the years. Our emissions of most toxics have been declining, recycling has become an accepted waste management strategy, and we're working hard to develop cleaner, more environmentally sound products and manufacturing processes. All of these trends have occurred while economic growth continues and exports rise.

There is a new approach to business and management catching on in the United States. Industries, businesses, and even governmental units, are carefully reviewing their production, procurement, and usage practices to root out waste and so become more competitive here and abroad.

Many experts say, and in some cases I agree, that we have already required and adopted the easy, most cost-effective pollution control technologies. From here on out, we have to focus more carefully on refining our laws to provide flexibility to the regulated community and ensure that benefits of any required investments in pollution prevention and control outweigh the costs. This is a difficult balancing act, but if we can carefully review the basic environmental status and very carefully adjust them we will further the goal of cheaper, but equally effective protection. The Federal Government can and should be an active participant in helping those regulated to develop technologies and processes that can meet these cost-effective criteria.

This is the direction that the Congress and the Clinton administration, and the Bush administration before it, have begun. EPA's resources are now being spent more often on common-sense pollution prevention efforts that provide environmental protection and flexibility.

But, rather than continuing that process, the bill seeks to cut items that are important priorities for environmental protection and conservation. Punitive cuts in Endangered Species Act activity, in Land and Water Conservation Fund matching grants to States, in Superfund, in environmental technology development, in wastewater treatment grants to States, in energy conservation and so forth don't add up to a balanced careful approach.

On a Michigan note, I must continue to express my opposition to the bills' reductions in the National Biological Service and its transfer to the U.S. Geological Survey, primarily because of its impact on research at the Great Lakes Science Center. And, I oppose

the inclusion by reference of the conference report language accompanying the vetoed Commerce, Justice, State bill, which proposed transfer of the Great Lakes Fishery Commission to the Department of Interior.

Industry leaders, business managers, and local elected officials, have internalized the public's unquenchable desire for continued progress in environmental protection. That is a real revolution.

Now, we are halfway through the fiscal year for which this omnibus bill is providing funds. The uncertainty of funding has caused widespread havoc among local governments, businesses, and States. The stop and start approach harms good, solid planning and jeopardizes public and private sector jobs. It does not make any sense to do things this way.

Most Americans do not have the luxury of time necessary to fully monitor how things are being handled here. They don't know who to blame for the holdup of wastewater treatment grants or education loans. But, they are tired of the infighting and want it to end.

Americans want our laws fixed to relieve unnecessary burdens or gross inefficiency. But, they will not surrender what they know to be theirs—the right to clean air, clean water, and a safe environment.

Mr. KENNEDY. Mr. President, I strongly support the Lautenberg amendment to the Omnibus Appropriations Act. It gives the environment the high priority it deserves, by restoring some of the most serious cuts proposed in the pending bill.

We need to do all we can to see that the Nation's priceless environmental heritage is passed down from generation to generation. This amendment offers Republicans and Democrats alike a chance to give the environment the priority it deserves.

It restores needed funds for programs to improve the safety of our Nation's drinking water supplies, and helps protect our lakes, rivers, and coastal areas from harmful pollutants.

It maintains the Federal Government's commitment to provide needed assistance to communities struggling to meet the requirements of the Clean Water Act.

It gives States and localities the support and flexibility they need to bring their water systems into the 21st century.

In particular, the amendment will restore \$190 million for the Clean Water Act's State revolving fund, which offers a vital source of Federal assistance for wastewater projects across the Nation.

The cost of implementing clean water mandates has put an extraordinary burden on families and businesses in thousands of communities.

In Massachusetts, the cost of these mandates has resulted in water and sewer bills that exceed many of my constituents' property taxes. Low-income families have had their water

shut off because they were unable to pay their soaring bills. Some families are now paying \$1,600 a year for water and sewer service, and the rates will continue to rise through the end of the decade.

In the communities of Fall River and New Bedford, businesses that use water-intensive processes—particularly textile companies—are considering leaving the State, because the projected rate increases will put them at a competitive disadvantage. To add insult to injury, these communities are also plagued by double-digit unemployment, and have not yet recovered from the ongoing economic recession.

Congress has a responsibility to help ease the burden of their rising water and sewer rates by providing additional support for the State revolving fund.

The Lautenberg amendment also adds \$75 million in clean water funds for the cleanup of Boston Harbor. This addition will bring Federal assistance back to the \$100 million level of annual support recommended by President Clinton and President Bush as well, and provided each year by Congress over the past several years.

Over the course of the past decade, the cleanup of Boston Harbor has received strong bipartisan support. Democrats as well as Republicans have recognized the crushing financial burden on the 2.5 million ratepayers in the area to meet the \$3.5 billion in federally mandated cleanup costs.

State funds have been essential as well in bringing relief to these ratepayers. In addition, the Massachusetts Water Resources Authority, which oversees the cleanup of Boston Harbor, has successfully worked to reduce the costs of the project.

But continuing Federal assistance remains vitally important for this ongoing project, which still has several years to go before completion. The project has passed some important milestones already—it has reduced harmful metals dumped into the harbor from 3,000 pounds per day in 1984 to 500 pounds per day in 1993. It has reduced the number of harbor beach closings by 70 percent over the last 4 years. But much more remains to be done.

At the \$100 million annual level, Federal assistance meets just 18 percent of the total Boston Harbor cleanup costs—far below the Federal share provided in the past for many other clean water projects throughout the United States.

Finally, the Lautenberg amendment will also restore \$175 million to the State revolving fund under the Safe Drinking Water Act. This fund will, for the first time, provide Federal assistance to States and localities to improve their public water systems and ensure the safety of their drinking water supplies. Many communities urgently need this assistance to comply with Federal law and build new water treatment facilities, develop alternative water supplies, and consolidate small systems.

The creation of this revolving fund received the unanimous support of the Senate last November, by a vote of 99 to 0. The Lautenberg amendment will help make that commitment real and bring relief to cities and towns across America.

Communities across America will benefit from this amendment. This Congress should not go down in history as the anti-environment Congress. I urge the Senate to give this amendment the overwhelming bipartisan support it deserves.

I thank the Chair. I yield the floor.

#### WHITEWATER DEVELOPMENT CORP. AND RELATED MATTERS—MOTION TO PROCEED

The PRESIDING OFFICER. The hour of 1 p.m. having arrived, there will now be 1 hour equally divided on the motion to invoke cloture on the motion to proceed to Senate Resolution 227.

Mr. LIEBERMAN. Mr. President, I suggest the absence of a quorum, with the time to be equally divided between the sides.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. D'AMATO. Mr. President, for the past 16 days our Democratic colleagues have used the Senate rules to block consideration of a resolution to provide additional funds, funds for the Whitewater special committee. That is simply wrong. The Senate has a duty to get the full facts about Whitewater.

The Democrats are filibustering, for 16 days now, to prevent the Senate from voting on whether or not to provide additional funds for the Whitewater Committee.

So that the record is clear, we must understand how much we are asking for. We are asking \$600,000. In addition, I have agreed to allow us to have a vote to curtail the committee's investigation to 4 months. They have said they wanted to negotiate with us. We are willing to negotiate. We have heard nothing except what is almost contemptuous because it says we would have to conclude our public hearings by April 5. That is silly.

The majority is committed to getting all the facts about Whitewater. It is now clear that our Democratic colleagues simply are not.

Let me ask the question: If Whitewater is much to-do about nothing, as the White House claims, why are Democrats afraid of the hearings? Why are they afraid to let them go forward? What are they afraid of? What does the White House want to hide from the American people? You cannot say it is much to-do about nothing, and then oppose having the hearings.



Second, it is absolutely disingenuous, as some have claimed, that this has cost the American people \$30 million. The fact is our committee has spent about \$900,000, and a total of about \$450,000 last year; so, that when they come up with this \$30 million, in an attempt to ascribe it to the work of the committee, it is disingenuous and they are playing fast and loose with the facts.

There are a number of unanswered questions. Let me just pose some of them.

Who put the Rose Law Firm building records in the White House residence? How do you think they got there? How? Do you think the plumber brought them there? The carpenter who was making repairs? The men who were working to fix the air-conditioning? Do we really believe they brought it there? Do we think the butler brought them there? Or, rather, did these records—that were being worked on by Mr. Foster and contained his handwritten notes in the margins—come from Mr. Foster's office? Did they come there at the explicit directions of the First Lady to her chief of staff? We have had the testimony of a young man, Mr. Castleton, who says that he was told that he was bringing the records up because Mrs. Clinton wanted to look at them.

Indeed, if she did not look at them as she claimed, how did the records wind up there? If all the records were just simply shipped off to her lawyers, how do they get over there?

So we have a question as to how did these billing records mysteriously appear. Remember, those records were subpoenaed by the special prosecutor. How did they get into the White House residence? My colleague from North Carolina has said that one of the most secure rooms in the United States of America would be one of the rooms in the residence of the President and First Lady. Incredible.

Another question is, did the Clintons know that James McDougal was covering their Whitewater losses for them? He is presently under trial in Little Rock, AR. He ran a bank that was a criminal enterprise—we found that out—Madison Savings & Loan. Some of the bankers I have met recently said, "Senator, please do not say it was a bank; it was a savings and loan." And, indeed, they lost over \$60 million worth of taxpayers' money.

If one follows just some of what we have uncovered, one sees sham transactions, one after another, where insiders were asked to buy land and hold land for that bank, would be given 10 percent commissions for a land transaction in which it was a total sham, in the end costing the taxpayers—this S&L eventually collapsed and left the taxpayers with a \$60 million bill to foot.

Did the Clintons take improper tax deductions on their Whitewater investment? It is a question. The committee is working on that and looking at that.

Maybe, indeed, the White House does not want us to have those answers or hold public hearings. I guess if you took improper tax deductions, you might not want that to come out. Did Governor Clinton direct special favors to McDougal to keep Madison afloat? If the President—then Governor—did not do any of these things, fine, then let the record clear that question. It would seem to me if he did, maybe that is why we are hearing all of this puffery, smoke, and bellowing that this is politics having these questions answered.

Did the Governor help Dan Lasater, a convicted distributor of cocaine, get bond contracts with the State of Arkansas? Did he or did he not? I do not know. But again, the question is, if he did not, then fine, let us at least go through this and clear the record. Then, I would be the first to say that is absolutely an unsubstantiated allegation. Did Governor Clinton exchange favors for campaign contributions from officials of the Perry County bank? These officials, by the way, were just indicted last month. We did not just come out with these names. Did that happen or did it not? These are just some of the unanswered questions.

I think that we have an obligation to get the facts. Sixteen days of filibuster. Now, the New York Times said that a Democratic filibuster against a vote on additional funding would be "silly stonewalling". They said:

No argument about politics on either side can outweigh the fact that the White House has yet to reveal the full facts about the land venture, about the Clintons' relationship to McDougal's banking activities, Hillary Rodham Clinton's work as a lawyer on Whitewater matters, and the mysterious movement of documents between the Rose Law Firm, various basements, and closets in the Executive mansion. The committee, politics notwithstanding—

This is the New York Times.

has earned an indefinite extension, and a Democratic filibuster against it would be silly stonewalling.

That is not my statement. That is the New York Times, certainly not a spokesperson for the Republican Party or Republican philosophy.

Yesterday, the Washington Post said essentially the same thing. Let me quote what it said:

Lawmakers and the public have a legitimate interest in getting answers to many questions that prompted the investigation in the first place and those that have been raised in the course of it by the conduct of many administration witnesses. If Democrats think that stonewalling or stalling will make Whitewater go away, they are badly mistaken. The probe is not over, whether they tried to call it off or not.

Again, that is the Washington Post.

So my colleagues on the other side may attempt to keep the investigation and the funding for it from going forth. Again, I have offered to curtail the committee's work to 4 months. I think we would be making a mistake in setting an arbitrary date certain, but in the interest of moving the process forward and of attempting to depoliticize it, I am willing to do so.

Let me suggest that there is a common theme to the number of lingering questions. As Pulitzer prize-winning author, James Stewart, states in his new book "Blood Sport":

The question of whether specific laws were broken should not obscure the broader issues that make Whitewater an important story. How Bill and Hillary Clinton handled what was their single largest investment says much about their character and integrity. It shows how they reacted to power, both in their quest for it and their wielding of it. It shows their willingness to hold themselves to the same standard everyone else must, whether in meeting a bank's conditions for a loan, taking responsibility for their savings, investments and taxes, or cooperating with Federal investigators. Perhaps most important, it shows whether they have spoken the truth on subjects of legitimate concern to the American people.

Mr. Stewart is not some partisan author out to get the Clintons. He has a reputation for being fair and thorough. In fact, the Clintons, through their close associate, Susan Thomases, first asked Mr. Stewart to write this book. He even had direct access to Mrs. Clinton early on. Mr. Stewart has uncovered a number of important facts about Whitewater. He has identified new witnesses. In an excerpt published in Time magazine, Mr. Stewart raises serious questions about the Clintons' role in managing the Whitewater investment after 1986. Although the Clintons have always claimed to have been passive investors in Whitewater, Mr. Stewart found that Mrs. Clinton actively managed the Whitewater investments after 1986.

Mr. President, we will continue to seek a solution to this impasse. Yesterday—and I repeat it today—we offered to extend our hearings by 4 months. But I do not think that we can simply allow this kind of obstruction and stonewalling to keep us from attempting to get the facts.

Now, if those facts clear the Clintons and their associates, the American people have a right to know; they really do. The White House has the opportunity to help in insisting that we conduct these hearings expeditiously, yes, but in a manner that will get the truth out there, and if it vindicates them, then that should be the case. Now, if indeed they have no concern about their actions, then it would seem to me that the proper course of action would be to authorize the committee to do its work and get to the job of doing its work, and attempt to get those witnesses that we now do not have access to as soon as the case is over in Little Rock. Certainly, we would hope within the next 6 to 7 weeks it will be concluded. Maybe we will not be able to get some or any of those witnesses, but at least we will have made our good-faith effort in attempting to do so, and to do so in a way that does not impinge upon or impair the work of the special counsel.

So I believe that the facts are clear. I think the American people are entitled to get this information, and I

think what we are facing here is a politically orchestrated attempt to stop the committee from doing its work. That does not reflect well upon the Senate, the White House, or either of the political parties. The process is one that should be continued. It should be continued because otherwise the questions will remain: What are they hiding? Why are they afraid?

Again, while the resolution calls for no time limitation, let it be clear that this Senator will be happy to amend that to 4 months. We have not gotten any satisfactory reply with respect to our offer. It is an offer that I make here on the Senate floor again. There are limitations when you do that, as described by the former Senate majority leader, a Democrat, George Mitchell, when he said, "When you set a time line, you then get people who look to work at that as a mark to delay the hearings, delay the release of information." Notwithstanding that, we would be willing to submit that as a time-frame in which to try to complete our work, the work of the committee.

Some people have said to me, "What happens if it appears that the Democrats are going to continue to filibuster, Senator? What will you do?"

We will be forced to go forward with our work. It will be more difficult, and we have a busy agenda for the Banking Committee, but, nevertheless, we have to do the best we can; come in early; work as many hours as we can; deal with the various maneuvers that our Democratic colleagues will undoubtedly employ in attempting to keep the committee from doing its work. But a large share of the work that we are embarked upon could be undertaken by the Banking Committee. It would be difficult in terms of resources, but we will do it. It will certainly be, I think, very burdensome as it relates to some of the burdens that will be placed upon the staff of the Banking Committee, the time of the Banking Committee and its members.

I also point out that there are certain perils for those who may want to circumscribe and carefully proscribe the scope of the inquiry. As authorized pursuant to the Resolution 120 we have limited the scope of our inquiry. If we were to take this up with the Banking Committee, in many cases the scope would not be nearly as limited. I can assure my friends and colleagues, if that is the route they choose to take, then they will create a situation in which they have to understand that the scope will be broadened.

I say that because they should understand there will come a point in time when we would then have to fall back to the use of the Banking Committee as opposed to going forward with the special committee that has carefully proscribed a methodology for which we could proceed. I think we would be making a great mistake. I hope we can work out a compromise. Let the chips fall where they may; the offer is on the table, and I hope that we can settle

this thing without a prolonged debate. Otherwise, we will be back here tomorrow, we will be back here the next day, and we will be back here next week. The question is, What are my friends at the White House afraid of?

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Maryland is recognized. He has 26 minutes 30 seconds remaining on his time, and the Senator from New York has 2 minutes 31 seconds on his time.

Mr. SARBANES. Mr. President, I yield 6 minutes to the Senator from North Dakota and then 6 minutes to the Senator from Hawaii.

Just before doing that, I want to put an editorial in the RECORD because sometimes we get caught up in the debate and we do not get them in. I listened to my colleague from New York cite editorials. This one is from Friday, March 8, just this past Friday, from Newsday, from the Nassau County edition of Newsday.

I ask unanimous consent that the full editorial be printed in the RECORD.

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

[From Newsday, Mar. 8, 1996]

#### ENOUGH WHITEWATER HEARINGS

The Senate Whitewater Committee ran out of time and money on Feb. 29, but it still wants more of both to embarrass President Bill Clinton. Senate Democrats have threatened a filibuster to keep Chairman Alfonse D'Amato (R-N.Y.) from getting \$600,000 to continue an open-ended investigation that could stretch to Election Day and beyond.

The Democrats are right about this. In fact, their counteroffer to D'Amato—\$185,000 to wrap up his inquiry in five weeks, at most—is too generous. After 41 days of public hearings and 121 witnesses, D'Amato has nothing of substance to show for the \$950,000 the committee has already spent. It's time to hand off to Whitewater independent counsel Kenneth Starr and see how far he can carry the ball.

This is all the more so now that Starr's office is actually trying a case against Bill and Hillary Rodham Clinton's former Whitewater partners. The defendants want the president to appear as a witness in that case, and he should. The only question is whether he should testify in person, on tape, via satellite or whatever. There's precedent for presidential trial testimony on tape, and that should be good enough this time.

But no more money for Senate hearings. The Senate Watergate Committee, pursuing impeachable offenses by the Nixon administration, called only 37 witnesses. The joint committees on the Reagan administration's illegal arms deals with Iran and the Nicaraguan contras heard a mere 28. The Senate has had enough time for a partisan probe of decade-old Arkansas savings-and-loan deals. If the independent counsel leaves any loose ends, there'll be time to crank it up again.

Mr. SARBANES. Mr. President, I will quote from it just very quickly in part.

The Senate Whitewater Committee ran out of time and money on February 29, but it still wants to embarrass President Bill Clinton. Senate Democrats threatened to filibuster to keep Chairman Alfonse D'Amato from getting \$600,000 to continue an open-ended investigation that could stretch to

election day and beyond. The Democrats are right about this. In fact, their counteroffer to Chairman D'Amato of \$185,000 to wrap up his inquiry in five weeks, at most—is too generous. After 41 days of public hearings and 121 witnesses, Chairman D'Amato has nothing of substance to show for the \$950,000 the committee has already spent. It is time to hand off to Whitewater independent counsel Kenneth Starr and see how far he can carry the ball.

Then later on in the editorial they say in the closing paragraph:

But no more money for Senate hearings. The Senate Watergate Committee, pursuing impeachable offenses by the Nixon administration, called only 37 witnesses. The joint committees on the Reagan administration's illegal arms deals with Iran and the Nicaraguan contras heard a mere 28. The Senate has had enough time for a partisan probe of decade-old Arkansas savings and loan deals.

I yield to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, sometimes I walk into the Chamber of the Senate and I think that I have stumbled into the wrong Chamber. I hear the debate, and I think that is not what is being discussed. In the debate a few minutes ago it was said that the Democrats are stonewalling on Whitewater. I guess I do not understand. I must have missed something. We commissioned a Whitewater inquiry last May—May of last year. We provided nearly \$1 million for a special investigative effort in the Congress last year.

Now we are saying we are willing to provide additional resources, and you ought to wrap this up in the next 5 weeks—5 weeks. And somehow we are stonewalling on Whitewater? I mean, it is plenty cold in Montana and North Dakota these days, and the heat bills are plenty high. I was thinking maybe if we took some of this hot air out there, it would heat the two States for the entire winter. Stonewalling on Whitewater? What on Earth are people talking about?

This is a manifestation of Parkinson's law. If you study Parkinson's law, one of his laws was that the amount of time needed to do a job always expands to the amount of time available to do the job. This is the manifestation of Parkinson's law. This inquiry, after spending \$26 million on the independent counsel and still counting—this inquiry which is the political inquiry—now they want to extend to election 1996.

Some of us say maybe you ought to get up early in the morning now. Maybe you ought to go 5 days a week now. Maybe you ought to get the witnesses in now for the next 5 weeks and finish this investigation. As for me, it does not matter with respect to these records. Get a rental truck, back it up to the White House, get a vacuum cleaner, find a bunch of people that can read, and read all the records. As far as I am concerned, whatever the truth is let the truth come out. But do you need from last May until the election

day of 1996 to demonstrate what this issue is? I think not. That is not what the issue is here. There is a right way to do things and a wrong way to do things.

We have said, in the next 5 weeks finish this investigation. Do your work. And what we are told by the other side is we are stonewalling. What a bunch of nonsense. While we are doing this, we are saying this is the most important thing for the Congress to do. Do you know what we are not doing? We are not having hearings on the issue of health care and Medicare and what we ought to do to solve that problem. Nobody is having hearings on the issue of jobs. Why are we losing jobs in this country? Why are jobs moving out of our country? Why does our Tax Code contain this insidious incentive that pays corporations to shut their plants in this country and move them overseas, and why does not somebody in this Congress do something about that? Nobody is holding hearings about what our monetary policy to doing to this country. Why cannot we have more than a 2.5-percent economic growth? What about the Fed and the Fed's policies? Nobody is talking about hearings on a whole range of issues dealing with the things that are central to people's lives.

This is the number of hearings. There were 41 days of hearings since last May on Whitewater, 12 days on crime, 3 days on education, no hearings on the economy and jobs, and no hearings on Medicare and health care. The question is, What is the priority?

I want to get to the bottom of Whitewater. We have had 100 FBI agents and independent counsel that spent \$23 million, and we have had a special inquiry in Congress since last May. Now we have people telling us we want to go for another 4 or 5 months. You know that some of us serve here because we are interested in doing the people's business, part of which deals with the issue of jobs, health care, the economy, education, and a whole range of things. Get every record you want. Get every record you can. Study it forever. But I do not think we ought to have an unlimited amount of money given by the taxpayers for an unlimited inquiry to take us to election day 1996. Let us finish this in the next 5 weeks. Let us decide to do this and do it right; finish the testimony, finish the report, report back to the Senate, and then let us get on with the other business that confronts the American people.

We have enormous challenges. We have budget challenges. We have deficits. We have jobs, health care, and education. I have recited plenty of them to do. But the interesting thing is that no one seems very interested in focusing on those challenges. My constituents are interested. They are very interested in the question about what makes our education system work better. How do we advance the interest of our kids to have the best education

system in the world? What do we do about jobs that are leaving the country? What kind of policies can we put in place to deal with that? That is what my constituents are interested in.

I am not suggesting that you have no business in the Whitewater inquiry. I voted for the funding last May for \$1 million, and I will vote for additional funding. My objection is to what I think is kind of a thinly disguised approach by some to say we want unlimited time here; we want to work 2 or 3 days a week; we want to sort of move along leisurely. If you were hauling mail, you would go out and hire horses, I guess, and create some sort of "Pony Express" these days. That is the speed with which we see this inquiry moving.

All we are saying is let us get this job done. We have said we will provide appropriations for 5 weeks' additional inquiry, write a report, and let us finish it. There has been no other inquiry in the history of Congress that I am aware of that accepts this as a precedent. Nothing comes close to what you are suggesting and what has been done here. The Senator from Maryland has made that point over and over again. Yet we have people stand with indignation and say, "You all are stonewalling." What a bunch of nonsense.

I yield the floor.

Mr. SARBANES. I yield 6 minutes to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUE. Mr. President, on May 17 of last year, this Senate voted 96 to 3 to create a special committee to investigate the so-called Whitewater affair. This bipartisan vote established the special committee with its primary purpose to get all the facts on Whitewater to the American people.

This bipartisan Senate vote imposed a February 29, 1996, deadline for the committee to complete its work to ensure that the facts were presented to the American people in a balanced and timely manner and before the country entered the politically charged atmosphere of a Presidential campaign.

Yet, as I listen intently to the ongoing debate, much of the bipartisan spirit which this body exhibited on May 17 no longer exists. Regretfully and sadly, it appears that the Republican majority has now chosen to forego bipartisanship in an effort to indefinitely extend the special committee's mandate, at a cost of \$600,000, and prolong the investigation into the 1996 Presidential campaign.

This Republican extension request is unprecedented, and it is unreasonable. The U.S. Senate has never before conducted an open-ended political investigation of a sitting American President during a Presidential election year.

During the course of this debate, reference has been made to the 1987 Iran-Contra hearings. The committee was able to complete its investigation in a

10-month period within the deadline set by the Congress. The Iran-Contra affair was an international event that had major consequences beyond our shores. It involved the constitutional relationship between the executive and legislative branches in the shaping of foreign policy. It involved the credibility of our foreign policy. It involved our relations with other countries and it involved the actions of our intelligence service and some of our Nation's most closely held secrets.

Because of the profound issues in question, we in Congress were compelled to investigate the episode, and for precisely the same reason we were compelled to ensure that the Iran-Contra investigation was conducted in an atmosphere free of partisanship and theatrics. I strongly believed then, as I do now, that the Nation would be ill-served by a congressional panel wantonly weakening a President for presumed political benefit.

The Iran-Contra Committee was obligated to investigate the conduct of the highest Government officers, and we were determined to let the facts lead us to where they willed. But we did not perform this task in a way that suggested to our adversaries that we were a nation divided. I believed we avoided this impression because of the lessons learned during the Watergate investigation.

The Senate committee that investigated Watergate, on which I served, had the same mandate as do today's select committees: to seek the facts about the event in question and propose legislation to prevent a repetition.

The structure of the Watergate Committee encouraged partisanship. There were majority and minority lawyers, majority and minority investigators, majority and minority secretaries and clerks. Even the committee's budget was divided into Democratic and Republican portions.

After the conclusion of the investigation, the committee's minority counsel and now our very distinguished colleague, Senator FRED THOMPSON, wrote that loyalty to the Republican minority was "one all-important criterion" for hiring his staff. "We are going to try our best to have a bipartisan investigation, but if it comes down to the question of us and them, I don't want to worry about who is us and who is them."

Mr. President, my one condition for assuming the role of chairman of the Senate Iran Committee was that there would be no majority and no minority staffs but a unified staff whose members reported to the committee as a whole and not to Democrats or Republicans. Our chief counsel, Mr. Arthur Liman, regarded all members of the committee as his clients, and, under his direction, our staff members worked side by side unconcerned whether their neighbor was one of us or one of them.

The structure of the staff would have been meaningless if the members of the

committee were determined to make the Iran-Contra investigation a partisan matter. This did not happen.

Our colleague, former Senator Warren Rudman of New Hampshire and vice chair of this Senate Iran-Contra Committee, was empowered to make decisions in my absence. We collaborated on everything, and we divided the responsibility for witnesses among all members of the committee so the hearings became a collective matter. At no time during our closed committee meetings did any member raise political issues or hint at a Democratic attempt to smear the President or a Republican scheme to cover things up.

In comparison, nearly 17 months had elapsed from the date the Senate created the Watergate Committee until the committee report was published. The Watergate hearing itself dragged on for more than 8 months. The Iran-Contra Committee worked hard to accomplish its work within a 10-month period, hearings included. Yes, there were requests by Democrats and Republicans that we seek an indefinite time limit on the hearings, but the chairman of the House committee, Representative HAMILTON, and I, in conjunction with our vice chairs, strongly recommended against an open-ended investigation. We sought to ensure that our investigation was completed in a timely fashion to preserve the committee's bipartisanship and to avoid any exploitation of President Reagan during an election year.

The Special Committee on Whitewater has had 41 days of hearings, five public meetings, and now has made an unprecedented and unreasonable request to indefinitely extend the special committee's mandate. It will be a \$600,000 tab, and I suppose it will prolong the investigation into the Presidential campaign with a possibility of politically damaging and embarrassing the incumbent President.

Mr. President, the Democrats are committed to ensuring that the American people know the facts on Whitewater but that it be done in the same bipartisan fashion as the Iran-Contra hearings, and not for the exploitation or for the embarrassment of the sitting President.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. Without objection.

Mr. SARBANES. Mr. President, while the distinguished Senator from Hawaii is still in the Chamber, I commend him for his statement and underscore—underscore—the responsible manner in which he dealt with the Iran-Contra issue.

At the time, there were Members of the Congress, a Democratically controlled Congress, who wanted to extend those hearings well into 1988, a Presidential election year, for political purposes. And that was obvious. The Re-

publican leader of the Senate, Senator DOLE, strongly urged there be a time limit on the work of the committee. He was fiercely opposed to the notion of an open-ended extension and was very clear in making that point in debate on the floor and off the floor in comments to the media.

Senator INOUE, who chaired the special committee in the Senate, and Congressman HAMILTON, rejected this proposal by some Democrats to prolong the hearing into the election year and therefore exploit, for political purposes, President Reagan's difficulties, and they settled on a reasonable time period. In fact, they moved it up in response to the representation made to them by Senator DOLE.

It was Senator DOLE at the time who pressed very hard that there should be a reasonable time limit, that it should stay out of the election year. In fact, Senator DOLE, on the floor, said: "I am heartened by what I understand to be the strong commitment of both the chairman and vice chairman to avoid fishing expeditions. I am pleased to note that, as a result of a series of discussions which have involved myself, the majority leader, and the chairman and vice chairman designate of the committee, we have changed the date on which the committee's authorization will expire." And they moved it forward.

Senator INOUE took the lead in achieving that constructive and responsible result. I simply want to underscore it and contrast it with the situation we are now facing, where we have a proposal, now, for an unlimited time period, an additional \$600,000.

I yield myself 1 more minute.

Furthermore, in order to complete its work, the Iran-Contra Committee, on which I was privileged to serve, under the very distinguished chairmanship of the Senator from Hawaii, held 21 days of hearings in the last 23 days, in late July and August, in order to complete its hearings. Contrast that with the work of this committee, which held 1 day of hearings in the last 2 weeks of its existence in the latter part of February; which held only 8 days of hearings in the entire month of February, whereas the Iran-Contra Committee held 21 days of hearings in order to wind the thing up.

The minority leader has made, I think, a very reasonable proposal in terms of providing some additional time to finish this matter up. The committee should intensify its schedule and complete it on time, and it ought to follow the example set by the distinguished Senator from Hawaii when he chaired the Iran-Contra Committee and worked assiduously to keep partisanship and politics out of the inquiry and to keep the inquiry out of the election year.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Utah has 10 minutes remaining. The Senator from Maryland has 8 minutes, 30 seconds remaining.

Mr. BENNETT. Mr. President, I find all of this debate about Iran-Contra very interesting. I was not here for it, and so I enjoy being brought up to date on past history. It is interesting, but it is irrelevant to the issue before us because the issue before us is: Are there still things yet to find out about Whitewater which need to be found out? This has nothing whatever to do with whether or not the Iran-Contra Committee was able to find out what it needed to find out from Ollie North in the timeframe that it set for itself. This has nothing to do with the timeframe of the Whitewater Committee, which is trying to find out information that has been denied it by a series of circumstances, some of which I believe are deliberate.

I make that statement, recognizing that it, perhaps, is emotionally charged for some. I try to stay away from emotionally charged statements on this issue because I realize how easily this can get out of hand. But I have reluctantly come to the conclusion that there has been a deliberate attempt on the part of those who have been called before the committee to withhold information from the committee and to see to it that the committee does not receive that which it needs. I know of no such charges that have been made in past investigations, and, even if they were, frankly, they are irrelevant to this issue.

This issue is very simple, again, Mr. President. It is simply this: What is there yet to find? What will it take us to find it? It has nothing to do with any past investigation of any other circumstance. It has to do with this investigation of this set of circumstances. What is there yet to find, and what will it take us to find it?

The editorials that have been quoted here—I have quoted them, the New York Times, the Washington Post, others. The most recent one I will return to again, as my distinguished chairman has. But it makes this point, relating to the question of, "Can the committee not wind its affairs up?" This is what the Washington Post has said. I repeat it again:

... here is part of the problem; The McDougals and Governor Tucker are currently unavailable for Washington testimony as they are defending themselves against a 21-count indictment handed up last August alleging fraud and conspiracy on their part. It came courtesy of independent counsel Kenneth Starr and a federal grand jury in Little Rock. Judge Hale, whose earlier guilty plea slims down considerably his chances of ever returning to the bench, is similarly occupied in Arkansas and unavailable to be heard by anyone in Washington. He is the prosecution's key witness against the governor and the McDougals. Their trial, which just got started, is one reason the Whitewater committee hearings have been dragged out.

I will repeat that, Mr. President. "Their trial is one reason the

Whitewater Committee hearings have been dragged out."

It is not a conspiracy on the part of the Republicans. It is not an attempt on the part of the Republican National Committee to delay this into an election year. There is a trial going on, over which the Republicans on the committee have no control, that is preventing these witnesses from coming before us. This is why we are asking for a time that will allow us to deal with those witnesses when they become available. We do not know when this trial will be over. If we knew with certainty when the trial would be over and when these witnesses would be available, I, for one, would be willing to set a date, appropriately far off into the future, that would allow us time to deal with these witnesses. We do not know. We cannot know. And, therefore, it does not make sense for us to set a firm date.

Back to the editorial, quoting:

The other reason is the protracted battle with the White House over subpoenaed documents and the very slow and uncertain way certain important documents finally are produced.

In other words, the delay in the eyes of the Washington Post has not been because the committee wants to drag it out for political reasons; it has been because the White House has been unresponsive.

I am a member of this committee. I have been to as many of the proceedings as I possibly could, given the schedule and the other challenges that apply. I thought I knew this controversy fairly well. I have now picked up the recent copy of Time magazine and read the first installment of a book that was written, initially at the recommendation of Susan Thomases, one of the President and First Lady's closest friends and confidants, in an attempt to make sure the whole story got out.

She went to the author and said, "Will you write a good book on this?"

The author spent an hour and a half in the White House with Mrs. Clinton, and she said, "I will cooperate with you, and I will see to it that everybody connected with me will cooperate with you. We want the truth to come out."

Now, we have the book that was created by that genesis and I can only describe it as devastating. It is devastating to those who say, "There is no there there." It is devastating to those who say the Republicans are on a partisan activity, because nothing significant really happened.

As I say, I am a member of this committee. I thought I knew this issue fairly well, until I read this week's issue of Time magazine and found out there is a whole lot more that I did not know about, and I have been a member of the committee attending these sessions.

So, Mr. President, I conclude by saying there is plenty more yet to find out, and I am sorry if it did not come out in the same timeframe as other in-

vestigations have had. But that is entirely beside the point.

The point is, I repeat again, what is there yet to find out and what will it take for us to find it? The answer to that question dictates that we proceed in the fashion that the distinguished chairman, Mr. D'AMATO, has asked us to proceed.

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

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. BENNETT. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 42 seconds remaining on his side of the aisle.

Mr. BENNETT. I apologize to the Senator. I thought I had more time than that. I yield all 42 seconds to the Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, as we have just heard, Time magazine has released excerpts from a new book, "Blood Sport," which is one of the most revealing and down-to-Earth accounts of Whitewater we have had. It certainly is easier to follow than anything we have seen, doing the best we could with the Whitewater hearings: Coming in a day, skip days, a day out. It has been very difficult for the average citizen to follow what we have been doing and what we have been trying to pursue.

This book chronologically identifies exactly what went on and what happened. I think, again, it points to the very great need for us to continue the hearings, and the public will see the need, once they read the book and read the excerpt that was in Time magazine.

It shows the Clintons to be much more active partners in Whitewater than any of us believed at one time.

The PRESIDING OFFICER. The Senator's time has expired. All time has expired on the chairman's side of the aisle.

Mr. D'AMATO. Mr. President, I ask unanimous consent that we provide 4 additional minutes to be equally divided, so that we each have 2 minutes.

Mr. FAIRCLOTH. Four additional minutes for each side.

Mr. D'AMATO. I asked for 4 minutes, 2 minutes for each side.

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

The Senator from North Carolina is recognized for 2 minutes.

Mr. FAIRCLOTH. Mr. President, it shows the Clintons were much more actively involved than we had any idea; that the McDougals put far more money into the project than did the Clintons; and that they clearly used money from the savings and loan to supplement the Whitewater venture. I think we need to and should pursue it.

Further, there is a new revelation of how Mrs. Clinton received legal business from Madison. She told the public that a young associate, Mr. Massey, brought the business to the law firm.

Then Mr. Massey appeared before us and said he did not bring any business to the law firm. So then she said it was Vince Foster who brought it. She changed her mind. McDougal said that Bill Clinton urged him to give business to Hillary Clinton because the Clintons needed the money.

The book reveals that there was a clear witness to that, Susan McDougal's brother, and I think we need him to testify as soon as possible.

Many people might say, "So what, 20 years ago, why is it relevant today?" There are a number of reasons. First, the White House is engaged in a massive coverup of the entire episode, an inept coverup, but at least an attempt to cover up.

We now know what the First Lady truly meant when she told Maggie Williams she did not want 20 years of her life in Arkansas probed by the Senate. We now know why. But it is a true indication of the way they ran things in Arkansas, and they clearly have demonstrated they are going to run them the same way in Washington. They sure tried to run them the same way. Old habits die hard, and we have seen the same characteristics that we know of in Arkansas come about in Washington.

I hope we can end the filibuster and let the Senate vote and then let the American people decide if Whitewater hearings are worth pursuing.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. SARBANES. How much time remains?

The PRESIDING OFFICER. The Senator from Maryland has 10 minutes, 30 seconds.

Mr. SARBANES. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 4 minutes.

Mr. SARBANES. Mr. President, I want to be very clear with respect to the reasonableness of the issue that is before us. When Senate Resolution 120 was adopted, it was adopted and encompassed within it certain premises, all of which are now being departed from or violated by the proposal offered by the Senator from New York.

The first premise was that there would be a fixed deadline in the proposal that would seek to keep the inquiry out of the election year. That was the February 29 date, and it was agreed to.

We had overwhelming bipartisan support for the resolution that was adopted last year for this inquiry. Regrettably, the majority has now gone down a different track and made impossible, up to this juncture, a further bipartisan concord with respect to this matter.

Senate Resolution 120 was consistent with Senate precedents. The proposal that is now before us is a complete departure from Senate precedents. The proposal last year for a fixed-ending

date reflected the very argument that Senator DOLE made in 1987 with respect to Iran-Contra, where some Democrats wanted to extend it into the election year and he said that would not be a fair and reasonable thing to do. Senator INOUE and others accepted that proposition, and they put on a deadline. It is very important that that be understood. The proposal before us departs from that essential premise.

Second, this committee had only 1 day of hearings in the last 2 weeks of its existence in the latter part of February. In Iran-Contra, we held 21 days of hearings in the last 23 days in order to complete the work. The distinguished minority leader, Senator DASCHLE, wrote to Senator DOLE in mid-January saying the committee should intensify its work through the balance of January and through February in order to complete on schedule. The committee did not do that.

Third, this resolution premises that there will be consultation between the majority and the minority. In fact, we had such consultation in the formulation of Senate Resolution 120, and when it was brought to the floor, it had been worked out on the basis of discussions between the majority and the minority. That has not taken place in this instance. In fact, Senator DASCHLE's letter to Senator DOLE remained unanswered for a month period. I know Senator DOLE was distracted with other matters, but nevertheless, we are still left with the problem with which we are confronted.

Finally, I want to underscore that the Office of Independent Counsel will continue its inquiry. It was an essential premise of the original resolution that we would not come in behind the independent counsel and, in fact, Chairman D'AMATO and I wrote to Mr. Starr at the beginning of October to make that very point. It was strongly argued that extending it out would turn it political.

Now it is becoming political; we simply have to recognize that. There are editorials around the country that are beginning to say that—here is one from Greensboro:

A legitimate probe is becoming a partisan sledgehammer. The Senate Whitewater hearings, led since last July by Senator D'Amato, have served their purpose. It's time to wrap this thing up before the election season.

One from a Sacramento paper:

Senator D'Amato, the chairman of the Senate Whitewater Committee and chairman of Senator Bob Dole's Presidential campaign in New York, wants to extend his hearings indefinitely or at least, one presumes, until after the November election. In this case, the Democrats have the best of the argument by a country mile. With every passing day, the hearings have looked more like a fishing expedition in the Dead Sea.

The minority leader, Senator DASCHLE, has made a very reasonable proposal.

The proposal for an indefinite extension, or this 4 months, which amounts to the same thing, is not reasonable. It

is not consistent with the premises on which we got an overwhelming bipartisan consensus to pass the initial inquiry resolution.

I yield the remainder of our time to the distinguished minority leader.

The PRESIDING OFFICER. The distinguished minority leader is recognized.

Mr. DASCHLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 6 minutes 30 seconds remaining.

Mr. DASCHLE. I thank the Chair.

Mr. President, the distinguished ranking member of the committee has said it so well and ably. I applaud him for making the case once more prior to the time we are called upon to cast our vote this afternoon. There is very little one can add to what he has said so well.

This is an unprecedented request. Everyone needs to be fully appreciative of the nature of what it is we are called upon to vote on here—an unprecedented request, an open-ended, unlimited request to continue this investigation forever if the majority chooses to do so—forever. There is no deadline, none whatsoever.

So, Mr. President, we have looked back to try to find some other occasion when a committee has sought that kind of authority to say, "We don't know whether we're going to take a week, a month, 2 months, the rest of the session. We may even need to go into the next Congress. Who knows? What we do know is that we're not going to give you any specific time-frame within which we realistically think we can finish this investigation."

So what does that tell you, Mr. President? What it tells me is that they want to keep open the option to take this right up until the very last day of this Presidential campaign. We are unwilling to accept that. We have indicated, in as clear a way as we possibly can, that we want to find a way to resolve this once and for all. We want a way to find a resolution in the amount of time and the amount of money to be dedicated to this investigation, even though now we anticipate more than \$32 million in total, within the Congress and within the special investigation that is ongoing, has already been dedicated to this.

If we need to spend another \$100,000, another \$130,000, \$140,000, we will do that. Our amendment suggests \$185,000. Our amendment suggests that the investigation go on at least through April 3, and then gives the opportunity to write a report through May 10.

If we had used every day we had available to us, if the committee had taken the opportunity that they had available to them in using Mondays and Fridays and days throughout the week for which they chose not to have any hearings, we would not have to extend it. But for whatever reason, the committee chose not to meet on a lot of Mondays, they chose not to meet on

virtually every Friday. There were a lot of days during the week, for whatever reason, they chose not to meet.

So it was not that we did not have the time. We simply did not use the time very wisely. And the majority, if they could do it over again, I am sure, would use that time more wisely. But now, to say that is the reason we want to carry this thing out forever is just unacceptable.

Mr. President, the second point I emphasize is that we have made a good-faith offer. That offer stands, although I will say that the clock is ticking. We are simply not going to extend this thing out over and over farther and farther just because we are not able to resolve this difference today. The clock is ticking. The calendar pages are turning. The offer that we have been given is unacceptable. The counteroffer, this notion that somehow we now could go 4 or 5 months longer, is also unacceptable. We do not want to make this a convention issue. We do not want to make it a Presidential campaign issue. We want to get the facts. We want to resolve these matters. We want to resolve this issue once and for all.

We can do that in a time certain. We can do that in a bipartisan way. We can do that working together to make the best use of the time, whatever additional time is requested. We can do all of that. But we have to resolve this matter. The standoff that we are in today is unacceptable. We do not like it. We know the majority does not like it. So let us sit down and try to find a way to resolve it. But let us recognize an unlimited request or any request that takes us into political conventions and the campaign season for 1996 is unacceptable, too.

So, Mr. President, reluctantly, I urge my colleagues once more to vote against this cloture motion. I believe that we will continue to be able to defeat the cloture motion for whatever length of time this unreasonable request is, the one before us. We can resolve it this afternoon. It is time we do so.

It is time we get on with the real business of the Senate. I hope we can do it sooner rather than later. I yield the floor and yield the remainder of our time.

#### CLOTURE MOTION

The PRESIDING OFFICER (Mr. COVERDELL). The clerk will report the motion to invoke cloture on the motion to proceed to Senate Resolution 227.

The legislative clerk read as follows:

#### CLOTURE MOTION.

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to S. Res. 227 regarding the Whitewater extension.

Alfonse D'Amato, Trent Lott, C.S. Bond, Fred Thompson, Slade Gorton, Don Nickles, Paul Coverdell, Spencer Abraham, Chuck Grassley, Conrad Burns, Rod Grams, Richard G. Lugar, Mike

DeWine, Mark Hatfield, Orrin G. Hatch, and Thad Cochran.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on Senate Resolution 227 shall be brought to a close? The yeas and nays are required under rule XXII. The clerk will call the roll.

The legislative clerk called the roll.

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

The yeas and nays resulted—yeas 53, nays 47, as follows:

[Rollcall Vote No. 29 Leg.]

#### YEAS—53

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	

#### NAYS—47

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feingold	Levin	

The PRESIDING OFFICER. On this vote the yeas are 53, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

#### BALANCED BUDGET DOWNPAYMENT ACT, II

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3479

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Will the Chair explain to the Senate what the order before the Senate is now.

The PRESIDING OFFICER. The Senator from Nevada [Mr. REID] is recognized to move to table the Hutchison amendment.

Mr. REID. I so move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Hutchison amendment.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

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

The result was announced—yeas 49, nays 51, as follows:

[Rollcall Vote No. 30 Leg.]

#### YEAS—49

Akaka	Graham	Moynihan
Baucus	Gregg	Murray
Biden	Harkin	Nunn
Bingaman	Heflin	Pell
Boxer	Hollings	Pryor
Bradley	Inouye	Reid
Bryan	Jeffords	Robb
Bumpers	Kennedy	Rockefeller
Byrd	Kerrey	Roth
Chafee	Kerry	Sarbanes
Daschle	Kohl	Simon
DeWine	Lautenberg	Specter
Dodd	Leahy	Thompson
Exon	Levin	Wellstone
Feingold	Lieberman	Wyden
Feinstein	Mikulski	
Glenn	Moseley-Braun	

#### NAYS—51

Abraham	Dorgan	Lott
Ashcroft	Faircloth	Lugar
Bennett	Ford	Mack
Bond	Frist	McCain
Breaux	Gorton	McConnell
Brown	Gramm	Murkowski
Burns	Grams	Nickles
Campbell	Grassley	Pressler
Coats	Hatch	Santorum
Cochran	Hatfield	Shelby
Cohen	Helms	Simpson
Conrad	Hutchison	Smith
Coverdell	Inhofe	Snowe
Craig	Johnston	Stevens
D'Amato	Kassebaum	Thomas
Dole	Kempthorne	Thurmond
Domenici	Kyl	Warner

So the motion to lay on the table the amendment (No. 3479) was rejected.

Mrs. HUTCHISON. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the Hutchison amendment.

The amendment (No. 3479) was agreed to.

AMENDMENT NO. 3478

The PRESIDING OFFICER. The question is on agreeing to the Reid amendment, as amended.

The amendment (No. 3478), as amended, was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

AMENDMENT NOS. 3480 AND 3481

Mr. MCCONNELL. Mr. President, earlier today the majority leader sent to the desk two amendments relating to Bosnia on behalf of myself and him. I ask unanimous consent that Senator MCCAIN and Senator BURNS be added as cosponsors to both amendments.

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

Mr. MCCONNELL. Mr. President, the first amendment regarding Bosnia, conditions the obligation of funds in this supplemental upon a certification that all foreign fighters, including Iranians are out of Bosnia, in compliance with the Dayton Accords.

Let me describe each amendment, turning first to foreign troops.

Article III of annex 1A is absolutely clear—Let me read it into the RECORD. This is part of the Dayton Accords. It says:

All forces in Bosnia and Herzegovina as of the date this Annex enters into force which are not of local origin, whether or not they are legally and militarily subordinated to the Republic of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina or the Republic of Srpska, shall be withdrawn together with their equipment from the territory of Bosnia and Herzegovina within 30 days.

Just to make abundantly clear so that there was no misunderstanding of just what we meant by this provision, the annex spells out who was affected by this requirement. The accord explicitly states:

In particular, all foreign forces, including individual advisors, freedom fighters, trainers, volunteers, and personnel from neighboring and other states, shall be withdrawn from the territory of Bosnia and Herzegovina.

In a December hearing before the Senate Appropriations Subcommittee on Foreign Operations, Assistant Secretary Holbrooke reiterated the "high importance" the administration attached to full compliance with this provision.

Let me cite his testimony:

It is imperative that the commitment made to have these elements removed be honored. They have said publicly they will do so . . . President Clinton raised this directly with President Iztbegovic in Paris.

During questioning he noted that Iranian and other freedom fighters were concentrated in the sector where United States troops are operating, "so we are going to be watching this extremely carefully."

When I asked Secretary Holbrooke what happens if they choose not to go, his answer was absolutely unequivocal:

Choose not go go? This is the Bosnian government's home turf. This is the core of the Federation position. It is not their choice. If the government of Bosnia-Herzegovina says they will go, then either they go or the Bosnian government was not sincere in what it said. They must get them out and we will know if they are out or not . . . President Iztbegovic has publicly committed himself, not only to the public and the press, but to the President.

The deadline for the withdrawal has now come and gone. January 19 passed with Iranian's terrorist forces still operating in the American patrolled sector.

Secretary Christopher acknowledged the administration's ongoing concern about this issue during an appearance on the McNeil-Lehrer Show on January 23. At that time, he said:

We will not go forward with the equipment and training unless they are in compliance with the agreement. They'll not have a right to the reconstruction fund unless they are in compliance with the agreement.

At the time, I was reassured that the administration shared the view many of us have here in Congress—Iranian troops represented a direct threat to American soldiers and to American long-term interests in stability.



Yet shortly after the Secretary's remarks, NATO soldiers raided a house near Sarajevo and detained 11 people with a cache of weapons, ammunition and explosives. According to a senior State Department official, news accounts indicated five were Iranians believed to have already left the country, yet they were clearly involved in plotting attacks on NATO installations.

This past week, the Washington Post reported that members of the Iranian Interior Ministry are among the 150 or so men running vie to seven training camps. Western officials believe Iranian Revolutionary Guards joined by volunteers from across the Islamic world are engaged in building a secret security organization called the Agency for Investigation and Documentation.

U.S. Navy Adm. Leighton Smith conceded in a recent interview that the forces were of immediate concern to the security of American soldiers and cited the loss of 248 marines in Beirut in a suicide bomber attack.

In addition to our security concerns, Iranian forces and their role in the Agency for Investigation and Documentation directly undermine prospects for continuation of the Moslem-Croat Federation. In a letter to Izetbegovic, Federation President Kresimir Zubak said the Agency was "in direct opposition to the constitution of the federation and the law."

He, like others are deeply worried that the agency will be used to harass and investigate Izetbegovic's political opponents and over the long run, encourage the movement toward a separate Moslem state, a goal Iran has long pursued.

There are a number of other disturbing signs that President Izetbegovic is moving in this direction. However, the immediate concern we should all have is the continued presence of Iranian Revolutionary Guards.

In the last several days, administration officials seem to have abandoned the linkage drawn by the Secretary on January 23 between full compliance and economic and military aid. They are now asserting that we will only hold up plans to equip and train the Bosnians.

This is a decision which is bound to backfire. Withholding military support and training will only drive the Bosnian Moslems closer to Iran, a nation unfortunately viewed as one of the few reliable partners during the years that the embargo imposed an unfair disadvantage on their government and people.

Moreover, if not a part of a broader strategy, withholding only military support will call American credibility and commitment to the Federation into question. It will be seen as an excuse to reinstate the administration's long standing position opposing lifting the embargo. After all, only when faced with the imminent prospect of a congressional vote to lift the embargo, did the President make the commitment

to move forward with a meaningful program to assure the Bosnian Federation receives the assistance necessary to achieve an adequate military balance prior to IFOR's departure.

If we are serious about the presence of foreign troops in Bosnia, and I certainly believe we should be, then we must use all necessary and appropriate diplomatic, economic, and security tools we have available to press for full compliance.

I believe the amendment Senator DOLE and I have offered sends a clear signal that the Congress expects full compliance with the Dayton accords if we are to move forward with this \$200 million supplemental.

I think it is worth noting that none of the funds we have designated for emergency humanitarian programs would be affected by this amendment. In fact, \$339 million provided in the fiscal year 1996 foreign operations appropriations bill for a variety of activities and programs would still be available.

We are simply withholding a portion of our total commitment to assure compliance with a provision of the Dayton accord which has an immediate impact on the well being of our troops and a long-term affect on the viability of the Federation and peace.

The second amendment Senator DOLE sent to the desk earlier today on behalf of myself and him, supports the broad goals and plans the President outlined in his Oval Office address announcing the commitment of U.S. troops. In separating the belligerents and patrolling the cease fire zone, he said the United States would "help create a secure environment so that the people of Bosnia can return to their homes, vote in free elections, and begin to rebuild their lives."

While many of us opposed the deployment of our troops, we now hope that they succeed in accomplishing this mission. I think every one of us also supports the President's determination to assure the mission is limited in nature and fulfilled within the year. Above all else, we are committed to protecting the security of our forces.

The amendment before the Senate advances these goals.

First, it requires that the funds in this supplemental may only be made available for projects and activities in Sarajevo and the sector where Americans are assigned. It also establishes that in making funding allocations, priority consideration should be given to projects identified by the Department of the Army on the so-called Task Force Eagle Civil Military Project List.

This list is a catalog of specific activities designating both the location and type of assistance necessary. The task force has identified a wide range of activities including the repair of roads, bridges, and railroads, and rebuilding municipal electricity, water, telecommunications, and sewer systems.

Although costs have not been assessed for each project—which will

clearly have an impact on deciding which to pursue—the report makes clear that every project has been deemed urgently needed.

No other agency has been able to produce as comprehensive an assessment of Bosnia's urgent priorities. Since the administration deemed this supplemental an urgent emergency, designating these identified projects as high priorities will expedite the process of obligating funds and hopefully have an immediate, visible, and effective impact. My expectation is that by improving economic conditions in the American sector we will reduce the level of tension and stimulate popular support, which, in turn, should lower the security risks to our soldiers.

I should make one point perfectly clear. This amendment affects only the \$200 million provided in this bill. An additional \$339 million appropriated in 1995 and 1996 are not subject to these conditions or priorities. We have exempted the early appropriations because much of those funds are for emergency humanitarian activities which we in no way wish to impede or redirect. To date, these short-term, quick impact efforts have been very successful and should be continued.

It is my view that focusing the supplemental resources on the area in which United States troops are assigned and targeting projects that the Army has already identified as ready for funding enhances stability in Bosnia and strengthens the chances of achieving an early exit. While I have opposed setting a specific date for departure, I support the President's objective to complete the mission within a year. The effective administration of our aid contributes to this exit strategy.

There are a few other provisions in the amendment worthy of note. The administration has indicated it intends to deposit \$65 million in a Croatia-owned bank in Bosnia, convert the money to German marks and extend loans to small- and medium-sized businesses to generate jobs and income. I have made my reluctance to support this idea clear to AID in large part because there are no clear accountability mechanisms to prevent fraud or abuses. Blank checks to foreign banks invite trouble.

To solve this problem, the amendment requires the bank which will be the beneficiary of this substantial deposit to grant GAO access to audit the flow of U.S. funds. I am hopeful this will address congressional concerns about accountability while allowing the administration to test the merits of this approach.

Finally, the amendment offers the administration leverage in discussions with our friends and allies over their contributions to reconstruction. Late last year, the World Bank estimated Bosnian reconstruction would cost approximately \$6 billion. The administration testified that half of the necessary funds would come from multilateral

lending institutions such as the European Bank and the World Bank. The balance would be derived from bilateral donations, of which we have now pledged \$539 million or roughly 20 percent.

So far, the pledging by other nations, especially our European allies has been anemic. I think it is important that they understand that we will not shoulder this burden alone. Thus, the amendment requires the President to certify that the total of bilateral contributions pledged by other donors must match our level of support. Failing that test, we should suspend obligation of supplemental funds. Here again, the emergency humanitarian program will not be affected.

Finally, the amendment makes clear that no funds may be made available to support building or refurbishing of housing in areas where refugees or displaced people are refused the right to return based on ethnicity or political party affiliation. As Senator DOLE points out, it makes no sense to use our limited resources to endorse or sanction what amounts to a variation of the repugnant practice of ethnic cleansing.

Mr. President, let me conclude by stating this amendment accomplishes three goals. It improves the operating environment where our troops are assigned thereby enhancing their safety, it targets the aid to support identified, ready-to-go projects improving prospects for success, and the combination of fulfilling those two goals contributes to achieving the third and most important—the timely withdrawal of U.S. troops.

I urge my colleagues to support these amendments.

I hope both of these amendments will be approved when they are actually submitted for a vote to the Senate.

Mr. President, I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Delaware.

AMENDMENT NO. 3483 TO AMENDMENT NO. 3466

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

I send it on behalf of Senators KERRY, WELLSTONE, DASCHLE, LAUTENBERG, LEVIN, and MIKULSKI.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] for himself, Mr. KERRY, Mr. WELLSTONE, Mr. DASCHLE, Mr. LAUTENBERG, Mr. LEVIN, and Ms. MIKULSKI, proposes an amendment numbered 3483 to amendment No. 3466.

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

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

The amendment is as follows:

On page 3, line 8, add after "basis":

COMMUNITY ORIENTED POLICING SERVICES

For public safety and community policing grants pursuant to Title I of the Violent

Crime Control and Law Enforcement Act of 1994 (Public Law 103-322) and related administration costs, \$1,788,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

On page 29, line 2, strike all after "(the 1990 Act);" through "That" on page 29 line 18 and insert in lieu thereof: "\$1,217,200,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; of which".

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I have spoken with the White House, and the President agrees that the only course to be taken on the 100,000 COPS Program is an unequivocal and unwavering support for adding 100,000 cops to our streets.

The irony of all ironies is, in my view, that after the years that Senator KERRY, Senator WELLSTONE, and others of us have fought for this program, we heard repeatedly—I mean, if I heard it once, I heard it a hundred times on this floor—"This isn't really going to be 100,000 cops."

I watched Charlton Heston on TV in paid television advertisements. He would say, "This is a phony thing. It is not 100,000 cops. This will not produce more than 20,000 additional police officers. It just simply is not"—and he went on and on and on and on.

I heard repeatedly from my Republican colleagues that all this was about was adding welfare workers. This was adding welfare social workers and no hard police enforcement.

We have only been doing this about a year, and we now have a total in the United States of America—and I will be repeating some of these numbers, because they warrant repeating—totally funded so far are 34,114 additional cops; direct hiring, 20,236; and the so-called COPS More Program, 12,678.

Bottom line, Mr. President, is more than 33,000 police officers are on the streets who would not otherwise have been on the streets doing community policing and have already been funded.

What is more, the results of the Community Policing Program, which all of my colleagues know now ad nauseam because the Senator from Massachusetts and I have been—for how many years now, I ask the Senator from Massachusetts, 5, 6 years we have been talking about community policing?

Because of community policing, because of the requirement that in order to get a single additional federally paid local police officer your whole department has to be involved in community policing, the results of these additional 33,000 police officers have been leveraged in a way that was not imagined by many. It was by the Senator from Minnesota, and that is, if you had a police force of five cops in a small town and they are not involved in community policing, in order to get one additional cop that you need, you have to put the other five in community policing. We have leveraged six cops into community policing, where there was

none before, by merely one additional police officer.

Mr. President, there was only a total of about 525,000 local police officers before this began. There are those of us on this side, and I can speak for the President in this regard—and I seldom ever do that—bottom line is we want to make sure there are an additional 100,000 cops on the street when this is over, so we end up with 600,000-plus local police officers. As a result of what we have already done so far, community policing speaks for itself. More cops means less crime.

You know, there is not a lot we know about crime. We all think we know about it. We think we do not have to know the facts. I heard someone say—actually I heard Senator SIMPSON say it—everyone is entitled to their own opinion, but not entitled to their own facts. He was talking about something other than this, but the facts are that there is not a lot we know for certain about law enforcement and the criminal psyche.

But one thing we do know. If you have a cop standing on this corner and no cop on the adjacent corner and there is a crime that is going to be committed in that intersection, it will be committed on the corner where there is no cop. That is all we know. We think we know a lot of other things, but that we do know. So we need more cops.

To cite just one specific example, look what is happening in New York City. More police devoted to community policing has proven to mean less crime. In the first 6 months of 1995, compared to the first 6 months of 1994, let me read the statistics: Murder is down by 30 percent, robbery is down by 22 percent, burglary is down by 18 percent, car theft is down by 25 percent.

In the face of that success in fighting America's crime epidemic, it seems to me it would be folly to go back on our commitment of adding the remaining 67,000 cops called for under this crime law to the list. As a former President used to say, in a different context, "If it ain't broke, don't fix it." Well, the COPS Program is working. It is not broke. It is fixing things.

Why are we doing what this legislation calls for, backing off of that commitment in both dollars and numbers and the requirement that local officials use this money to hire cops? That, unfortunately, is exactly what this latest continuing resolution proposes to do. Instead of fully funding the President's request for the 100,000 COPS Program, this latest proposal would slash the 1996 request of the COPS Program to \$975 million, about one-half of the \$1.9 billion called for.

Let me go back and review the bidding here just a little bit. That is that, unlike any other program, we set up a trust fund to fund these cops. We are not talking about new taxes here. We are talking about we made a commitment, with the help of the Senator from Texas, Senator GRAMM, over 1½

years ago, that we were going to cut the size of the Federal Government work force instead of letting it continue to grow as it did under two Republican Presidents with the help of Democratic Congresses.

What happened was we have kept that commitment. We have essentially taken a check that we were paying the Federal bureaucrat—I do not use that word in a derisive way, but in which we paid a Federal employee—when that person left Federal employment, we did not hire one; we took that check and sent it back home for folks to hire cops. We traded bureaucrats for cops.

Now, here we are, with money in the till under that program, and effectively defunding by \$1 billion the request for money for cops. Not only is the 100,000 COPS Program subject to extreme cuts, but the latest continuing resolution also makes nearly \$813 million of that money that is supposed to go to the 100,000 COPS Program to fund those cops into what we call down here—and we think everybody at home understands it—we call it a block grant.

You know what a block grant is? A block grant for this is like the old LEAA program, Law Enforcement Assistance Act. When I first got here, one of the first things I did—I remember I had gotten in great trouble with a senior Democrat named John McClellan from the State of Arkansas. I had the temerity to come to the floor and introduce legislation doing away with LEAA because I had been a local official, and I know how it works. We would sit around the county council meetings in my State—which is the largest representative body in my State in this particular county I represented—and we would say, “You know something? We can save the county taxpayers’ money.” And a guy named Doug Buck, he and the county administrator said, “Here we have X number of firemen,” or X number of policemen in this case, “on the county payroll. We’ll fire half of them, we’ll fire them, cut the budget. We’ll tell the local taxpayers we’re cutting the budget. And we’ll take that Federal money for cops, and we’ll rehire them. We’ll rehire them with Federal money.”

So what happened was all of us, as local officials, could go home and say, “You know, we didn’t raise your taxes. We cut your taxes, and you didn’t lose any services.” But what happened was you did not get one additional cop. No new cops. The community was not one whit safer, but, boy, we local officials, we loved it. We thought it was a great idea. That is what a block grant is.

If you look at the language, I say to my Republican friends, if you look at the language closely under the block grant, the local officials can take this block grant money and they do not have to hire a cop with it, they can go out and use it for anything they think impacts on law enforcement. They can hire a public defender with it. They say, Who would do that? Well, the folks

in Pennsylvania would do that. The folks in Delaware would do that. We both know it. You know why they do that? Because the local folks do not like telling the local taxpayers they are taking their tax money to hire a public defender. They do not want to do that. They know that is not a popular thing. But they know they have to have public defenders. They do not want to tell them they are taking the money to hire judges. They know that is not popular. So what do they do? They will take the Federal money and they will hire the public defender.

I say to my friend presiding in the chair, if this prevails, I will make him a bet—and anyone else in here—Pittsburgh; Scranton; Wilmington, DE; my hometown of Scranton, PA, Democrat, Republican, Independent alike will find a way to make sure that locally they look like they are getting tough, but there will not be more cops.

I support the public defender program. I think we need more judges. I think we need more protection. I think we need more social workers at the prisons. But let me tell you what I know I need: I need more cops. I need more cops in Delaware. Scranton, PA, needs more cops. Dagsboro, DE, needs more police protection. But that is not what will happen. So, \$813 million that is supposed to go directly to hire new cops—do not pass go—go straight to hiring a cop, now can be used as a block grant. The approach just is not right. This so-called law enforcement block grant is written so broadly that money can be spent on everything from prosecutors to probation officers to traffic lights and parking meters, without having to hire a single cop. And that is not an exaggeration.

I challenge anyone on this floor or back in their offices listening or Senator’s staff who are listening, go in and tell your boss, “Come to the floor and debate BIDEN.” If you can prove to me that you cannot locally, with this block grant, go out and buy parking meters or get a probation officer, if you can come and tell me that, I will stand corrected. But until that, understand, all my tough colleagues, Democrat and Republican, who are getting tough on crime, you are sending money back home to hire probation officers. The same outfit that was worried that the Biden crime bill which became law would be soft and hire all these social workers, now apparently are concerned because you really are hiring cops. I guess you all want to hire those social workers. I guess that is what you all are about. That is what you want to be able to do.

Now, if you do not want to do that, amend this on the floor and say the block grant cannot be used—cannot be used—for anything—and I will give you a list—from parking meters to probation officers, to courts, to judges. Did you ever ask yourself, those who are listening, why this block grant is so broad? Well, it is because, I guess, we do not like having all these extra cops.

Second, the block grant has never been authorized by the Senate. My friends on the Appropriations Committee like to talk about how they follow the process. Well, let me tell you, we know the Judiciary Committee—to the best of my knowledge, neither House ever authorized this. Let us be clear about what is being done here.

What this continuing resolution does is take the crime bill that has been passed by only one House, the House of Representatives, whose funds have been authorized only by the House, whose block grant ideas already have been rejected by the Senate. We have come at this a couple times in direct legislation. A couple of times I have come to the floor and we have debated it, and I have won. Not I have won, my position has won. Now we find it back in the appropriations bill. The block grant idea has already been rejected by the Senate and incorporated into an appropriations bill, so it is passed and funded all in one fell swoop, instead of people standing on the floor here saying, “I don’t want to fund COPS.”

Mr. President, we are going to legislate by fiat like this. If we are going to do that, then we might as well do away with the committees, with hearings, with subcommittee markups, with full committee markups, with careful consideration of authorizing legislation and with legislating in the sunshine.

I understand why you put it in the bill this way. You put it in the bill this way, in an appropriations bill in a continuing resolution, because then you can say, “I tell you what, I did not vote to cut those cops. Not me. I voted for that big continuing resolution, but I had no choice. We had to do that. We had to keep the Government going.”

“It was not me, Charlie.”

“Honest to God, Mabel, I know your store got held up three times. You did not get the four cops.”

Let me give you an idea here. I will not take the time to submit the chart, but I will just give you a list of the pending requests that exist. I will repeat this again: Already more than half a billion dollars is pending in requests. Remember Republicans said local officials would not want this money, they would not come and ask for it because they kick in their own money? I know my friend from Massachusetts, a former prosecutor, understands this one. What are the reasons we wrote it this way? We knew cops were more popular than mayors. So they go, and the chief of police would say, “Mr. Mayor, got good news. We can get 75 grand from the Federal Government. The bad news is we have to come up with 50 or 60 or 70, depending on the cost and size of the jurisdiction.”

The mayor always said, “I don’t know. I don’t want to do that.”

“No problem. We will tell the folks we do not want the Federal money.”

It happened twice in my State already. Guess what? The city council, county council, could not take the heat when the public found out they could

get the money and they were not asking for it. Well, guess what? Mr. President, 7,766 cops beyond the 33,000 are already requested and pending. That means the town councils, the city councils, the county councils have already sat down and made the hard decision that they will keep a commitment to hire a cop for another 5 years and have to pay half the freight in doing that. They did it.

Take a look. In the State of Delaware, we already have something like 120 new cops already. We only have an entire police force, if you count every cop in the State, about 1,500 in the whole State. We have some pending. In the State of Massachusetts there are 276 cops asked for, formally requested, ready to be certified. In the State of Minnesota, 100 cops, 7 million bucks, an additional 100. The State of Pennsylvania, 280 cops. Say we turn this to a block grant. That will be like water going through your hands. You will not get 280 cops in Pennsylvania or 400-some cops in Massachusetts, and so on, because there will be other priorities.

I, for one, happen to believe that is a terrible way to proceed, and that is through this block grant approach on COPS. That is reason enough for me to oppose the bill all by itself. If the Republicans want to change the crime bill, they have a right to try that, but we should do it the right way and have a vote on it. Wiping out a major piece of this most significant anticrime legislation to ever pass the Congress on an appropriations bill makes a mockery of the Senate process. The importance of the program we are considering, not to mention the perception of our institution, I think, demands better.

Before turning to specific problems with the so-called law enforcement block grants, let me preview the specific success of the 100,000 COPS Program. I do not know a single responsible police leader, academic expert, or public official, who does not agree that putting more police officers on our streets is the single best, more effective, immediate way to fight crime. Community policing enables police to fight crime on two fronts at once: They are better positioned to respond and apprehend suspects when the crime occurs; but, more importantly, they are in a better position to keep crime from occurring in the first place.

I have seen this work in my home State of Delaware where community policing in Wilmington, DE, taking the form of foot patrols aimed at breaking up street level drug dealing, is turning the city of Wilmington and neighborhoods into a combat zone. The efforts successfully put a lid on drug activity, without displacing it to other parts of the city.

In practice, community policing takes many forms. Regardless of the need of a particular community, the reports from the field are the same: It works, it works, it works, it works. I am delighted to debate anybody who wants to come and make the case that

community policing does not work. I will stand here as long as anybody wants and come back after I yield to my friend from Massachusetts. I will hang around for anybody who wants to make the argument to me that community policing does not work. I would love to hear it. I would love to hear it.

I suspect no one will come and make that argument, and no one will come to the floor and say we need fewer cops, and no one will come to the floor and tell me, no, they do not want more cops in their home State. No one will come to the floor and tell me that they want more of this COPS money to hire probation officers. No one, I suspect, will tell me that.

That is what this all does. That is what it does. The 1994 crime law targets \$8.8 billion for States and localities to train and hire 100,000 new police officers over 6 years. Now, we will all remember the criticism of last year's program, the COPS Program. Republicans in Congress got Charlton Heston to go and say there will never be more than 20,000 cops, and "Moses" Heston could not have been more wrong.

As indicated, we already have 33,000 new local cops—not Federal cops, local cops—only after 1 year. Because of the way we set it up with the match requirement in spreading out the cost over a period of a year, the money will continue to work and keep working for cops on the beat well into the future. This is not just 1 year the cops have been at it. The progress will come to a screeching halt if my Republican colleagues have their way.

The continuing resolution includes new enforcement block grants. They call it new enforcement block grants, which has loopholes so big that it would prevent all the money to be spent without hiring a single police officer—not one. Read the proposal. Money is sent not to the police, as it is now, but to the mayors. The money may be used not only for the cops but also for other types of law enforcement officers or anything that "improves public safety." Moreover, the money can be used for other vaguely defined purposes such as "equipment technology and other material."

Now, look, I am not trying to pick on local officials. They know what they need. They do not have to ask for a single cop. They do not have to ask for any of this. Let me point out, we are emasculating local budgets. As the Federal share of local budgets go, we are throwing many of our cities and States into chaos by our unwillingness to come up with some rational plan. Now, you are sitting there as a mayor; you already lost a significant portion of what used to be Federal funding for other programs, and now you have to make some tough choices. You have to make these really tough choices because you have less money and no growing tax base. Do you think you will put all the money into cops like we required to be done? What do you

think? I wonder what the citizens back home who might listen to this think will happen? I wonder whether or not the mayor and the county executive and others, Democrat and Republican, would conclude it is better for us to spend this money on improvements of public safety because we need new traffic lights, we need new parking meters, we need new lights in the local playground, all of which are legitimate. They do not put a single cop on the street.

Let me repeat, under the Republican proposal, the dollars can be diverted to prosecutors, courts, public safety, and public safety officials. In addition, the block grants require any money spent for drug courts, crime prevention, law enforcement, educational expenses, security measures, or rural crime task forces be taken out of the money to hire new cops.

I see my friend from Utah just walking on the floor. He and I worked awful hard to make sure the rural crime task forces were funded and rural crime money—as I know my friend from Minnesota knows better than most of us here, rural crime is growing faster than urban crime, with less resources and training and capability to deal with it. That is why it is growing. That is where the drug cartels are moving. That is why the drug operations are moving to those areas. What do we do here? Right now, in the crime law that exists, there is money separately for rural law enforcement, separately for the drug courts, separately for all these things. This is the pea in the shell game of all the block grant stuff that relates to the money part of it. We are going to give you a block grant, give you more flexibility, and that is the good news if you are a local official. Even they like the good news. Here comes the bad news: Add it all up and it is less money overall. Less money is going home. A lot less money is going home. So they may think they can hire prosecutors and put in street lights with assets of hiring cops. But they have to do everything else they were going to do with less money.

Mr. President, look at the language of the bill. Not one new cop is required. All it says is—I am quoting—"Recipients are encouraged to use these funds to hire additional law enforcement officers." Encouraged to use these funds. That is a very strong directive, is it not? Encouraged. That is encourage, not require.

Mr. President, American communities do not need our encouragement. They need our help. They need more cops. We should not encourage the States to keep the commitment this Congress made to the American people. We should keep our word. We should keep our word. Let me also point out that this block grant will also force American law enforcement to wait for these dollars. It will take the better part of a year to draft regulations, preparing application forms to get these dollars out the door.

When we passed the crime bill last year, I did something that the Attorney General thought was a little strange. Two days after, I asked for a meeting with her in my office, and I said, "General, I really appreciate all your support on this bill." She was supportive and for it. I said, "Now, General, we have to make sure of one thing—that you are able to reduce this application to one page." They looked at me like I was nuts. My two colleagues here who know a lot about this know that the cops at home only have to fill out a one-page application. They do not have to go to the mayor, or to some grantsman, they do not have to go through the Governor, they do not have to go through the State legislature, they do not have to fill out forms in triplicate. One page. One. The cop sends it in. Guess who gets the answer? The cop. The cop.

When I told the cops back home this was going to happen, they looked at me and said, "Joe, I love you, you are always with us. But come on, we did not think you would get this passed, but do not overpromise now." Go back and ask your local law enforcement people how complicated this is. All my Republican friends are real interested in making sure we do away with redtape and regulations. Well, this is a prescription for redtape and regulation. This is a prescription for it. If you want to delay it all, pass this.

The implementation of the 1994 crime law stands in stark contrast to the typical scenario where you will have to go through drafting regulations, preparing additional forms, getting the dollars out the door, getting them to the mayor's office before they get to the cop's office. It is a stark contrast. Instead of requiring the burdensome application often filled with entire binders, one-page applications were developed. Instead of waiting until the end of the year to disburse the funds, the money was awarded in batches beginning only weeks after the passage of this law.

So let us not destroy the momentum. Let us not destroy our effort to add 100,000 additional cops to protect our sons and daughters. I make a recommendation with some timidity to my colleagues on both sides of the aisle. Go back home, find out every single cop that came to your State. You can get the names of the cops who were hired under the Biden crime law. You can get the names. And then just ask at the end of the year how many collars each of these cops made. Ask how many times the cop that was hired under that bill saved some young girl from being raped, arrested somebody who murdered somebody, broke up a drug ring working on the street. Look at the specific actions they took and then, after you do that, you come back and stand on the floor and you tell the people of your State and all of us here that it did not matter, that these additional cops did not matter. We down here talk in such broad strokes about things that sometimes we miss it. This

is real simple stuff. If they hire John Doe or Jane Smith as a local cop in your town, your city, your county, just track them for a year. You tell me who would have arrested that person who burglarized your house or stopped it were it not for that cop.

In a word, Mr. President, the law is working. The crime law is already paid by the trust fund, is already being paid that way. Let me just add that the \$30 billion crime law trust fund that uses the savings from cutting 272,000 Federal bureaucrats pays for every cop, every prison cell, every shelter for a battered woman and her child. That is provided for in the crime law without adding a single penny to the deficit or requiring one new penny in taxes.

The single-most important thing our communities need when it comes to fighting crime is more police. The current law guarantees that our money will be used for just that purpose. We should not abandon it, 1 year after enacting it, especially in light of the spectacular results that have already occurred. We must save the 100,000 COPS Program to ensure that the money for police is used only for police. We should not retreat now on this tough but smart crime package that is already hard at work preventing violent crime across the country. We should not retreat on the 100,000 COPS Program that we insisted on just a few months ago in this Chamber.

In conclusion, Mr. President—and then I will yield to my friend from Massachusetts—I want to make it clear. It seems to me an absolute travesty that we are out here trying to dismantle a law that nobody even attempted to make a case that it is not working. Not one single person has come to the floor of the U.S. Senate to make the case that this law is not working. I am anxious to hear and debate anyone who has that point of view. Yet, we are dismantling, and instead of dismantling it, we should be building on it. We should be dealing with an issue my friend from Minnesota knows about: violence among youth and the growing trend of violent youthful behavior. The growing trend is that crime is down in every category. The Senator from Utah and I are involved in a project through his leadership to deal with youth violence in this country. We should be spending our time on that. I should be spending less time having to constantly defend a bill that nobody has made the argument that it is not working.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I want to thank the Senator from Delaware, who, when he was chairman of the Judiciary Committee, shepherded the single-most comprehensive and important crime bill probably in this century, or ever, through the U.S. Senate. It was the first crime bill in history to comprehensively try to deal with the problem of crime in this country.

Generally speaking, previously, we came to the floor and we had a bill that sought to deal with guns, or we had a bill that sought to build prisons, or a bill that sought to deal with drugs, and occasionally something like the LEAA that sought to do something with the criminal justice system itself. But this was the first time, under the leadership of Senator BIDEN, that we stood back and said, "How do we deal systematically with the problem of crime?" To the credit of the U.S. Senate, we finally—after we got over the issue of guns—shed party lines and shed the partisanship, and came up with a comprehensive approach to try to deal with crime. We put slightly less than \$10 billion into the building of prisons. We put up almost the same figure into prevention, and almost the same figure into police officers.

What I think is most significant about the approach that we adopted is that we recognized something that has been building in this country for perhaps 20 years and did something about it even as we recognized it. That is, specifically, we took note of the fact that for about 15 or 20 years we had been disarming our communities in this country. We had been losing numbers of police officers, losing the ratio of police officer to crime.

I think for any Member of the Senate who has spent time in the criminal justice system—there are a number of us here who have done that—or for anybody who spent a lot of time, like Senator MOYNIHAN or others, studying the relationship of values and other damaging trend lines in the disintegration of the fabric of our communities to law and order issues, I think most people have come to the conclusion that there is a relationship between people in the community and their perception of how the law is applied and how it is enforced to their sense of justice, their sense of deterrence, their sense that there is a linkage between the law and behavior.

Most people in America have been able to come to the conclusion that when you are properly administering the judicial system, when you have adequate police officers, when you have an adequate level of deterrence, there really is a relationship to how people choose to behave. That is no different from what we try to do in our schools at the earliest stage. When the teacher is out of the classroom, kids tend to run amuck a little bit and take advantage of it. When the teacher comes back in, usually to a greater degree or lesser degree, order is restored and people begin to have a sense that there is an authority figure there, and they know how to behave. The same is true at home. Depending on whether a babysitter is a strong, hard-nosed babysitter, or lax, or present or not present, at the refrigerator or the television versus taking care of kids, kids will make decisions about how to behave. It is no different in the rest of the world in which we live. In a community,

when people perceive that there are not any officers of the law, they write the law. They take their behavior and start to do things that there is no outside influence to suggest to them they should not do. It is so elementary that it almost defies the imagination that we are here debating about it.

The word "cop" stands for constable on patrol. It is not rocket science. We learned years ago in America when we were this great immigrant nation welcoming people from everywhere that one of the great ways in which we sort of brought people together was through the establishment of a set of laws and a standard of behavior which people followed as a whole. One of the critical ingredients of that was the cop, the constable on patrol, the person walking down the street with a billy stick in a uniform of blue who stood for the standards of that community.

Mr. President, during the 1960's and 1970's, we walked away from that. We took police officers off the streets, literally, putting them both into headquarters and into an automobile. We eliminated precinct after precinct after precinct station in America. This was part of the great new policing and cost-saving consciousness of that particular time period. What we did was kind of modeled our policing habits after the general sort of living habits of Americans. We all went for the automobile, and America moved its sense of community from the community into this transient status which we are in, fairly well to do, where people live in apartment buildings and do not even know each other. We have neighbors in these apartment buildings who are utter strangers. We have a whole new level of what we call stranger crime in America; murders that are committed by people who never met their victims.

In fact, we have learned in the past few years in America—thanks finally to our having required the Justice Department to report the truth of who kills whom—we have learned that the great story about most people committing murder being people who knew each other is a myth. It is not true that most murders in America are committed in this passion between lovers or family disputes. We now know that in the last 10 years in America, out of 200,000 or so murders, 100,000 of our fellow citizens were blown away by somebody they never met, an utter stranger. And we now know that, of those people who were murdered, two-fifths of their murderers have never set a foot across the threshold of a police station—not for an inquiry, not for an arrest, and certainly not for a prosecution.

That is why there is an increase of fear in America; that is why there is an increase of anger in America; because the average citizen feels this loss of freedom in this country. There is a dramatic loss of freedom in the United States of America—still the freest country on the face of the planet, but not the same free country that it used

to be where we felt that we could go anywhere, travel anywhere, go to a restaurant, not have fear of our car being stolen, not having to pay extra money for insurance, not having to pay extra money for trauma in our hospitals, not having to pay for the price of this incredible wave of violence that has consumed our Nation.

What has happened at the same time as we have had this wave of violence? We have diminished the number of police officers. In community after community after community we have less police officers on the streets of our country today than we did 15 and 20 years ago.

So here you have these two lines. One line is the increase in crime. It is going up. The other line is the presence of police officers, and it is going down.

What is the message? The message is very clear. If you are a criminal and you know that the police cannot even respond to the current 911's, if you know that if there is a burglary or an armed robbery, that their ability to track it down is limited because they are already having difficulty filling out their own overtime because they are already having difficulty going to court for the number of court appearances that they have to meet for the crimes already investigated, and they are having difficulty doing their patrols on the level that they ought to be doing them because, lo and behold, there are not enough officers to cover those patrols. What are you going to wind up sending as a message? The message has been crime pays. That is the message we have sent America—crime does pay.

All you have to do is talk to any hardened professional criminal out there, and most of them will tell you that you just learn in the undercurrent and the subculture of crime in this country that that is their perception. It is their perception because we have never had a serious war on drugs in America. Why? Because we only treat 20 percent of the addicts in this country. So what is the message? The message to 80 percent of the drug addicts of America is it does not make any difference if you are lying in somebody's doorway drugged out; it does not make any difference if you have committed your 50th household break-in to support your habit because there is nobody there to get you off your habit, and nobody to catch you for the crime you are committing.

Go to most cities and dial 911, and see what happens. We have had tales that baffle the imagination here in Washington where three blocks away from this Capitol people have dialed 911, and it took 20 minutes to half an hour for a cop to show up.

My wife was involved in an attempted robbery in the city of Washington a few months ago, stuck up by a man with a handgun, and a guy who happened to be driving by in his car called 911, reported it, and nobody showed up. And it was only thanks to

that lucky citizen's presence that he took the license plate of the car that got away, and they caught the person who did it.

In Boston a few months ago, we had a guy who started to run amok out in the street at night. The cop came up to him, the guy pulled a gun and shot the cop and started running down the street. He went around a corner, but there happened to be an off-duty cop working a detail who heard it on his radio; he heard the call of what was happening, started looking around, saw the guy, ran after him, and the guy went around the corner and blew his own brains out before the cop got to him.

Another example in the 99 Restaurant in Charlestown just a few months ago. Guys walked in the restaurant with guns in the middle of the day, in the middle of lunchtime and started firing away at five people sitting in a booth. I think there were four people killed. It might have been five. I cannot remember—four anyway. Two guys come running out with their guns. They are taking off in the light of day, having committed murder, but two cops happened to be in the place eating, off duty again—off duty—and two other guys were out there, again off duty, on a detail. The four of them managed to make the arrest red-handed, right there in the parking lot.

What happened? Cops off duty, cops not part of the regular duty happened to be there. What is the message out of that? What is the message out of the cop who happens to be there when somebody runs amok in the street? The message is cops in the streets make a difference. You do not have to go to school to learn that a police officer walking down the street is an invitation not to commit a crime. Most people do not go out and rob a bank when the cop is standing on the corner. Most people do not run up to an old lady and pull her purse away when there is a cop in the lot.

That happened in Brockton, MA, just last week. A 73-year-old woman was murdered at random, in an act of senseless violence, when a young guy from a neighboring city, who was just caught a couple of days ago, came to that parking lot, grabs her purse and beats her senselessly, and she is dead. I tell you, if he had seen a cop in that lot, that would not have happened.

Now, obviously, we cannot cover every corner, we cannot cover every parking lot, but you know what we can do? We can guarantee that this priority of putting cops on our streets that we committed to only a year ago is not now taken away. For what? For what reason? Nobody has spoken here and said this is not working. The arguments that were made a year ago were that you are not even going to put 5,000 cops out there. This is a joke.

Well, we have put 33,000 cops on the streets of America in the last year and a half. We have added 265 cops alone to the city of Boston. The Federal Government is now paying for a 25-percent

add-on of cops to the city of Chelsea, next to Boston, and we are taking back communities. I was over there the other day listening to the police chief and to the community activists tell me what has happened to the drug dealers and the crack houses since we put those cops on those streets. They are gone. They are painting the houses today. People come out in the community. They care about the community. They come back into it, and they suddenly have new life, Mr. President. Why would we want to not continue that commitment?

Now, I know some people will come to the floor and say: "Well, Senator, what we want to do is give the local community the power to choose and give these people the opportunity to have a big block grant, and they can pick and choose what they want to do." But that is totally contrary to the decision that we made based on the evidence a year ago. There are communities in America that need these cops.

When you make the cops competitive with a cruiser or floodlights for a jail or a drug court or another program, you are diminishing the number of cops that will be put on the street. That is the result. There is a fixed pot of money, and this block grant takes the fixed pot of money and makes cops competitive with everything else that is in the block grant. The end result is there will be fewer police officers on the streets of America.

Why would we want to do that when the Conference of Mayors says, do not do that; we want the cops. Why do it when the police chiefs across the country say, do not do that; we want police officers. Why do it when the police officers' unions and patrolmen themselves say, we need more cops to help us do our job. The mayors are against it, the police chiefs are against it, the district attorneys and attorneys general are against it, and we are going to go ahead and do it.

Now, why would we do it when it flies in the face of truly giving people local control? When small communities give it to the Governors, that is not local control. That is State control. When you give it to the Governors in the format of which it has been given, it is actually more expensive administratively. We are currently administering this program for less than a 1-percent administrative cost. You put it in a block grant with all of this competition at the State level and you drive your administrative costs up to at least 3 percent and maybe more.

Moreover, you enter politics into the situation. What is going to happen when you have a Republican Governor and a Democratic district attorney who may be thinking about running against the Governor and he is going to submit a plan to the Governor for this money? Do you think he is going to be the first to get it?

We took the politics out of this program. A cop, as the Senator from Delaware said, can directly send a single

sheet of paper to the Justice Department and he can get an answer within days, and they have been doing that.

I do not know how you get more direct local control than that; a local police department goes to where the money is, says we need help and gets the money. Instead, we are going to go three tiers. We are going to go to the Federal Government, to the State Government, State Government through the process down to the local government. It just is not part of the revolution of restoring local community control. It flies directly in the face of that, and it is contrary to it.

I do not think this is politics. I think this is really common sense. This is how we are going to restore our communities. I think that 100,000 cops, as I said a year and a half ago, is a downpayment on what we need to do in America today. I think we ought to add 100,000 more cops to the 100,000 we have, and I absolutely guarantee you that if we do that, we will diminish the number of Americans in jail; we will restore whole communities; we will reduce the costs to our hospitals and all the trauma people suffer as a result of violent crime, and we will honestly send a message in this country about law and order.

I can take you to community after community. Lowell, MA. Let me read to you what happened in Lowell in the last year and a half. We were lucky in Lowell—not lucky. People made some good judgments. They hired a terrific police chief named Ed Davis. He came in 18 months ago, and he came in particularly committed to community policing. I went to a street in Lowell called Bridge Street with the chief where prostitutes and druggies were taking over the street and senior citizens literally did not dare to come out of their homes because they feared what was happening in the street.

I walked into the corner pizza store and the guy there who owns it told me, "Senator, you know, people don't come in here anymore. I am going to go out of business unless we do something about this." So the police chief put several police officers in a building right on that street, a new precinct, new storefront. And literally the street has been revived. The drug dealers left. The pimps and prostitutes are gone. Seniors come out of their homes. People take part in the community again and the store owner is thriving. That has been replicated in other parts of the community.

Let me just share with you what the Justice Department has reported about Lowell. In Lowell, MA, for the first time in 25 years, 365 days passed without anyone being murdered.

In a city plagued by heroin use and street gangs, many say the city changed over the last 18 months as a result of an intensive community-based policing effort now supported by a Federal COPS grant. The city's effort has provided 65 new officers, 6 neighborhood substations with bicycle patrols,

a gang unit, and a mobile precinct for public events. Mr. President, that is the story. Over 60 new officers, 6 substations.

Bill Bratton used to be the police chief in Boston. I began working on community policing with him in Boston a number of years ago. As we know, he is now the police commissioner in New York City, and he graced the cover of Time magazine a couple of weeks ago because the crime rate in New York has gone down 20-some percent and it has done it, most agree, because of the presence of police officers and the commitment to community policing.

Mr. President, 15 years ago in America we had 3.5 police officers per violent crime. Today we have 4.6 violent crimes per police officer.

So I hope my colleagues will again reach across the partisan divide and agree that common sense and the experience we are seeing in our streets today dictate that we should not take this pot of money and divert it from cops.

Am I saying that the other priorities that they have included in the block grant are not important? The answer is no. They are important. I would like to see those funded too. That would truly be part of a comprehensive effort to deal with crime. But the first priority, beyond any of those other things, is to guarantee that our children can play in parks without fear of harm; that our seniors can come out of their homes and walk a street to go to the post office or the bank or the corner store; and that all of us in our communities can believe that the fundamentals of public safety are being attended to by putting police officers on the street.

I will tell you, even with all the computers in the world, all the other things people are looking for, until community after community of this country is sufficiently staffed by police officers on patrol, we will not regain our liberty and we will not restore the order that is so cared about by so many of our citizens. I think that is the first order of priority and that is why I hope this amendment will be adopted.

Several Senators addressed the Chair.

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

Mr. WELLSTONE. Mr. President, I ask the Senator to yield for a second?

Mr. HATCH. I will be happy to.

Mr. WELLSTONE. Mr. President, I ask unanimous consent to follow the Senator from Utah.

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

PRIVILEGE OF THE FLOOR

Mr. HATCH. Mr. President, I ask unanimous consent that Elizabeth Kessler, Michael O'Neill, Steven Schlesinger, John Gibbons, and James O'Gara, all detailees from my staff, be granted the privilege of the floor for the remainder of this Congress.

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



Mr. HATCH. Mr. President, I have been listening to this debate, and it is an interesting one. But I rise in support of the compromise language addressing both the local law enforcement block grants and the COPS provision contained in this bill.

This bill strikes a good balance between the Local Law Enforcement Block Grants Act of 1995 and the COPS Program. This combination will better support the local communities' law enforcement needs, and it provides funds, guaranteed funds that will be used to hire new police officers. That is the way the bill is written.

This proposal—that is the bill, not the amendment before our body—this bill improves the notion of the current COPS Program. To begin, this program moves us away from the Washington-knows-best philosophy. The proposal returns responsibility and capability to local law enforcement officials: The police chief, the sheriffs, the district attorneys. Further, this compromise program allows just under 50 percent, 47 percent of the funds to be distributed directly to the communities to meet their individual community policing needs and law enforcement needs. This program empowers communities to decide how to best spend these resources.

For example, if a community wants to use block grant funds to hire more police to supplement community oriented policing, they may do so. They can use whatever funds come to them.

However, if the resources can be used more efficiently by the community, more effectively, by purchasing equipment and doing other matters that are critical to their law enforcement needs, they may do that. I think any reasonable person would say that makes sense. Why thrust upon them a Washington-knows-best philosophy, which is what my colleagues on the other side want to do, and not give the local communities the right to do this?

I will tell you why they want to thrust it upon them. Because when we passed the crime bill back in 1994, there was a moral commitment by this administration to put 100,000 police, or cops, on the street. There was \$8.8 billion, as I recall, dedicated to that effort in that bill. What this administration did not tell the American people is that \$8.8 billion would not put 100,000 cops on the street. They have been claiming credit for that ever since 1994, knowing the funds are not there.

There was a formula, pursuant to which they would pay 75 percent, then 50 percent, then 25 percent, then 0 percent—ultimately where the communities had to assume all of the costs of those additional police.

I said that they were dissembling, that they were claiming to put 100,000 cops on the street when the moneys were not there to do it. Now it just shows I was 100 percent right.

Now they are talking about, "Oh, we just meant seed money." Give me a break. I said back then that it is untruthful for anybody to claim that bill

was going to put 100,000 cops on the street with only \$8.8 billion attributed to that particular approach. And that is true today.

Yet, in every crime speech since that time the President has gotten up and said we are going to put 100,000 cops on the street.

Now they have about 24,000. I think Senator KERRY indicated they had maybe 33,000. That is a far cry from 100,000, assuming that their figures are right. And they have hit the brick wall where they do not have the moneys to fully fund 100,000 cops. Now they want to call it seed money.

Naturally, some of these communities who want to hire policemen here or there are going to have their hands out to grab whatever money they can. But New York, by the way, which has been used here as an illustration of how crime has come down—I would just like to note that New York City did not receive one cop under the President's COPS Program, not to my knowledge. If they have, I sure do not know about it.

Nor did Washington, DC. Everybody knows that I have raised a couple of points about Washington, DC. It is drug capital USA. It is murder capital USA. You cannot walk down the streets and be safe, kids are shot in schools, you are shot in drive-by shootings. Of course that is true in a number of our communities throughout this country. But Washington did not ask for any hiring money. I will tell you why, they did not have the money needed to make the match requirement.

They can come back on the other side and say let us give them the money. That is what they said they did back in 1994. The fact was the moneys were not there, except for about 20,000 cops. And the 33,000 that they claim they have are only partially funded under the COPS Program. They are not fully funded. So neither New York City nor Washington, DC, to my knowledge, have participated in this COPS hiring program. They could not afford to put these people on with this seed money that it has suddenly become, rather than the full money that was being promised to them.

I said back then it would cost \$8 billion a year for each succeeding year to have 100,000 cops on the street, under that formula that was in that bill. And that is true today. The fact is, it has been dissembling to indicate to the American people that they are putting 100,000 cops on the street. Now they are here, trying to, I think, ruin a block grant approach that really would be effective for our local communities, under the guise that they are going to put 100,000 cops on the street. Now it is seed money.

I have nothing against putting more police officers out there. I simply believe that the cities should be able to decide for themselves whether they want to have cops or whether they want to upgrade technology for crimefighting purposes.

For instance, the District of Columbia, which I have been fighting for in trying to make it safe again, does not even have computers that work. They have dial phones, rotary dial phones. In some areas, they do not have police cars, they do not even have the weapons sometimes, in the greatest city in the world. We all ought to be ashamed of that.

Let me just say, if the community wants to hire these police with the block grants, give them the right to do so. We can supplement community-oriented policing awards. However, if they find the resources can be more effectively used, they have the flexibility to do it, which seems to me to be quite important.

Why do we need flexibility? Take the metropolitan police department in Washington, DC. They have more police officers per capita than any other city in this country—more than any other city. The last thing that the metropolitan police department wants is more police. What they need, in this case, happens to be cars, equipment, bullets, if you will, and they cannot afford them, because we are not block granting the funds to them to be able to do that.

The metropolitan police department in Washington, DC, is cannibalizing police cruisers to keep going, and we are talking about playing this phony game of 100,000 cops on the street, which I have called a phony game since 1994. I am the first to say, in some areas, yes, we need more police on the street, but, by gosh, they can do it if they want to. If that is what their needs are, the block grant will enable them to do that. If they do not need that, then they can do these other things like cars, equipment, bullets, if you will.

Officers in this town are buying their own bullets. They do not like doing that, but to protect themselves they are doing that. Now that is pathetic. It is time to bring flexibility to our law enforcement assistance programs, and that is what this bill does.

When we get the flexibility into the bill, what do we face? People coming to the floor and making arguments for 100,000 cops, who promised us that the moneys were there before, or at least implied that the moneys were there, when I said they were not and they have not been and they will not be, because it is just too much money.

I personally resented every speech by some of our national leaders who get up and say, "We are going to put 100,000 cops on the street," knowing that the moneys have not been there, knowing that that formula has not worked and knowing that it is a misrepresentation. I think it is time for Washington to help first and then get the heck out of the way. That is what is wrong around here. We are dictating where these funds should go rather than helping and getting out of the way and letting those law enforcement people who really know what is best for their communities do what needs to be done.

This proposal does that, it gives them that flexibility. This block grant proposal helps poorer communities by allowing the hiring of police with less of a financial strain on the community. This is accomplished by containing a lower matching requirement than the COPS Program.

During the last floor debate on the Commerce, Justice, State and Judiciary appropriations, my friend and colleague, Senator BIDEN, stated that nothing in the bill requires that even \$1 be used to hire a single new police officer. This compromise satisfies his concern, even though we set aside a considerable amount of money to hire police officers but we block grant the rest in a way that makes sense. This compromise satisfies his concern by funding the COPS Program at the level the President endorsed in the continuing resolution.

For those of you who are concerned about the 100,000 additional police on the street, this plan—that is, the one in the bill, not the one that has been offered by my colleague—this plan places your concerns at rest. Although the President's plan does not fully fund 100,000 cops, assuming that the law enforcement block grant earmark for the COPS Program remains at the current 51 percent, more than \$3.8 billion will be available for cops awards over the life of the program, assuming money is there under the block grant approach.

Using the President's math, the fiscal year 1996 average grant award amount is \$45,856. The available funds will provide seed money for more police under the COPS earmark. In other words, according to the President's math, it only costs about \$45,856 to put a police officer on the street. We know it cost more than that.

To also make it clear, this bill provides especially a paragraph on prohibitive uses. It says:

Notwithstanding any other provision of this act, a unit of local government may not expend any of the funds provided under this title to purchase, lease, rent or otherwise acquire (1) armored tanks (2) fixed-wing aircraft (3) limousines (4) real estate (5) yachts (6) consultants or (7) vehicles not primarily used for law enforcement, unless the Attorney General certifies that extraordinary and exigent circumstances exist that make the use of funds for such purposes essential to the maintenance of public safety and good order in such unit of local government.

There are protections in this bill. It costs about \$75,000—I have been corrected—to fund a police officer on the street, about \$75,000 to fully fund one. This so-called seed money will not fully fund 100,000 police on the street. There is no way that it can. So we have gone from fully funding to seed money now under the guise that we are going to give the people 100,000 police on the street when, in fact, that just simply is not true.

Add this to what was awarded in the prior years, if you spend that \$3.8 billion over the remaining program life, and with seed money, I suppose you could get to 100,000 cops with a tremen-

dous drain on the local community. But they are going to hire these police anyway. Naturally, they are going to have their hands out if there is a free gift of money from the Federal Government, and that means people they hired anyway are going to get help while other communities who need money for cars, for equipment, for bullets, if you will, or police uniforms cannot get it and cannot do the policing job that they should do.

This is even before the flexible portion of the block grant money is expended. We have taken appropriate measures to address concerns about guaranteeing police on the street and also in poorer communities to best determine how best to fight local crime.

Why do we always have to go to the Washington knows best mentality? Why do we always have these arguments out here about, "By gosh, we're going to earmark and tell them what to do with these funds?" What is wrong with block granting the funds, as long as we have prohibited uses, which we have expressly written in this bill? What is wrong with block granting the money to them and letting those local communities make their determinations of what is best for them, rather than us telling them what they need?

Some communities do need more police. This block grant will help them. They will be able to make that flexible determination. Others do not, and they will not be forced to because of an inflexible approach that I think my colleagues on the other side are asking for.

One reason the local law enforcement block grant of 1995 is superior to a cops-exclusive program is flexibility. We provided for flexibility in this bill by allowing local communities to expend funds for all of the following law enforcement purposes:

First, for hiring, training, and employing additional law enforcement personnel. So they can do it if they want to. If that is what they need to do, they will have some funds out of this block grant to do it with.

Second, paying overtime to presently employed law enforcement officers.

Third, procuring equipment and technology directly related to basic law enforcement functions.

Fourth, enhancing security measures in and around schools.

Fifth, law enforcement crime prevention programs.

Sixth, establishing or supporting drug courts.

Seventh, enhancing the adjudication process.

And, eighth, establishing multijurisdictional task forces, particularly in rural areas.

Local law enforcement officials can decide how best to decide to spend the money under the program. More police does not always mean better policing. Oftentimes, necessary procurement is the best option for the community, by far the best law enforcement option in some communities.

This program moves us away from the Washington knows best philosophy. We do not let Washington dictate local crimefighting strategies. Washington simply does not know best. Washington does not know best how to solve local problems, especially a problem like crime. The COPS Program dictates to a community how much of their scarce funds they must allocate to combat crime.

The COPS More Program promises to supply overtime and supplies to the police departments. However, in practice, only big cities with large police forces can be eligible. This is because COPS More grants require a showing of moving a cop to the street to receive these funds. Smaller communities who are already maximizing their street coverage have difficulty showing more officers can move to the street. Small town forces do not have the extra manpower to put another officer on the street, and rural communities need cars to travel through their districts.

The COPS Program determines the number of officers given to communities by the number already on the force. It disregards the crime program. Small crime-riddled communities should be able to receive help, not be penalized because they are small. The COPS Program does not take into account crime when giving out grants. The grants are given to any locality that can afford the matching fund whether the officer is needed or not.

The COPS Program does not base the number of officers awarded on crime but rather on the number currently on the force. Cities who applied for four officers because they had one of the highest crime rates in the Nation will be given 1 or 2 officers because the current force has 50 officers.

Look, we are not playing games here. We are trying to solve this problem. The block grant gives the local communities the flexibility to solve it in their best interests and their best ways without Washington telling them what to do. What is going on here is the department is paying 75 percent of the salary the first year, 50 percent the second year, 25 percent the third year, and then the local agency has to carry the full load.

Based upon a salary of \$65,000 to \$70,000 a year, for every \$75,000 in Federal COPS grants awarded, the community will need to spend \$225,000 over the 5-year life of the program to keep a cop on the street. That is one single cop.

I want to submit for the RECORD a statement by the city manager of Sunnyvale, CA, who turned down a COPS grant because they could not afford it. I ask unanimous consent that that statement be printed in the RECORD at this point.

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

STATEMENT OF THOMAS F. LEWCOCK, CITY MANAGER, CITY OF SUNNYVALE, CA

Mr. Chairman and Members of the Committee:

I am honored to have been requested to submit a written statement to the Judiciary Committee regarding the City of Sunnyvale, California's decision to not accept Crime Grant funds to add additional police officers to the Sunnyvale Department of Public Safety.

#### BACKGROUND

My name is Thomas F. Lewcock. I am the City Manager of the City of Sunnyvale, California. I have served in that capacity for fifteen-and-a-half years. I have served in executive capacities in city government for 26 years, having received a bachelor's degree in political science from the University of Minnesota, and a master's degree in public administration from that same institution. The City of Sunnyvale operates under the Council/Manager form of government, with the City manager appointed on professional merits for an indeterminate time by the City Council, serving fully at its pleasure. The City Manager is the Chief Executive Officer.

The City of Sunnyvale is a residential/industrial community located in the geographic heart of the Silicon Valley. It has a resident population of approximately 125,000, with a private-sector job base of approximately 120,000. It is a demographically diverse community with a minority population of approximately 35%. While the income and educational levels of its citizens are above average, the City has the full spectrum of income and education levels. While law enforcement issues do not have the same complexity as those of an urban core, Sunnyvale remains a relatively densely developed community in the California context with a full range of law enforcement complexities. Approximately 50% of the resident population lives in multi-family dwellings. Given the sophistication of the City's industrial base, highly complex law enforcement issues are presented. This brief overview of the community is provided to members of the Committee in order to provide a framework for the community's law enforcement needs. In many respects, the law enforcement requirements of this community are significantly closer to that of an urban core community than the typical American suburban community.

The City of Sunnyvale over the last several years has gained a national and international reputation for its unique approach to long-range strategic and financial planning, to results-oriented budgeting, and to its well-recognized approach of operating the City more as a business than a government. In the Osborne and Gabler book, "Reinventing Government," the City of Sunnyvale was noted as the government "performance leader."

The relevance of the City of Sunnyvale's approach to policy setting and the provision of public services is briefly reviewed in order to gain a context as to why a decision was unanimously made by the Sunnyvale City Council to not accept Crime Grant funds.

For the past fifteen years, the City has structured its approach to policy setting and financial management with two key themes. The first is that of long-range strategic planning coupled with a sophisticated ten-year financial plan. That financial plan estimates all projected operating, capital, debt expenses, as well as future revenues. This highly sophisticated approach to long-range financial planning is used in a number of ways which are beyond the purpose of this statement to describe in detail. Key to this statement, however, is its use in recognizing that the short-term financial position of any government and for that matter any business is not predicated on a year-to-year analysis, but can only be fully understood in the context of multi-year projections. Though those

projections will of course suffer from the natural uncertainty of government finance and all the related factors that affect government income and expense, it can and does provide a clear understanding of significant expense and revenue trends that should be taken into account in making any decision which has long-term consequences. A series of detailed financial policies have been adopted by the Sunnyvale City Council in respect to utilization of long-range financial planning. One of the most important of those policies is to require that in submittal of annual budgetary plans, that the budget must be balanced not only in the context of one year but also in the context of the position of the City over the entire ten-year time frame. Even though an expenditure may be affordable in a one-year context, if it cannot be supportable over the long term then it is not undertaken. This approach recognizes that although on a one, two or three-year basis an expenditure may be affordable, if over the long term it pushes governmental spending in deficit, then it is much better to deal with that issue initially than to compound the financial problem created by effectively spending for many years beyond means and then eventually reaching the point where far more significant budget and service reductions are necessary.

A second critical component of the approach of the City of Sunnyvale is to clearly specify in measurable terms each and every service which the City is to provide and to allocate funding to those specified service levels. The Patrol Services Division of the Department of Public Safety follows this approach as do all other City departments and services. This approach is not focused on line item detail as to numbers of people, vehicles required, and the like, but rather on the specific level and quality of services to be provided. It is here that the policy focus of the City Council is centered. For example, in the Patrol Services Division, service levels are defined in terms of emergency response times, crime rates, crime clearance rates, citizen satisfaction, and the like. Each year, the Council determines whether or not that defined level of service is adequate and if not, appropriate resource changes are made. Further, if change in demands occur in such a way that additional resources are required in order to meet those service standards, then the Council either appropriates the additional funds for that purpose or if insufficient funds are available makes a determination as to what level of service is affordable.

It would be incorrect to assume that because the Sunnyvale City Council declined Crime Bill funds that either Public Safety services are not a priority nor that the City is in the financial position to ignore a sizable sum of outside funds. Over the past five years, the real dollar value of tax income to the City of Sunnyvale has declined by 15%. This has occurred as a result of the California economy and severely restricted revenues for all levels of California government. The City has had to make difficult decisions over this time frame to find ways to continue to the maximum extent the level of services it provides. Most certainly, the action taken by the City Council is not a reflection on the lack of priority for Public Safety services. Public Safety services, both police and fire, are clearly the two highest priority services in the City of Sunnyvale. In fact, these services receive 58% of the overall tax-supported budget in this community.

#### THE CRIME BILL

When the Crime Bill was passed, the City began the process of reviewing this new grant program in accordance with the general policy and budget framework outlined above as well as against a specific intergov-

ernmental grant assistance policy which was adopted by the Sunnyvale City Council many years ago. Attachment I excerpts the most relevant aspects of that policy. As can be seen in the attachment, that policy in general discourages the utilization of State or Federal grants to support ongoing City programs. The underlying reason for that strategy is that when City services are increased as a result of a grant that may later be reduced or eliminated by the State or Federal governments, then it is in essence establishing a new or expanded service which the community will become accustomed to. If then later the funding either declines or is eliminated, very difficult decisions have to be made in a constrained resource environment of either eliminating that program or some other. Therefore, this policy attempts to assure a continuity of priority setting around the most important services this City should be providing consistent with its financial constraints. This policy places that strategy into action by either requiring that the program be shown in the City's Ten-Year Financial Plan only for the period of time that the entitlement has been granted or requiring the City's own tax resources to be dedicated in advance of accepting the grant if it is believed that the program should continue.

For a program such as the Crime Bill which would add police officers, it is clear that if there is a need to increase the law enforcement presence that need will not dissipate simply because Federal funding is no longer available. Therefore, this is not the kind of service expansion for which the City would knowingly accept grant money and then reduce the service by eliminating these added police officers at the time the grant money was no longer present. Rather, this kind of grant would be accepted only if a decision was made that the costs were supportable over the long term and actually scheduled in the City's Ten-Year Financial Plan.

In order to estimate the City's ability to support the ongoing cost of officers, an analysis was conducted as to what the true cost to the City of Sunnyvale would be. Under terms of the Crime Bill, the City would have been eligible for a maximum of six police officers with a maximum grant amount of \$450,000.

In order to estimate the cost over the City's ten-year financial planning horizon, the wages and benefit costs of a Sunnyvale Public Safety Officer was first determined. As of 1995, that annual cost is \$95,538. Although officers would not initially be hired at the top of their salary level as is reflected in this cost, the City always utilizes the practice of estimating top-step salaries in compensation since over the long term that will ultimately be the actual cost of new employees. In addition, there are ancillary costs placing a police officer on the street and properly equipping them, which adds an additional \$3,227 annually, for a total cost per officer of \$98,765 annually.

Attachment II reflects the present estimated financial plan for tax-supported services in the City. In order to project the full financial effect of six new officers, Attachment III was developed. Under Revenues, a new line item was added reflecting the \$450,000 in new income. Under Expenditures, the new cost to the City was projected over ten years. Please note that the projected expense does go up annually consistent with the City's Inflation and cost-of-living projections. While we do not pretend to have a crystal ball as to how inflation will perform, we consider this an important aspect of multi-year financial planning as it recognizes the reality that costs do increase over time even when inflation is low. As can be seen in Attachment III, the total projected

expenditure over the City's ten-year financial planning horizon is \$6.8 million. Also of note is the interest line under Revenues which was appropriately adjusted to reflect the fact that this new expenditure would reduce City reserves and therefore interest income. As a result, the total net cost to the City is \$8.853 million over ten years, which reflects that this grant would support only 5% of the total cost. While it is certainly the case that the cost of law enforcement officers in the State of California is considerably above national averages due to the very high cost of living in California, even with lower expenditure numbers, over a protracted time frame a grant such as this would reflect but a small percent of the overall cost. As also reflected in Attachment III, necessary prescribed reserve levels in accordance with City fiscal policies would not be able to be maintained by the tenth year falling some \$2.75 million into deficit.

The question of whether or not to accept Crime Grant funds, however, was more than the financial analysis alone. As was stated earlier, local government in California has been hard pressed for a number of years with continual reduction in revenue availability while at the same time being faced with expensive new Federal and State mandates. As a result, two additional questions had to be addressed. The first question was whether given all City priorities the addition of six police officers was the most important. The second question was that if it was determined that a greater law enforcement presence was needed and was the top priority in the community, whether the specific restrictions and strings that came along with this grant would restrict the ability to use the funds in such a way as to meet the City's most pressing law enforcement requirements. As outlined earlier, Sunnyvale is a results-oriented organization, specifying in clear and measurable terms what it will accomplish in quality and level of service in everything the City does. The City's recognition as the "performance leader" has come as a result of articulating in clear terms what we are to accomplish, but not prescribing the way in which it is to be accomplished. For example, one can assume that one of the most important purposes of the Crime Bill is to reduce the incidence and fear of crime. Due to the prescriptive requirements of the bill, the bill presumes that if police officers are dedicated to this task consistent with the requirements of the bill, then this objective will be best met. We have found in literally all service areas that prescriptive requirements as to how to meet an objective creates substantial limitations in the creative use of resources to assure that service objectives are met in the highest quality and lowest cost fashion. In lay terms, what this basically means in the case of the Crime Bill was that the City would have to accept the fact that the Federal government knew better than we do how to utilize resources in order to accomplish a comparable goal. Rarely have we found that to be the case.

In the case of the Crime Bill, it was not even necessary to get to the point of judging whether or not this resource increase paid 95% by the City was the highest priority area of expanded City services. Rather, when it became clear that the Federal government would dictate how these officers would be used by providing only 5% of the funds, a unanimous decision was made by the City Council that the incentive did not come close to justifying a change in City priorities. Further, and perhaps even more important, it was believed that if the choice was paying the additional 5% of the cost and thereby allowing these resources to be marshalled in a way judged to result in the best

return in investment, then the City would be better off paying 100% of the cost.

#### CONCLUSION

Most cities do not use the performance-based policy setting and budget approach nor multi-year financial planning approach that has been long utilized in the City of Sunnyvale. The reality is, however, that the issues and consequences are exactly the same for other cities as well. Perhaps the only difference in many other cities is that these consequences are not recognized in advance and will have to be dealt with when funding is depleted. It also underscores the importance that local government and now the Federal government has placed on mandate relief. In a constrained resources environment, each time a new direction is provided by the Federal government by rule, regulation, or law, the Federal government is essentially establishing priorities for local government. Two years ago, a detailed study was undertaken which reflected that fully 23% of the City's operating budget on an annual basis was directed toward the meeting of Federal and State mandates. If all involved in government leadership positions at the local, State, and Federal level concur that law enforcement is by far the highest municipal priority and if in turn that is the major reason for the assistance the Federal government is offering, then it is clear that this high priority has been continually subverted by both the Federal and State government, requiring that scarce resources be directed to other purposes. Not all will agree that City government is capable of establishing the most important priority uses of local government funds. Most local government officials, including this one, would argue, however, that law enforcement is amongst the very highest priorities for local government and to the degree it is not funded to the level it should, the problem will not be solved through carrot and stick techniques that in reality do not significantly enhance the financial ability of a City to continue those services over a protracted time frame.

Mr. HATCH. Mr. President, look, all of us want more police on the streets. All of us will support that. On the other hand, we have provided about half of this money to go for the COPS Program, about half the money this administration represented were sufficient to put 100,000 cops on the street, or at least they have been misrepresenting over the last number of years—in the last year and a half, in my opinion.

What we also have is about 50 percent of these funds going in a block grant to the communities so they can make their own determination as to what is best for their communities, how best to do it. We provided prohibitions in here so the community cannot just have exotic police approaches, that they have to use funds for the very best law enforcement needs, in the best interests of the community. To me, that makes sense.

We help the COPS Program even more than was represented we would do. We help the communities to have a flexibility to be able to do what is best for their communities. If they do not need police personnel, they can then use the money for other law enforcement needs that are very important for the community. In the process, everybody wins.

I think what we have to do one of these days, though, is face the music

around here in the District of Columbia. I believe we have in some respects some very decent people in that police force, but they are not funded properly. They are not treated properly. We have crime in the streets here in the greatest city in the world. We are not doing what we should do about it. Frankly, this type of an approach just takes away from getting the job done here as well as elsewhere throughout the country.

I think it is time for us to wake up and realize that block granting makes sense, that there have been some pretty sorry claims made with regard to the 100,000 cops-on-the-street program.

No one opposes hiring new cops. The question is whether we here in Washington should dictate to the local communities what they should or should not do. My colleagues on the other side apparently like that system. I do not. I do not think a majority of people in Congress like that system. The underlying bill represents a compromise. Funding the COPS Program and funding for greater flexibility is that compromise. It seems to me that makes sense.

I know that the majority leader is going to move to table this amendment. I hope that a majority of the Members of this body will support that motion to table because we want communities to have the flexibility to be able to do real law enforcement, not just what Washington thinks ought to be the approach for every community in this country. They will have the flexibility under this bill to be able to do policing, if they want to, or partial policing, or whatever they need for law enforcement that is in the best interest of their community.

I apologize to my colleague for taking so long. I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Let me say to the Senator from Utah, first of all, that there is no reason for apology. It is very gracious of him. I do not always agree with some of the positions he takes, and I do not agree with him on this amendment, but I believe that if you want to use the words "class act," he is a class act. I have tremendous respect for him.

Mr. President, I am very proud to introduce this amendment with my colleagues, Senator BIDEN and Senator KERRY from Massachusetts.

Our constituents, citizens in our country, all of us, we plan our lives sometimes around crime—where we eat, how we treat our children, where we live, how we travel, where our kids go to school, how we answer the door, how we answer the phone. The crime and violence in our country and in our communities takes away freedom, the freedom of our loved ones, the freedom of our families, the freedom of our neighbors.

Mr. HATCH. Would the Senator yield for a unanimous-consent request?

Mr. WELLSTONE. I would be pleased to.

Mr. HATCH. We have a couple of amendments.

AMENDMENT NOS. 3480 AND 3481, AS MODIFIED

Mr. HATCH. Mr. President, I send two amendments to the desk. I think they are 3480 and 3481. They are modifications. I believe they have been cleared on both sides of the aisle.

Mr. WELLSTONE. Mr. President, I wonder whether I could find out as to what the amendments are.

Mr. HATCH. Modifications—have they been cleared? They are not cleared? Let me leave them at the desk and see if we can get them cleared.

Mr. WELLSTONE. Mr. President, I say to my colleague, there is no objection.

Mr. HATCH. Mr. President, I ask unanimous consent that the modifications be approved.

The PRESIDING OFFICER. Without objection, the two amendments, as modified, are considered and agreed to.

So, the amendments (Nos. 3480 and 3481), as modified, were agreed to as follows:

AMENDMENT NO. 3480

On page 751, section entitled "Agency for International Development, Assistance for Eastern Europe and the Baltics", insert at the appropriate place:

"Except for funds made available for demining activities, no funds may be provided under this heading in this Act until the President certifies to the Committees on Appropriations that:

"(1) The Federation of Bosnia and Herzegovina is in compliance with Article III, Annex 1A of the Dayton Agreement; and

"(2) Intelligence cooperation on training, investigations, or related activities between Iranian officials and Bosnian officials has been terminated."

AMENDMENT NO. 3481

On page 751, section entitled "Agency for International Development, Assistance for Eastern Europe and the Baltics", insert at the appropriate place, the following: "Provided further, That funds appropriated by this Act for economic reconstruction may only be made available for projects, activities, or programs within the sector assigned to American forces of the NATO Military Implementation Force (IFOR) and Sarajevo: "Provided further, That Priority consideration shall be given to projects and activities designed in the IFOR "Task Force Eagle civil military project list": "Provided further, That no funds made available under this Act, or any other Act, may be obligated for the purposes of rebuilding or repairing housing in areas where refugees or displaced persons are refused the right of return by Federation or local authorities due to ethnicity or political party affiliation: "Provided further, That no funds may be made available under this heading in this Act, or any other Act, to any banking or financial institution in Bosnia and Herzegovina unless such institutions agrees in advance, and in writing, to allow the United States General Accounting Office access for the purposes of audit of the use of U.S. assistance: "Provided further, That effective ninety days after the date of enactment of this Act, none of the funds appropriated under this heading may be made available for the purposes of economic reconstruction in Bosnia and Herzegovina unless the President determines and certifies in writing to the Committee on Appropriations

that the aggregate bilateral contributions pledged by non-U.S. donors for economic reconstruction are at least equivalent to the U.S. bilateral contributions made under this Act and in the fiscal year 1995 and fiscal year 1996 Foreign Operations, Export Financing and Related Programs Appropriations bills."

Mr. HATCH. I thank my friend.

AMENDMENT NO. 3483

Mr. WELLSTONE. Mr. President, I do not really believe that there is any debate in my State of Minnesota about the need to have more law enforcement, more police, in our neighborhoods and in our communities. We must have more police out in the communities.

Mr. President, because of the violence, because it is so important that we reduce the violence in our homes, reduce the violence in our schools, reduce the violence in our neighborhoods and in our communities, it is critically important that, as legislators, we, as Senators, Democrats and Republicans alike, act powerfully, forcefully and immediately. That is what the crime bill of 1994 was all about.

There is a brave initiative to this piece of legislation. This piece of legislation gave us an opportunity, I think, especially through community policing, to reclaim our cities and to reclaim our neighborhoods, to reclaim our schools, and to really reclaim our future.

The community oriented policing service, COPS, was created by the Crime Act in 1994. So far, it has exceeded its hiring goals. Funds have already been authorized to add more than 31,000 police officers, over a quarter of the final goal. I think my colleague from Delaware, Senator BIDEN, had the figure higher than that—about 34,000, as I remember.

Mr. President, in my State of Minnesota we have already been able to hire 435 new cops that have been put out in the neighborhoods and in our communities. Minnesota has received over \$24 million under this program. This year, if our amendment passes, there would be 100 more law enforcement women and men out in our communities, working with the citizens in our communities, helping to reduce violence in our communities.

Mr. President, Chief Leslie, the sheriff of Moorhead, tells me that the COPS' dollars have allowed him to institute a very effective community policing strategy and a citizens police academy for residents. He says, "After 30 years in law enforcement and 17 years as police chief of Moorhead, the COPS Program is the best thing I have ever seen." "The best thing I have ever seen," says the chief of police of Moorhead.

St. Louis County Sheriff Gary Waller is equally enthusiastic about the program.

Mr. President, I have spent time talking with the law enforcement community in my State of Minnesota. What they say ought to be heard loud and clear by all of us in the U.S. Sen-

ate. Minneapolis Police Chief Robert Olson, talking about the community policing program, the COPS Program. They have 17 community police so far. They see 23 in jeopardy. They hope to have 40 altogether. In Police Chief Olson's words the COPS Program has been successful and has led to a "dramatic impact this year on the level of crime violence in the metro area." A city where we have seen entirely too much crime. They have seen fewer incidents since instituting the COPS Program of drive-by shootings and estimate that they have taken 50 percent more guns off the streets.

Mr. President, the police chief of Minneapolis, Chief Olson, said to me, "This is not the feel-good program, Senator. This is strict law enforcement. We have been able to shut down some of these crack houses. We have been able to target those neighborhoods most ravaged by this violence and crime and have police out in the communities, out in the streets, working with people, to reduce that violence."

Mr. President, we need to listen to these law enforcement officers. The community police program is a huge success in the State of Minnesota. I have talked to sheriffs and police chiefs in the metro area, in greater Minnesota, whether it is suburbs, in cities, or smaller communities. You get the same response: "Senator, this program is working. Don't kill the COPS Program." The League of Minnesota Cities said this yesterday, "Look, we need to make some commitments as a Nation. One of those commitments ought to be to community police. Do not talk about block grants where the money may or may not go to this. You all made a commitment. You have a contract with us. You have made a commitment to the community policing program to make sure there are 100,000 police out in our neighborhoods by the year 2000, to make sure in my State we dramatically expand law enforcement in the communities. Don't renege on that commitment."

I talked to Duluth Police Chief Scott Lyons. He said to me, "Senator, this is a new philosophy. What we have been able to do through this community police program is establish more rapport than we ever had with the communities in our city. Senator, what we have been able to do"—and I use the police chief's own words, "is empower citizens to be able themselves to take action—not vigilante action—working with the police force to reduce violence in their communities." The police chief went on to say, "Senator, we are no longer reactive. We are proactive. We are taking steps to prevent crime in the first place, in the city of Duluth, in some of the neighborhoods most ravaged by the crime." Why in the world would we want to weaken a program that the law enforcement community so strongly supports, as do the citizens in our States? It makes no sense.

I talked to Stearns County Sheriff Jim Kostreba and he said, "Senator,

the COPS Program has enabled us to work with school officials, to work with kids. It has helped us to fight against teenage drinking, against drugs, against substance abuse, against teenage suicides." He went on. I thought it was very interesting. He said to me, "Senator, at the beginning, through the community police program, when we had a presence in the schools, some of these young people were cynical. Some of these young people looked at our police officers as if they were the enemy. But not any longer. Through the community police program, we have our law enforcement people, men and women, working with these kids."

I say to my colleagues, this program is a huge success. This is exactly what we ought to be doing by way of priority.

I talked to Anoka Police Chief Andy Revering and he talked about what Anoka has done. He said only 4 years ago Anoka had the fifth-highest crime rate in the metro area. The demand exceeded their resource. Because of the COPS Program they have seen a dramatic decline, according to the chief, in crime. What they have been doing is they have been using the COPS Program law enforcement in conferencing. This is a program, for my colleagues' information, whereby you bring together some of these kids would have committed some of these crimes, you bring their families into a meeting, and you conference them, along with the victims so that these kids really know what it is they have done. By bringing these kids together with their families and also bringing them together with the victims, what has happened, says Chief Revering, there has been very little repeat of crime by these kids.

I say to my colleagues, what in the world are we doing by trying to have in this continuing resolution essentially a proposal which says, yeah, we keep the Government going but we want to cut by half the number of resources that go to community policing?

Mr. President, I have said it many times on the floor of the U.S. Senate: When three teenagers, regardless of color of skin, beat up an 85-year-old woman and leave her for dead, we hold them accountable for what they have done. We do not tell them we feel sorry for them. That is a strict law and order approach. By the same token, you can talk to the kids—and Sheila and I spend time with kids who are at risk—you can go to the schools in some of the tougher neighborhoods, you can talk to the judge, you can talk to the sheriffs, you can talk to the police chiefs, you can talk to the youth workers if anybody wants to because they are the ones that are dealing with this violence, and they will tell you we have to have opportunities for these kids. We have to have alternatives to the gangs and make sure the kids are able to do positive things in the communities.

Mr. President, no matter who you talk to—whether it is people in the

communities, whether it is the police, whether it is the chiefs, the law enforcement people who are in the communities—they all say the same thing: This community police program is important. We need more law enforcement in our neighborhoods. We need to reclaim our neighborhoods. We need to reclaim our cities. We need to reclaim our communities. We need to reduce this level of violence.

I was talking to the police chief in Fergus Falls and he said, "Senator, the reason the COPS Program is such a good program is because you do not limit the grants just to the large cities." He said, "I want to tell you that this is a wonderful community, and it certainly is, but do not think for a moment we do not have problems with violence and problems with crime." This COPS Program has been a huge success. Same comment from the sheriff. It does not matter whether you talk to sheriffs or police chiefs in the big cities, Minneapolis-St. Paul, in Minnesota, or Duluth, or you talk to them in midsize cities like St. Cloud, or whether you are talking to law enforcement people in the small towns of rural communities, they all say the same thing. They all say the same thing: "Senators, cut a program if it does not work, but do not cut a program that has been an astounding success." We need to reduce the level of violence. We need to be bold and we need to be dramatic. It is a huge mistake to block grant, to move away from what has been the commitment that we have made.

We said, when we passed this crime bill, that we make a commitment to 100,000 community police, that we would make a commitment to community police all across my State of Minnesota. That is what law enforcement people expected. That is what we are doing now, with great success. That is what the people in our States expected. We need to live up to our commitment. That is why this amendment is so important, and I hope it will pass.

I yield the floor.

Mr. HATCH. Mr. President, I have been listening to the distinguished Senator, and I have to say that some of the points he is making are good. Take them up with your Governor. We do not have to dictate from Washington what law enforcement officials have to do in the individual States and communities. If you do not like what the block grant moneys are used for in your State, then take it up with your Governor, because I will tell you one thing, you get the money. If you need more policemen, you can get them with that block grant money. If your Governor is not doing it, talk to him. I doubt—

Mr. WELLSTONE. Will the Senator yield?

Mr. HATCH. For a question, sure.

Mr. WELLSTONE. I will wait for a chance to respond.

Mr. HATCH. If I heard the Senator correctly—and he is a friend and colleague—maybe I did not because I was

listening and not listening. But it seemed to me that I recall him saying that Senator DOLE was being accused of renegeing.

Mr. WELLSTONE. If the Senator will yield, I did not mention the majority leader's name at all. I do not do that.

Mr. HATCH. I am glad to hear that because I thought there was some sort of accusation that Senator DOLE had reneged on law enforcement needs. I want to make it clear that not only did he not do that, he has been one of the strongest pro-law enforcement people in his long time in the U.S. Senate, and rightly so, as is his colleague, the Senator from Utah. We both have fought very, very hard.

I agree that my colleague, Senator BIDEN, on the other side, has been a tremendous leader in the war against crime. I have a lot of respect for him. I grieve when we disagree on some of these things. Senator DOLE, in particular, opposed the 1994 crime bill because it was not a tough enough law enforcement bill. I was there, too, and I opposed it for that reason as well, although there was much we agreed with in that bill, and we were glad certain parts of it were passed. I commend Senator BIDEN for his efforts on that bill because there is much in that bill that is good, not the least of which is the Biden-Hatch violence-against-women provisions. Senator DOLE believes in real law enforcement, not shallow promises.

What I am saying here is, look, it makes sense to give about half of this money to the communities as seed money to try to help them get police personnel. It does not make sense to say that this is the President's commitment of 100,000 cops, because he made that commitment on the last bill that had \$8.8 billion in it, and everybody knew that would not provide for 100,000 police on the streets. Now they are coming and saying with seed money they can get their 100,000 cops. I have said they could not get the 100,000 cops on the basis of what they had done up through the 1994 crime bill. That crime bill did not do that. It talked about it, but it did not, will not, cannot, do it. The President has been going up and down the country talking about his 100,000 cops on the streets bill. The fact is that just simply is not true. I think it is time for the American people to understand that.

Republicans, recognizing that it is important to have police on the street and to have flexibility so you can do what needs to be done in the communities, have said, in spite of the fact that the President has, in some respects, demagogued this issue all over the country, knowing the funds are not there, acting like they are and helping the American people to believe they are there when they are not. We have decided to put half of the moneys into the cops on the street program regardless, because we believe in that, too, to the degree that we should do it. That is the degree. But we also put about half

of the money into a block grant so those communities have the flexibility to do whatever is in the best needs of their community. That makes sense.

I do not understand the argument against it—to just dictate from Washington that you have cops on the streets whether you want them or not, and if you do not want them or cannot use them, you do not get anything out of this bill. I would rather have these police people throughout the country get good things out of this bill that will help them to meet their law enforcement needs in their area than have us wonderful people in the U.S. Senate tell them what they have to have. Sure, some of these communities will have their hands out for anything, and I cannot blame them. Any time you can find money that is just a gift, why not take it?

What we want to do is have these moneys go for the purposes they should go for, the best possible, flexible response to crime in this country. This bill does that. I think anybody who says otherwise just does not understand what is in the bill.

I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, the debate that we are having today focuses on the specific issue of community police. I would like, at a later point, to discuss some of my opinions and observations about this particular form of use of police personnel from a recent experience in a specific community in my State of Florida.

But as a context of this, I would like to raise the question of what is the appropriate Federal, State, local role in law enforcement? What should be the nature of the Federal Government's participation in our collective efforts to provide security to our homes, our neighborhoods, our States, and our Nation? Let me suggest just three items that I think are important principles for that relationship and for the Federal role.

First is that the Federal Government must fulfill its own specific and singular obligations. Mr. President, that sounds obvious. Of course, the Federal Government ought to fulfill its obligations. Unfortunately, there have been too many instances in which that has not been the case and in which other levels of government, therefore, were forced to divert their resources to carry out what otherwise would have been a Federal responsibility.

Example: My State is replete with instances in which the Federal Government, through specific agencies, established thresholds of a particular criminal activity which must be passed before the Federal agencies would assume responsibility. It was a Federal crime at a lower level of intensity. But for various reasons, generally having to do with the resources or other set of priorities available to Federal agencies, those agencies would not investigate or

prosecute activities unless it reached a particular quantity.

This has been particularly true as it relates to drug-related offenses. Unless you were caught with several pounds of marijuana, or significant amounts of cocaine, even though you were subject to Federal investigation and arrest and prosecution, you, in fact, were not. So, therefore, it became the obligation of the local law enforcement agencies to spend their resources in doing what should have been a Federal obligation.

What makes this particularly vexing is that these prosecution standards are not evenly applied across the Nation. So that one community in America receives a different level of Federal law enforcement support than does another. I think those differences are intolerable and that one of the first steps in the Federal-State-local partnership ought to be that the Federal Government would meet its responsibilities and do so on an evenhanded basis across America.

Second, I think the Federal Government has an important role to play in assisting in the coordination of law enforcement agencies. The Federal Government has some natural characteristics that lead it to be an important partner, if not the first among equals, when there are efforts to bring several law enforcement agencies together. The examples that have been used in areas of drug enforcement, where the Federal Government has, through leadership and through financial incentive, encouraged States and local communities to collaborate more effectively, has served a very salutary function.

A third area in which the Federal Government has a role to play is to encourage innovation and dissemination of best practices in law enforcement. So that if a particular community engages in an activity which has demonstrated its effort for efficacy, I think the Federal Government has a role in spreading that best practice as rapidly as possible to other communities which can benefit by that.

Mr. President, left out of this list of what I think are appropriate Federal roles is for the Federal Government to become involved in a general, nondirect form of assistance to State and local law enforcement. I do not believe that this is an appropriate role for the Federal Government, and that is a ditch into which we have fallen before and I fear are about to fall again. Law enforcement is a State and local responsibility, and it should be the primary responsibility of the citizens at the State and local level to be charged with the establishment of priorities and direction, and to provide the financing for that level of law enforcement which that community feels to be appropriate.

This is not by any means a novel suggestion. Fifteen years ago, the President of the United States of America was Ronald Reagan. Ronald Reagan, in his first years in office, advocated a principle called New Federalism. That

principle was built around the idea that there should be an allocation of major responsibilities to levels of government, that we should try to avoid what had become a marble cake in which virtually every level of government was involved in every decision of government.

President Reagan advocated, among other things, Mr. President, an advocacy which has, I am afraid, been forgotten in our current debate, that the Federal Government had a particular responsibility for those programs that related to the income maintenance of our citizens and that those programs that might cause a citizen to move from one State to the other seeking higher benefit levels should be nationalized because it was not in the interest of the Nation to have people induced to make those kind of relocations. He was particularly an advocate that Medicaid should be a national responsibility, both because of its tendency to induce people movement but also—and I think this was quite prophetic of President Reagan—that we were going to need to relook at the relationship between Medicaid and Medicare as they served the changing needs of our older population and that we would have a better opportunity to look at that interrelationship if both Medicare and Medicaid were national responsibilities. I believe that suggestion which was made 15 years ago is even more true today.

President Reagan also identified some activities that he felt the Federal Government ought to get out of and let the States and local governments assume a greater degree of responsibility. One of those was transportation. Frankly, I hope that in the next few months as we look again at the Federal Government's commitment to transportation that we will relook at some of the wisdom of Ronald Reagan in terms of his recommendation, if that should be more of a State responsibility, particularly in this post-interstate era.

But another topic in which President Reagan felt should be turned back to States with less Federal involvement was law enforcement. He felt that law enforcement was a function which was inherently State and local in its character and should be looked to be carried out with limited Federal involvement. He was well aware of the status of the Law Enforcement Assistance Act, the program which had provided block grants to States and local communities, a program which lost focus, lost accountability, and finally lost public and political support and collapsed.

I am afraid that we are looking more to the failed experience of the Law Enforcement Assistance Act program than we are to the appropriate role of the Federal Government in law enforcement as we consider this proposal to reestablish a Federal Government block grant. I do not believe that a



general purpose block grant has an appropriate role in the Federal relationship with State and local governments for the purpose of law enforcement.

Mr. President, I indicated that I thought that one of the areas in which there was an appropriate Federal role had to do with the issue of innovation and encouraging best practice and dissemination of those best practices. In the best tradition of that effort to stimulate best practice is what the Federal Government has done as it relates to community policing. Community policing is a concept that in many ways is as old as law enforcement in this Nation, a concept which, for a variety of reasons, waned in recent decades, for which we have paid, I think, a heavy price in the loss of the benefits of a closing relationship between law enforcement personnel and the communities they serve.

I believe that this is an ideal example of the Federal Government using its specific target influence to encourage innovation, in this case, the reinvention of a fundamental American idea of the close partnership between the police and the neighborhoods that they serve. It works to reduce crime. Community policing works to create bonds of trust between police officers and their neighborhoods and their citizens. Community policing works because it involves the entire community in the business of increasing public safety.

Mr. President, let me share with you an experience that I had on February 10 of this year. For over 20 years I have been taking different jobs every month, and on February 10, 1996, this program brought me to the headquarters of the police department of Port St. Lucie, FL. Port St. Lucie, FL is a town in Florida in the middle Atlantic coast which has been undergoing an explosion of population. It is one of the fastest growing cities in our rapidly growing State. It is a community which has developed a very diverse population. It is a population which is in many neighborhoods, in a very scattered housing pattern; that is, there will be only a few houses with several still yet to be built upon lots in a particular block. In many ways, it would appear as if Port St. Lucie was not a good candidate for the concept of community policing as many people know it—the policemen on the beat walking from home to home and store to store.

Port St. Lucie has received under the crime bill of 1994 \$525,000, which has allowed it to hire six new officers and a supervisory sergeant for purposes of implementing its community policing program.

The first person I saw upon arriving at the city hall and at the police department of Port St. Lucie was the police chief, Chief Reynolds. I asked him what had been his experience in the first 2 years of implementing community policing in a city with the characteristics of Port St. Lucie, FL. He was extremely enthusiastic, and he listed

as some of the things that had made him a believer in the concept of community policing the fact that he had a strong community-neighborhood geographic orientation, that under traditional police patterns, officers were rotated generally on a 30-day basis from one neighborhood to the other. This made it very difficult, if not impossible, for there to be a bond developed between an individual police officer and the citizens for whom that officer was responsible.

Community policing was proactive. It had reduced the need for emergency responses in his city because, through community policing, they were dealing with problems while they were still manageable, not before they had become emergencies.

There was a new access to public officials and to nonlaw enforcement activities, as the community police officer in many cases served an ombudsman function, intermediary, assisting the citizens not only in meeting their traditional law enforcement needs but also in areas like directing the citizens to the appropriate public works officials to fix up a problem with a street or to a housing code enforcement officer if there was an instance of failure to maintain a home in adequate condition. The community police served to mitigate community problems by dealing with a squabble while it was still a squabble before it had festered into a major controversy.

Those were just some of the preliminary concepts of community policing that caused Chief Reynolds to be such a strong advocate. As I spent the day working with the officers of the Port St. Lucie Police Department I experienced some of those concepts in reality.

I worked with Officer Joe Diskin through much of my day, and with Officer Diskin we met community members in senior centers. We talked to them about what was happening in their neighborhood, and if there were any problems that we might deal with while they were still at a manageable stage. Part of my day was spent at the Darwin Square Plaza in downtown Port St. Lucie. For years, citizens in that area had been concerned about harassment and about loitering and about allegations that the plaza was being used for drug dealing. Recently, the Port St. Lucie Police Department, utilizing the personnel resources available through the community policing grant, established a substation in the Darwin Square Mall. Within a matter of weeks, there had been a decline in citizen complaints. There had been a decline in assaults, major and minor. There had been an increase in public confidence about using that commercial facility.

I spent a considerable amount of my time going from store to store, talking with the owners, with employees, with customers who frequent the mall. In every instance, I received acclaim for what the community policing program had meant in the quality of their lives.

Mr. President, community policing is working in Port St. Lucie, FL. It is an ideal example of the Federal Government using its targeted role in the family of Federal-State-local government law enforcement to encourage innovation and the dissemination of best practices. It is not an inappropriate Federal Government intrusion into the State and local responsibility for law enforcement which I fear a return to the LEAA block grant approach would lead us to.

When we vote today, we are not just deciding the future of the community policing program and the opportunity that it offers to accelerate this reinvention of a fundamental American idea of the police and the community working together. We are also deciding on the future of the Federal Government's role in law enforcement. I believe in the philosophy of President Reagan that Government will best serve its people if there is a clear understanding of what level of Government is responsible for what activity, and that law enforcement will best serve the needs of the people if it continues to be primarily a State and local responsibility, and that the insertion of a Federal block grant for indeterminate purposes is an inappropriate concept within that philosophy of new federalism and State and local responsibility for law enforcement.

Mr. President, we have an idea which is working to make a positive impact on the security of our people. That idea is community policing. We should continue with this idea, as we look for other innovations that the Federal Government can encourage at the State and local government level. But we should become intrusive in terms of the basic responsibility at home for the protection of our neighborhoods and our people.

Mr. President, I urge my colleagues to support the amendment which is before us which will keep us on an appropriate path and avoid us slipping into the ditch of an ill-considered, ill-formed Federal role.

I urge you to do this. If he were here today, Mr. President, I suggest that President Reagan would encourage us to support this amendment.

I thank the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I rise to support the amendment and to urge my colleagues to vote for it for a number of important reasons. I think the COPS Program does represent a partnership between the Federal and State and local governments.

This proposal by the majority party is another manifestation of the solutions they propose in a range of areas: package up some money, tie it in a bow, block grant it, ship it someplace else and tell whoever you are shipping it to: Go ahead and spend the money. We raised it. You spend it. We will not watch. And somehow that will fix our country's problems.

Senator BIDEN and others, including me, when we put the crime bill together, said there are certain things we would like to encourage, and we provided resources with which to encourage them. One of those things was putting cops on the street to provide more community policing. The program has been very successful. The proposal by the majority party now would retreat on our efforts to provide more community policing and help provide the resources with which to do that. We are told now by the majority party: Let us back away from that, and we will go back to the old days. Just block grant it and let somebody back home decide exactly what their needs are because they can decide that best.

I think in some cases that might be correct. They can decide best what their needs are, and that is why they can decide whether they want to access money for community policing. And if they do not want to access it, that is fine. But if they do want to, then this is a resource the Federal Government provides in partnership with them.

We have already been through one iteration of a block grant in law enforcement, the LEAA Program which, I would say, was extraordinarily wasteful in many ways. Some of my colleagues have already described how some of that money was spent: \$79,000 spent by one State—this is Federal money that was free to them—for a tank and machine guns. Another \$27,000 LEAA award was to study why inmates would want to escape from prison. That, by the way, got Senator Proxmire's Golden Fleece Award. I have a lot of friends in North Dakota who could tell us why inmates want to escape from prison for a whole lot less than \$27,000. They could study that for about \$5 and come up with a quick answer.

In 1970, LEAA provided money for a twin-engine Beechcraft airplane. They spent money for a six-passenger, twin-engine airplane for police work in fighting against crime. It was free Federal money, just a block grant, so they got \$84,000. The problem is the flight logs were checked, it was discovered that the plane was used mostly by the Governor flying around with his family and staff and other non-law enforcement personnel flying around going to meetings, apparently fighting crime. But it was Federal money, so they were able to get an airplane to fly the Governor around.

One university got a \$293,000 grant to decide whether to make—but not to actually create—a loose leaf encyclopedia on law enforcement. One city bought a police car with no markings on it with the money, the old LEAA money. That car was used primarily by the mayor. Maybe it was not so much to fight crime.

We have had some experience with having one level of government raise the money and give it to another level of government and say: by the way, we raised the money, you go ahead and

spend it, and we will not watch you. It is kind of like passing an ice cube around.

I guess my question is, if that is the notion, why would you want to run the money through Washington? Why not simply say: let us cut Federal taxes, and say to the local governments and the Governors: if you want this money for law enforcement, raise taxes back home and spend the money back home. Why should we separate where we raise the money from where we spend the money? This is the ultimate manifestation here. We are going to block grant everything around here. Why not say to the Governors: well, raise taxes and pay for these programs yourself. But they say: no, let us run the money through Washington first so we can cycle it around here a while, and then send it back and say: by the way, you spend it; we will not watch you, and it will not matter to us.

That is what this amendment is about, in many ways. We put together a community policing program that is working and it is available to those communities who need it, with some matching funds. If they do not need it, they do not apply for it. If they do not want it, they do not get it. But if they need it and want it, then that money is available.

The fact is, all of the information demonstrates that this program has worked and has worked well. It has provided more police on the streets, and everybody understands that one of the ways to prevent crime is to put police on the street. Far from deciding that we do not care what the local government's decisions are going to be, I would like to move in the other direction and say to State and local governments, we do care and we want to be involved in some of it.

I would like to ask my colleagues something on a slightly different issue. We have 3,400 people who have been murdered in this country; 3,400 murders committed by people who were in State prisons but who were let out early because it was too crowded. They got good time credit, they got whatever you get to get out early, so they got out early and murdered 3,400 more people. In those cases, in my judgment, the governments were accessories to murder. We knew these people were violent because they had committed a violent crime. We locked them up and then let them out early because we said, "Well, you were good in prison so we will let you out early." Then they go out and murder again.

Let me just talk about two cases briefly because I am going to introduce some legislation, which is slightly different than this amendment, next week. I will support this amendment. This is the right approach. But let me just quickly describe two cases. When somebody says, "what business is it of anybody's, on a national basis, to deal with these issues," I say that it is a national issue when you have 3,400 people murdered by people who should not

have been in a position to murder anybody.

There is a piece of prose that I thought was really well written, a column in last Saturday's Washington Post, written by Colbert King. It is entitled "The 'Wrong Place, Wrong Time' Dodge." The reason I was interested in it was because the columnist was writing about a tragic murder that happened here in Washington, DC, that I had also researched. It struck me as so strange and so unthinkable that this type of tragedy could continue to happen in our country. The columnist wrote about the murder of a young woman named Bettina Pruckmayr. Bettina was a 26-year-old young attorney, and she lived here in Washington, DC. She was just starting her career. On December 16—not so awfully long ago—she was abducted in a carjacking, driven to an ATM machine in Washington, DC. She was stabbed 38 times.

Colbert King, in his column in the Washington Post, graphically describes what happened to poor Bettina Pruckmayr. She was stabbed in the back, three times in the neck, and in dozens of other places. Some wounds were so deep that her bones were broken. The person who allegedly murdered Bettina Pruckmayr, a young woman who was in a parking lot adjacent to her home and was kidnapped and murdered, is a man named Leo Gonzales Wright. Wright is now facing murder charges, but he should not have been in the position, under any circumstance, to have murdered anybody. He is a fellow who had already murdered. He had raped. He committed robbery. He committed burglary. And he murdered. He was in prison and then let out early because the Government said, "We do not have enough room so you go ahead and go out on the streets." This person, allegedly, on the streets, murdered Bettina Pruckmayr. He should not have been anywhere in a position to murder anyone, but somebody let him out of prison.

In fact, not only did they let him out, but, when he was out, he was caught and picked up for selling drugs. The parole board did not put him back in prison. As a result, Bettina Pruckmayr is dead.

It is not just her. Mr. President, 3,400 Americans were murdered in those circumstances. Let me describe one additional victim, again murdered recently, and again in this area.

It is the story of a young boy named Jonathan Hall, a 13-year-old boy from Fairfax, VA. He was a young boy who had some difficulty in his background, but a 13-year-old boy who, I am sure, wanted a good life and wanted to grow up, like all young boys do. He was found, instead, in an icy pond, stabbed 58 times, with dirt and grass between his fingers. Apparently, when he was left there for dead, he, in his last moments, tried to pull himself out of this pond but did not make it.

Who murdered this young boy? Again, it does not take Dick Tracy to

understand who does these things. A person who had been convicted of murder previously, not once but twice—two separate murders—and a kidnaping. This fellow was sent to prison, this man named James Buck Murray, who allegedly killed this young boy. He was sent to prison for 20 years for slashing the throat of a cab driver. Then, while in prison, escaped while on work release and kidnapped a woman. Then, he was convicted of murdering a fellow inmate. But Murray was let out of prison long before he completed the terms of his sentence.

This person should not have been in a position to murder anybody under any condition. He should have been in prison. But instead, a 13-year-old boy is dead. Jonathan Hall is dead, Bettina Pruckmayr is dead, and 3,400 other people are dead, because this system does not work.

People say, "That is none of your business. That is not of national importance. That is for State and local governments." Those people who let these violent criminals out of jail to kill others ought to be told by us this is a matter of national importance.

Let me finish in a moment. I will be happy to yield for a unanimous consent request to Senator GREGG.

Mr. GREGG. I thank the Senator from North Dakota for his courtesy.

Mr. President I ask unanimous consent that at the hour of 5:45 today, Senator DOLE be recognized to make a motion to table the Biden amendment No. 3483, and, further, that the time between now and 5:45 today be equally divided between Senator BIDEN and Senator HATCH or his designee.

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

Mr. GREGG. I thank the Senator.

Mr. DORGAN. We have a national interest in this country in addressing this crime issue. We had a national interest when we put together something under Senator BIDEN's leadership that talked about putting more police on the streets in this country. We did it and it works and it makes a lot of sense. We ought not retreat from that.

I also make the point, as I have just made previously about the murders committed in this country by people who should not be out of jail, that we have a national interest in addressing that issue as well. Why are people who have been previously convicted of violent crimes being let out of prison early so they can murder again? We need to ask these questions of State governments. We ought to ask them if there is not some way we can work together to decide, if prisons are so full that you cannot keep the kind of murderous characters in prison who now go out and murder again, to build more prisons, because we want to keep these people in jail.

These people would not be let out of Federal prisons, by the way—these are not Federal prisoners—to murder 3,400 people, because you do not get an early parole in the Federal system, thanks to

Senator BIDEN. You do not get good time in Federal prisons, thanks to me and some others. You are sentenced to jail in the Federal system and you spend your time in jail. You are not going to be out murdering again before your sentence ends.

But, guess what? If you are a convicted murderer in this country, if you are convicted of committing a murder somewhere, you are going to be sentenced to around 10 years in prison, but you will not serve 10 years in prison. You will serve 6½ to 7 years. Why? Because it was decided that murderers should get out early.

(Mr. GREGG assumed the chair.)

Mr. DORGAN. I am sorry, murderers ought not get out early under any condition, and if we cannot protect the Jonathan Halls and Bettina Pruckmayrs, and other people who were killed by murderers who should not have been in a position to kill anybody, then we should not be in the business of law enforcement.

I support this amendment. It makes eminent good sense, and I support many initiatives by Senator BIDEN and others on our side of the aisle who have worked long and hard on this issue. There are good ideas from the other side as well, and I appreciate those.

But it is not a good idea to step back, it is a good idea to step forward in addressing crime. Preserving the COPS Program is one step.

I intend in the coming days to offer a second step, not on this bill but as a separate piece of legislation, dealing with the issue of those who have been previously convicted of violent crimes, that they ought not get good time to go out and murder again, that they ought not be put on our streets early. Bettina Pruckmayr and Jonathan Hall should not have been killed, and more in the future will not be killed if we deal with this appropriately.

Mr. President, with that, I want to thank the Senator from Delaware, for whom I have great respect for his leadership on this issue. I do hope the Senate will, when considering this issue, decide that what we did to put more police on the streets in this country made sense then and it makes sense now. That is an approach and progress from which we shall not retreat.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan. The time is controlled by the Senator from Michigan and the Senator from Delaware.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need, but I plan to be relatively brief. I just want to comment and follow up on what the Senator from North Dakota, Senator DORGAN, just said.

One of the significant problems we have—and I agree with him—is the problem of people who are getting out of prison at the State and local levels before they should. The problem, though, I think, is in large measure

stemming from Washington and needs to be addressed. I invite the Senator from North Dakota to join me in some legislation on which we have had hearings before the Judiciary Committee. A number of other States have been similarly affected.

It turns out that Federal rules and regulations under the CRIPA legislation, as well as Federal court orders, are actually forcing people out of prisons prematurely. In my State, we entered into a consent decree with the Department of Justice back in the 1980's with respect to conditions in Michigan prisons.

By 1992, we had an agreement with the Department of Justice that we had satisfied the problems that had caused this consent decree to be entered into. The Federal judge who had jurisdiction, nonetheless, even after the Department of Justice was willing to allow the consent decree to be removed, maintained continuing jurisdiction and is forcing people out of our State prisons prematurely.

For the city of Philadelphia, as we heard testimony in the Judiciary Committee, this is a problem that literally has meant that people arrested for committing violent crimes, because of a cap that has been placed on the amount of people who can be allowed in the prison system in Philadelphia, are not being incarcerated, are not being held. The Senator from Delaware was at the same hearing.

I hope we can get together on this. I think that is a whole different set of issues, and I think it very important they not be merged into this debate. I want to make it clear, I think that is a whole separate topic, and I would like to work together with the Senator.

Mr. DORGAN. Will the Senator yield to me for a question for a moment? You make a good point. I would be very interested in talking with you about your proposal. I may very well consider supporting it.

If the Federal Government is part of the problem, then let us solve that part of the problem that we can in Federal law.

I will say this. There are some States—and I do not know what Michigan does—there are some States that provide over 430 days a year of good time credit for every year a violent prisoner serves. I am saying to the States, "Look, if these people committed multiple murders, I don't want you giving them a year-off credit for every year they spend in jail." Put them there and keep them there.

Mr. ABRAHAM. I do not want to take much time on our side. Part of the reason these things are beginning to happen is because in order to meet various Federal court consent decrees, as well as the other regulations that have been imposed, it is forcing States to make decisions that I do not think they would make if they did not find themselves subject to it. I would be very anxious to work on it.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, let me begin by thanking the Senator from North Dakota for his generous comments about my role in this legislation. I must say, I knew of the Senator when he was a Congressman, and I, quite frankly, have been impressed at how dogged he has been in pursuing tougher approaches to crime.

The Senator from Michigan spoke about frivolous lawsuits. He is correct, this is worthy of a debate at another time. I think his intention is positive. I think he may have the perverse effect of bringing about the exact opposite result he wants.

Unfortunately, a lot of what he suggested is in the bill before us. I kind of find it fascinating. We had this debate. We had a hearing in the Judiciary Committee. We did not do much else. Starting at page 153 of the continuing resolution and continuing for, I do not know how many pages here, entitled section 802, "Appropriate Remedies for Prison Conditions," we essentially rewrite the law. The fact of the matter is, nobody in this body even knows what is in this bill. Senator HATCH's staff knows. Senator ABRAHAM's staff knows, Senator ABRAHAM knows, Senator BIDEN knows. None of you, I will bet you a million bucks, has any notion what is in this bill. Zero. I am willing to bet you anything.

But it will not be the first time I have or others have voted on things we do not know is contained in omnibus bills like this.

Let me respond to the comments about my amendment to restore 100,000 cops. A couple of my colleagues have stood up and said, "100,000 cops, just not true, never going to happen." There are 33,000 cops already, just from the time we passed the bill, after spending \$1.6 billion of the \$8.8 billion. Then we heard, of course, 100,000 cops are never going to, nor should it, fund 100 percent of the local police now or in the future. That is true. No one ever said this was going to support 100 percent.

Guess what folks? The block grants do not either. The block grants do not do it either, nor should they. It is not the Federal Government's role to promise in perpetuity to the local communities to fund forever. This does fund 100,000 cops, and it does fund them for 5 years or so. The cops and the States are going to have to pick up the tab. Guess what? It funds 100 percent of what we give them in the block grant, but the block grant ends. I challenge any of my Republican colleagues to stand up and promise that this bill contains in perpetuity a commitment to continue to pay out of the Federal payroll for any cop hired under this bill. This is not going to happen. It is not supposed to happen. It was not designed to happen. So it is, what we used to call in law school, a red herring to suggest this fully funds the cops.

Funds are in the trust fund. We heard funds are just not there. The funds are in the trust fund. Let us recall the Republicans cut \$200 million from the \$4.287 billion that is in the trust fund in 1996 in their budget resolution. So if they keep up their efforts, maybe they will be able to deplete the trust fund so there will not be any money in it. The money was there. They cut the trust fund in the Republican budget resolution.

I also heard we have to end the Washington-knows-best philosophy. Well, that is what the 100,000 cops is all about. Local communities decide if they want to apply, local communities define local policing strategy for themselves and the Republicans call for a separate prison grant of \$100 million that does not let them decide the same way that we allow them to decide, because communities have to pick up the costs for each cop after 3 years.

"One hundred thousand cops is a lie," one of my colleagues said. My response is, neither 100,000 cops nor a block grant is going to be or should be a permanent entitlement program, and we do not want to federalize local police. There is no difference. No difference, except you get fewer cops and less money under the block grant approach. Now we also heard New York City did not receive one new cop.

New York City got \$54 million to redeploy 2,175 cops through the COPS More Program. So we gave them that money, the Federal Government. They put up the rest, and they were able to redeploy from inside the precincts 2,175 cops.

D.C. It was also said D.C. did not receive more cops. Response. D.C. got \$6,076,163 to redeploy 626 cops under the COPS More Program.

Also, it was said, the city should decide between cops and computers. My response is, the COPS More Program is exactly that—\$217 million in 1996 that helped relocate and redeploy 13,000 cops by not having to go back to the station house.

Also, I heard block grants give you the right to use the dollars to hire new cops. Well, my response is, it must be guaranteed, not an option to hire new cops or they will not be hired.

I also heard it said on the floor by one of my respected colleagues, "I have long said 100,000 cops is a phony idea." Well, in November 1993, a lot of people did not think it was such a bad idea, including the Senator who thought it was a phony idea. I will not go through it because I would hate everybody reading everything I said back to me in the RECORD. But, you know, it may be thought of as a phony idea now, but it was not in 1993 when we were doing it.

The other criticism I heard is the continuing resolution level for 100,000 cops, \$975 million, is sufficient to get us there. Well, \$975 million is not enough for this year, 1996. The CR provided \$407 million, and \$276 million has already been spent, and \$130 million will be spent on police technologies

and police efforts to fight family violence and community policing efforts.

The current CR would provide a total of \$975 million for COPS. Subtract the \$407 million, and that leaves \$568 million for the rest of the year, if the Hatfield amendment becomes law. But \$522 million has already been requested through March 6. In other words, that leaves \$50 million for all other applications that come in from now through September 30.

There is not enough. There is not enough. Just go back to your home States, ask them if they are going to stop applying. No. If the State of Oklahoma, if the State of Utah, if the other States, they do not want to apply for any more cops, God bless them. Wonderful, do not apply. But if they do apply and they qualify on the merits, there is no money for them. We already have something like—where is that chart—7,766 new cops requested so far this year—requested. Oklahoma wants 94 new ones.

My colleague says, "Wow." Well, go tell the Oklahoma folks they do not need them. I respect that. But the idea there is enough for those who qualify and are requesting simply is not true.

We also heard Washington should not dictate local strategy. Well, my response is, we are not dictating local strategy. Nobody has to ask, and only big cities get COPS more dollars. That is also not true. You have got American Fork in Vermont, Carbon County, Duchesne County, Kane, Layton, Logan, Ogden, UT, Salt Lake, South Ogden—you know, the list goes on and on. I did not know they were big cities.

Based on a salary of \$65,000 to \$70,000, this will not fund 100,000 cops. The truth is, the average salary is \$40,000. I reserve the 20 seconds I may have left and yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). Who yields time?

Mr. LEVIN. Mr. President, the Violent Crime Control and Law Enforcement Act of 1994, enacted by the last Congress, contained a \$30 billion trust fund for State and local law enforcement programs. That legislation made an important statement of our commitment to stand with our police officers in the war against crime by providing dedicated funding to put 100,000 new cops on the streets.

From 1970 to 1990, we increased Federal spending on lawyers by 200 percent and prison spending by 156 percent, but we increased Federal spending on police officers by only 12 percent. The COPS Program would reverse that trend, without adding to the deficit, and without any new taxes, by cutting thousands of jobs out of the Federal bureaucracy. More police officers, fewer bureaucrats. That is the commitment enacted into law by the last Congress.

Mr. President, there is no more important step that we can take to fight crime and support our law enforcement community than to increase the number of cops on the streets. And that is

what the COPS Program has been doing. That law has already funded 25,000 new cops nationwide, including 825 in Michigan.

Unfortunately, the bill before us today would undermine this milestone achievement of the last Congress by cutting in half the funding provided to put new police officers on the street. Instead of the \$1.9 billion requested by the administration, and fully paid for out of the violent crime trust fund, this bill would provide only \$950 million to put police officers on the street.

This cut in funding would not help reduce the deficit, and it would not help balance the budget. Congress would still spend the same amount of money—we just would not spend it where it is needed, on new police officers. Under the bill before us, the bulk of the funds would be taken from the COPS Program and put into a block grant, which could then be spent on anything from traffic lights to parking meters, without hiring a single new cop.

That is unacceptable. Let me tell you what it would mean for my State of Michigan. We currently have applications pending for more than 200 additional police officer slots around the State. We have applications for two new officers from the city of Alma, for three new officers from the Ann Arbor Police Department, for one new officer from the Barry County Sheriff's Department, for two new police officers from the city of Battle Creek—I could go on and on. I ask unanimous consent that a partial list of pending applications for additional police officers from the State of Michigan be placed in the RECORD at this point.

The point is, each of these communities needs the help. And if we pass this bill, we are not going to provide it. They need the additional police officers to fight a very real war against crime, and if this bill passes in its current form, they are not going to get them.

What is true of Michigan is true of other States as well. Every State in the country has dozens of pending applications for additional police officers under the COPS Program, and if we slash the funding for this program, as proposed in this bill, they are not going to get what they need. If this bill is passed in its present form, the funding for half of those applications will simply disappear.

Mr. President, I urge my colleagues to support the amendment to restore full funding for the COPS Program.

Mr. HARKIN. Mr. President, I urge my colleagues to support this amendment to restore funding to the Community Oriented Policing [COPS] Program. Law enforcement officials from all across the country have told us loud and clear, that the COPS Program is one of the 1994 Crime Act's most effective programs. To those who want to slash the COPS program by 50 percent in favor of a block grant, I have this to say: "If it ain't broke, don't fix it."

Consider this: Serious crime is retreating all across the United States.

Nationally, murder rates fell 12 percent in the first 6 months of 1995 and serious crimes of all kinds dropped 1 to 2 percent. Law enforcement across the United States credit community policing for contributing to these declines. Now is not the time to cut back on our efforts to fight crime.

And more importantly, to my constituents in Iowa, it is rural America that will pay the price if this amendment is not adopted. The COPS Program made a special commitment to include small towns and rural areas. half of all COPS funding goes to agencies serving jurisdictions of under 150,000 in population. Block grant funding favors larger populations so that even small towns with high crime rates would lose out. In 1995, Iowa received over \$14 million to hire over 200 officers. Over 70 percent of law enforcement officers surveyed in my State, supported the COPS Program.

Perhaps the most puzzling aspect of the proposal to slash funding for the COPS Program is the loss of local control. Proponents traditionally argue that block grants increase local control. The crime prevention block grant proposed in the continuing resolution does no such thing. This initiative replaces a highly successful program that responds to public desire for an increased police presence with a program that merely gives money to State governments that may keep up to 15 percent before distributing the remainder to local governments. This is a significant departure from the COPS Program which funneled the funding directly to the local law enforcement agencies.

The block grant approach to crime prevention invites the abuse of funds the COPS Program was created to eliminate, as well as doing away with effective crime prevention programs that worked hand in hand with community policing initiatives set up under the COPS Program. The block grant approach is an ineffective response to our Nation's war against crime and a sad departure from the successful efforts started under the 1994 Violent Crime Control Act.

Community policing works. It is a flexible program that is responsive to law enforcement needs. More cops on the beat have an undeniable effect on crime and a community's sense of security. Nationwide, the COPS Program serves 87 percent of America with 33,000 officers. We should heed the advice of the folks that are on the frontlines in the fight against crime. I urge all my colleagues to support this important amendment to restore funding to the COPS Program.

Ms. MIKULSKI. Mr. President, I strongly support the Biden amendment and am proud to be a cosponsor of this important amendment. The amendment would restore \$1,788,000 to the COPS Program.

This funding will allow us to keep our promise to the American people to put 100,000 new police officers on our

streets. Under the Violent Crime Control Act we passed in 1994, the COPS Program was created to provide our communities with the police they need to fight crime.

COPS stands for community oriented policing services. So far the COPS Program has made possible over 790 new police officers in my State of Maryland, and over 33,000 new officers nationwide.

Through the use of community policing, the COPS Program puts into practice what police chiefs and other experts have been saying for years. They know that police officers fight crime and prevent crime more effectively when they are integral members of the community they serve. They know the fight against crime will be won only when the police work with citizens as full-fledged partners in the battle to take back our streets.

Mr. President, the COPS Program is working. Why would we want to change a law that is working?

If we start taking apart the crime control package we passed in 1994 with bipartisan support, we leave to chance what we know is working now. Let us continue to make it a priority to get more police out on the streets.

By restoring the COPS Program, we are responding to a cry for help, a cry for more police officers on the street. We cannot ignore this cry for help from all of those police departments who need more police.

My constituents are calling for an increase in the number of police officers in their communities. My constituents are calling for more crime prevention programs. The legislation to satisfy these calls has been passed, the programs are now established; why should we dismantle them?

Mr. President, this bill, as reported by the Appropriations Committee, provides no guarantees that even one new police officer will be hired. The 1994 crime bill called for 100,000 new police on the streets of America participating in community policing.

I urge my colleagues to consider this: our failure to fulfill the promise of 100,000 new police officers means less partnership between police and their communities, less work with community residents to detect and suppress crime, and a missed opportunity to keep our streets safe for law-abiding citizens.

If we are going to take back our streets, we must empower our communities with the police they need. The concept of community based policing is police officers and citizens forging alliances to combat crime. I strongly oppose any efforts to cut community oriented policing programs.

I urge my colleagues to join me in supporting the Biden amendment. Passage of this amendment will allow our citizens and their partners in law enforcement to continue to combat crime together by delivering more new police officers to the frontline.

Thank you Mr. President.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. How much time do we have remaining on our side?

The PRESIDING OFFICER. The Senator has, on his side, 9 minutes, 8 seconds.

Mr. NICKLES. I yield myself—I see the Senator from Utah. Please notify me in 5 minutes.

The PRESIDING OFFICER. After 5 minutes?

Mr. NICKLES. In 5 minutes.

I rise in opposition to this amendment. I am kind of amused and kind of interested in it as well. This is an amendment that says we want to take whatever money we have available and we want to mandate that it has to be spent in the COPS Program.

Obviously, it is a popular program, as illustrated by the Senator from Delaware, because a lot of people have applied for it. Why would they apply for it? Well, it is Uncle Sam saying, "We will pay for 75 percent of the cost for new policemen in your community for the first year, the second year 50 percent, and the third year, 25 percent, and the fourth year you are on your own."

But a lot of communities, if they see Uncle Sam waving some dollar signs around, they say, "Yes, we want to grab a hold of it." Maybe it is the best way to spend resources in fighting crime, maybe it is not.

I will mention to my colleague there are not just big cities that qualify for this program. We had one community in Oklahoma, Moffett, OK, that applied for money, was eligible to receive the money. Just a couple comments. It is a fairly small town. Unfortunately, they do not have a police force, but yet they qualified. I do not remember exactly the amount. But it was, I think, about \$180,000. But they did not have a police force.

As a matter of fact, this little town had volunteer fire and police, but they did not have an organized police force. Yet, they received this money. They did not know what to do with it. To make the story short, when they realized they would have to do the matching, that was a serious problem for this little town, even if they had to match 25 percent the first year, 50 percent the second.

The end of the story is they went through a lot of city managers in a period of about a year or so and finally decided they did not need this grant, they could not afford it. Also kind of humorous, but of interest, they said, "We can do a lot more if we just had a little more leeway in what to do with this money. We need some help." They made that comment. "And we could use it for"—frankly, I do not think they had a police car. I could go on and on.

But this bill says that the money that we are going to give, we are going to mandate that it go to the COPS Program because we decided in Washing-

ton, DC, that is the best way to combat crime. Maybe some of the communities have a particular interest in juvenile crime and might think that a better approach would be an effort to educate juveniles, or maybe they have a problem with drugs and juveniles, or maybe there are problems in other areas. Maybe more police are the answer; maybe they are not. But we are coming up with this amendment that says we are going to take all the money available that is not earmarked and we are going to take the balance of it for the so-called COPS Program. I think it is a serious mistake. I do not think it is a Federal Government prerogative to hire policemen in my hometown.

Does my hometown of Ponca City, OK, need more police? Maybe they do. But I think that is the responsibility of the people of Ponca City, OK. Maybe they have to raise the sales tax to pay for it, or maybe they have to find some other method of paying for local police, but I do not think it should be coming to Washington, DC, on bended knee and saying, "Please give me this money so we can hire another policemen. Oops, in 3 years, we have a big liability."

Uncle Sam starts out pretty generous paying at 75 percent. That is pretty nice. But on the fourth year, they are on their own. And a lot of cities are saying, boy, that is a nice inducement for the first year or two, but after the third or fourth it is a real problem. Maybe we will just do this for a year or two and then let people go, or maybe have some attrition and not replace them in the third or the fourth year. My point being that this is not a Federal responsibility.

I do not want to federalize police, and 100,000 police officers is not a drop in the bucket if you look at the national scheme. I do not doubt that my colleagues who support this program can find somebody that was hired in this program and they did a good job and they saved somebody's life or they stopped crime or something, and I am grateful for that. But I just question the right level of Government.

It is like this issue we had over speed limits. A lot of us decided that the States should set speed limits instead of Washington, DC. Likewise, I would think community policing is a good idea. If communities want to do it, let them do it. Let them do it with their own money, not with Federal bribery or enhancements to pull or encourage the States to do it, and then find that they have such enormous liability.

Local policing is a local matter. That is something that should be under the jurisdiction and control and financing of individual towns and cities, counties and States, not the Federal Government.

Mr. President, that is the reason why I stand in opposition to this amendment. The way we had the bill drafted, we had earmarked \$975 million for COPS. That is half of that money. The cities would have latitude to spend a significant amount of money for the

COPS Programs. We are not doing away with the COPS Program. If the city wanted to spend more for that, they would have that option. If they wanted to spend more for technology, if they wanted to spend more for juvenile crime prevention, more for cracking down on drugs or surveillance or all kinds of different things, they would have that option, instead of the Federal Government dictating, "We think you should put it all into the COPS Program. We know how best to spend this money. We know you should put it exactly in this program." I think that is a mistake. I urge my colleagues to vote "no" on the underlying amendment.

Mr. HATCH. Mr. President, I think it is a great idea to have cops on the street. Our bill will do that. I think it is an equally great idea to make sure that we block grant some of the funds so the police departments can use them for whatever they need to use them for.

Using the New York illustration, there was not one additional policeman put on the streets by the moneys sent to New York. They used the moneys to deploy police people who were already there or to replace police people who they were already capable of paying for. The fact is, there is nothing in this approach of the 100,000 cops on the street that means they have to be additional police people in addition to those that were on the current police forces and were capable of being paid for by the local communities.

Be that as it may, I agree with the noble goal of having more police on the streets. I think every Republican does. The problem is, why can our friends on the other side not see the value of allowing some flexibility so that the people who really have to solve these problems in the local communities have some flexibility to do so? The real question is whether we provide funds for cops and cops alone, or whether we permit the funds to be used to meet the needs of the local communities and the local law enforcement agencies.

It seems to me that makes sense. It makes every bit of sense that anybody, it seems to me, who thinks seriously about it would agree. If we are going to provide Federal money to local law enforcement agencies, then we should permit those agencies to use the funds as they see fit. We have adequate protections in the bill so they cannot use it for certain exotic reasons that some have criticized in the past.

Now, some of those who have criticized LEAA today are the people who supported it the strongest. These are the kind of things that bother me, just a little bit. Unfortunately, this becomes a political exercise rather than what is best for the local communities. It becomes an exercise of Washington telling the local communities what they should and should not do. We know more, I guess, inside the beltway than the people out there who have to face the problems in their respective communities. We all know that is bunk.

As a matter of fact, I think it is the most surreal and unreal place on Earth sometimes right here within the beltway. These folks who face those criminal problems day in and day out in the local communities know a lot more what they should use their funds for. We should not be dictating it. We provide half the moneys for cops on the street; we provide about half the money for block grants so they can use them to solve their own individual law enforcement needs, which makes sense. Why should we dictate that every dime has to go for the COPS Program? I agree with the COPS Program to the extent that we have granted it here in this bill, but we also have provided flexibility in this bill that makes a lot of sense, it seems to me.

Again, the real question is whether we provide funds for COPS and COPS alone or whether we give the local communities some ability to do the things they think need to be done. The question is whether we fund the COPS Program only and tell the communities like Washington, DC, "Sorry, we have no money for you," or to permit communities to use money for other purposes.

The PRESIDING OFFICER. The Senator from Delaware has 14 seconds.

Mr. BIDEN. Mr. President, I will do something no one will believe—I yield back my time.

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

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. I join with the distinguished Senator from Utah, Senator HATCH, and the Senator from New Hampshire, Senator GREGG, and move to table Biden amendment No. 3483.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

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

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 31 Leg.]

#### YEAS—52

Abraham	Chafee	DeWine
Ashcroft	Coats	Dole
Bennett	Cochran	Domenici
Bond	Cohen	Faircloth
Brown	Coverdell	Frist
Burns	Craig	Gorton
Campbell	D'Amato	Gramm

Grams	Lott	Simpson
Grassley	Lugar	Smith
Gregg	Mack	Snowe
Hatch	McCain	Specter
Hatfield	McConnell	Stevens
Helms	Murkowski	Thomas
Hutchison	Nickles	Thompson
Inhofe	Pressler	Thurmond
Kassebaum	Roth	Warner
Kempthorne	Santorum	
Kyl	Shelby	

#### NAYS—48

Akaka	Feinstein	Levin
Baucus	Ford	Lieberman
Biden	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Byrd	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Wellstone
Feingold	Leahy	Wyden

So the motion to lay on the table the amendment (No. 3483) was agreed to.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Delaware.

Mr. BIDEN. I would like to thank my colleagues who supported this effort and say to my good friend, the majority leader, that I liked it better when he was on the campaign trail. We had won until he went back down in the well. This is a singular victory for the leadership. I compliment him, but I am just so sorry that he has now locked up the nomination and will not be out in the field more because it looked like I was winning there until three votes changed at the end. But I wish to congratulate the opposition and tell the cities they are not going to get their cops. I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, I move to reconsider the vote.

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

#### AMENDMENT NO. 3489 TO AMENDMENT NO. 3466

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

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. GORTON, proposes an amendment numbered 3489 to amendment No. 3466.

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

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

The amendment is as follows:

Amend page 113, line 11 by striking the period at the end of the sentence and adding "Provided further, That the FCC shall pay the travel-related expenses of the Federal-State Joint Board on Universal Service for those activities described in the Telecommunications Act of 1996 (47 U.S.C. 254(a)(1))."

Mr. GREGG. Madam President, this is a Gorton amendment allowing ex-

penditures for the FCC. It has no budgetary impact. It has been cleared on both sides.

I urge adoption of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3489) was agreed to.

Mr. GREGG. Madam President, I yield to the Senator from Utah for purposes of a colloquy.

The PRESIDING OFFICER. The Senator from Utah.

#### CARRIER COMPLIANCE

Mr. HATCH. I am prepared to offer an amendment to establish a fund in the U.S. Treasury to serve as a funding source for carrier compliance under the Communications for Law Enforcement Assistance Act.

I understand the concern that is shared by some members of the Appropriations Committee is that creating this fund implies a subsequent obligation to provide funding for carrier compliance. I also understand that this concern is highlighted by fears on the part of some that carrier compliance may cost more than authorized amounts.

Mr. GRAMM. Madam President, the Senator cannot be heard.

The PRESIDING OFFICER. Senators will please take their conversations off the floor.

Mr. HATCH. Madam President, I would note that carrier compliance under the Communications for Law Enforcement Assistance Act, which we call CLEAA, does not obligate Congress to appropriate any funds in excess of the amounts authorized.

I emphasize that we are losing ground in a important area. We passed a bill last Congress that satisfied the various interests and constituencies involved in this important issue. Now we need to move forward with funding.

In my view, the creation of this fund will not obligate my colleagues on the Appropriations Committee to appropriate funds beyond what the Congress has already promised for this worthy purpose. Specifically, I am prepared to ask for a commitment between now and the time we take up the fiscal year 1997 Commerce, Justice, State appropriations bill that we will try to work this out. I hope that our staffs will establish a series of meetings, the purpose of which would be to reach a resolution of this matter by fiscal year 1997.

It is important; with digital coming into being, we have got to be able to handle this aspect of law enforcement. And it is just going to have to be something we meet.

Mr. GREGG. Madam President, I wish to acknowledge and congratulate the Senator from Utah, the chairman of the Judiciary Committee, for pointing out this concern and this issue, which is a very legitimate concern. I believe that with our staffs working together, we can work out the concerns the Appropriations Committee has relative to how we manage the funding of



this issue, and I look forward to having such an agreement worked out and will direct our staffs to work together.

I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. FORD. Madam President, will the Senator from Utah yield for a question?

The PRESIDING OFFICER. The Chair recognized the Senator from Texas.

Mr. FORD. I am sorry. I apologize.

Mr. GRAMM. I would be willing to yield to my colleague.

Mr. FORD. What are Senators trying to work out? The money you are going to give is grandiose, but I never heard—

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. CLEAA is what we call carrier compliance under the Communications for Law Enforcement Assistance Act. It is to aid our law enforcement agencies to be able to do their work with regard to the new digital age, to be able, with court orders, to tap into digital phones so that they can follow criminals and organized crime.

Mr. FORD. This amendment would add more money than we have already given in the past?

Mr. HATCH. It will not add anything now. We are going to try to work it out in fiscal year 1997.

Mr. FORD. There is no additional funding?

Mr. HATCH. Right.

Mr. FORD. Why do you need the amendment?

Mr. HATCH. Because we need to have funding.

Mr. FORD. I thought there was no funding. This is an authorization?

Mr. HATCH. No. What we are agreeing to in the colloquy is that in the future 1997 budget and appropriations bills we try to find the money to be able to do this law enforcement work, and my colleagues have said they will work with me.

Mr. FORD. Madam President, I thank my colleague.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENT NO. 3490 TO AMENDMENT NO. 3466

(Purpose: To ensure that discretionary spending does not exceed the level agreed to in the FY 1996 Budget Resolution)

Mr. GRAMM. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself, Mr. SANTORUM, Mr. MCCAIN, and Mr. NICKLES, proposes an amendment numbered 3490 to amendment No. 3466.

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

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

The amendment is as follows:

At the end of title II of the committee substitute, add the following:

SEC. . (a) Notwithstanding any other provision of this title, none of the amounts provided in this title is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Each amount provided in a nonexempt discretionary spending nondefense account for fiscal year 1996 is reduced by the uniform percentage necessary to offset non-defense discretionary amounts provided in this title. The reductions required by this subsection shall be implemented generally in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. GRAMM. Madam President, this is a very simple amendment. This amendment tries to eliminate the need for an emergency designation in this bill. We are adding \$1.2 billion to the Federal budget deficit by declaring an emergency, but by eliminating the need for an emergency designation and cutting other discretionary spending accounts across the board by .53 percent, we have an opportunity to fund these so-called emergencies but do it in a fiscally responsible manner where the deficit does not go up.

Let me try to make my case. Let me make it as succinctly as I can, and then give others an opportunity to respond and oppose as well as to support.

First of all, since 1990, we have passed \$80 billion of emergency supplemental appropriation bills. In some cases, like the Persian Gulf, we have been able to come back and offset that with payments from foreign nations. But just to give you an idea of the magnitude of this loophole that we have created by declaring emergencies, in 1994 we declared an emergency for the California earthquake and the Midwest floods, and we spent \$11 billion which was added directly to the deficit.

In 1993 we declared an emergency for Midwest floods and added \$3 billion to the deficit, with funding also for the drought in the Southeast. In 1993 again we added \$1 billion to the deficit with an emergency for Somalia. In 1993 again we declared an emergency for economic stimulus as a supplemental appropriation and added \$4 billion to the deficit to extend unemployment benefits.

In 1992 we declared an emergency and spent \$9.3 billion for two hurricanes, one on the mainland and one in Hawaii; and then for Typhoon Omar. In 1992 we declared a dire emergency to fund the costs incurred for the Chicago flood and for the riot in Los Angeles. I remember being in the conference and I moved to strike a provision where we were declaring an emergency to fund lawyers to defend the rioters. Fortunately, that provision died because people were shamed out of it. In 1992 we had another dire emergency. I could go on and on, but I think I made my point. My point is we have a lot of emergencies around here.

I want to remind my colleagues that families have emergencies, but I want to go through what happens when a family has an emergency and what

happens when the Government has the emergency and explain the difference. Families have emergencies. Let me just offer an example. Johnny falls down the steps and breaks his arm. He is taken to the hospital and it costs \$700 to set Johnny's arm with the attendant medical expenditures. The family has had an emergency.

If this family were the Federal Government, the Brown family would say, "Well, look, we have already planned that we are going on vacation this summer. We have already planned that we are buying a new refrigerator. We have already set our monthly budget. This is an emergency, we cannot pay for it, so we are just going to add it on to our spending." That is what we are doing here. But that is not what the Brown family does. What the Brown family does is they go back and say, "Well now, look, we have incurred an expense of \$700 because Johnny broke his arm, so we are not going on vacation this year. We had planned it, we had written it in our budget, but now we cannot afford it because we had an emergency. Johnny broke his arm." In fact, the definition of an emergency in this case is something they have to spend money on and so they have to take it away from another purpose. They may decide they are not going to buy a new refrigerator.

It seems to me that we can have a procedure that is exactly analogous to what families have to do, by saying we have an emergency, we are going to provide \$1.2 billion for many worthy objectives, but to pay for it we are going to take all the other nondefense appropriated accounts and reduce them across the board—and let me remind my colleagues, we have in the supplemental a defense expenditure. We offset every penny of it. We only have emergencies in nondefense. We do not have an emergency in defense in this bill, though we have had them in the past. We generally do not have them. And we do not have one here.

So, what I want to do is for nondefense accounts, in a simple across-the-board procedure, what we have done with specific accounts in defense. If someone wants to come up with a substitute that cuts specific programs as an alternative, I am willing to look at it. That, basically, is what my amendment does. Let me explain why it is so important.

The American people got the idea that we were trying to do something about the deficit when we passed the Contract With America. The President has vetoed the Contract With America. We are now under a continuing resolution which is a temporary funding measure. We have a bill in front of us that already spends \$2.3 billion more than that temporary funding measure spends on an annual basis. So, if we pass this bill, rather than simply rolling over that bill through the end of the year, we are going to spend \$2.3 billion more than simply rolling over the continuing resolution would do, in any case.

But let me remind my colleagues that yesterday all but some 16 Members of this body voted to increase spending by \$2.6 billion. In fact, we had an interesting occurrence and that is our Democratic colleagues said, "Let us increase spending by \$3.1 billion." One of our Republican colleagues said, "No, let us increase spending by \$2.6 billion." Congress decided on the \$2.6 billion and with great fanfare we had offsets.

The problem is, these offsets have already been counted in the budget. We counted \$1.3 billion in savings for the sale of the U.S. Enrichment Corporation. That is basically a corporation that enriches uranium. But the problem is we have already counted that \$1.3 billion in deficit reduction in the budget that we adopted. But since that budget and the bill flowing from it has been vetoed by the President, we were able to do that yesterday. To pay for this new spending, \$2.6 billion adopted yesterday, we sold off portions of the Strategic Petroleum Reserve. The problem is we had already decided to sell it as part of the budget. So what we really did yesterday is added roughly another \$2.6 billion of spending. So we are already talking about spending almost \$5 billion more in this bill than if we extend the current short-term continuing resolution.

I think it is important that at some point we stand up and decide to stop spending money we don't have. It is one thing to write a budget setting out good intentions. But it is clear to a blind man that if you look at the pattern that we have followed with these emergency designations, it has turned into exactly what many of us feared it would when it was put into the 1990 budget summit agreement. It has turned into an agreement whereby the President and the Congress conspire to cheat on the budget; conspire to increase spending above the level we set out in the budget. In the process, we have these budgets that do not look so bad, but when we count how much money is actually spent we end up spending beyond the budget.

What I am offering our colleagues is a great opportunity to save \$1.2 billion. Somewhere in the sweet by-and-by there may be a budget that is adopted. The President may accept it. On the other hand, he may not accept it. So we may get through this whole year not having saved a penny anywhere.

I can give you an opportunity tonight to save \$1.2 billion. The only person I know who knows how much money that is is Ross Perot. We can save \$1.2 billion by doing what the Brown family would have to do if they had an emergency, and that is cut programs we were going to spend money on to fund the emergency. And my proposal is a very simple one. We remove the need for an emergency designation so that it is not an emergency, and we have an across-the-board cut in all other nondefense discretionary accounts by 0.53 percent to pay for it. Let

me remind my colleagues, we have spending in the supplemental for defense. We offset every penny of it with cuts. Why should we not do the same in nondefense? That is the purpose of the amendment. It is very simple and it boils down to one question: Do we want to spend money we don't have? Or do we want to move toward a balanced budget? I am giving you an opportunity tonight to save \$1.2 billion. I hope we do not miss this opportunity and I yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Thank you, Madam President.

Madam President, I rise in very strong support of Senator GRAMM's amendment. As a cosponsor of that amendment, I think we have a fundamental issue to decide on the floor of the Senate tonight, and that is whether we are going to go back to the old system, prior to last year paying for emergencies, adding it to the interest costs of future generations, or whether we are going to face up to the fact that we have emergencies in this country, that we do not appropriate for them every year as they occur, as we should, and that we need to pay for them out of existing appropriated accounts, not to just declare an emergency every time we have one and pass the bill on to the next generation of Americans.

If we do not and this bill becomes law, the children of America, the people of America are going to be paying interest on this \$1.1 billion for the rest of their lives. Now, is that fair to have that happen? I am speaking as someone from the State of Pennsylvania who probably is going to get the lion's share of this benefit.

In Pennsylvania, in January, we had a very serious snowstorm. We had a couple feet of snow in most places, followed by extremely warm weather and a rainstorm which, depending on the area, dumped anywhere from 4 to 7 inches of rain. So we had the combination of 2 feet of snow melting plus 4 to 7 inches of rain in a matter of a 2-day period. It caused floods that were above the 100-year-flood level in many places.

The damage in Pennsylvania is calculated now over \$1 billion. There is half a billion dollars in eroded infrastructure, and, even more important, we lost 100 lives. We lost 2,000 businesses and 50,000 homes. We had a very serious disaster. It is one that we should, on the Federal level, help. It is a disaster that qualifies, in fact, all 67 counties eligible for individual assistance. Madam President, 52 of the counties have been declared eligible for public infrastructure assistance.

So there is no doubt we need to spend this money. The question is, are we going to spend it within the existing pot of money that we have to spend this year, or are we going to just add it to the deficit?

Last year, in the rescissions package, we made a decision that we were going

to fund emergencies. We provided FEMA with money, \$5.5 billion. That is paid for in a rainy day fund. Unfortunately, that money is over at FEMA and some of the extraordinary expenses are in the Small Business Administration, which is not FEMA. So they cannot take that FEMA money, even though it is sitting over there. They cannot use it. Or it is in the Department of Agriculture. Again, it is for disasters, but the money is sitting over in FEMA.

I will have an amendment, if this amendment fails, to take the money from FEMA and put it into those accounts. It is not something I want to do, because I think we should have this fund available to FEMA. I think we should pay for it now.

I have had a history as a House Member of standing up for this. I voted, I think, on four or five occasions against unemployment extensions which were not paid for, which emergencies were declared and we just added on to the deficit. Luckily, in four of the five instances where we extended unemployment benefits, the President at that time, President Bush, insisted that we find offsets, and we did find offsets, and we were able to pass a deficit-neutral unemployment extension.

The only time we did not do that was under President Clinton in his stimulus package. It is the only part of the stimulus package that became law, and we deficit spent to provide unemployment benefits. I voted against it.

I tell you, I was a Congressman at that time, and I represented a district which has probably been as hard hit, if not harder hit, than any district in the country with respect to unemployment. I represented the steel valley of Pittsburgh where we lost over 100,000 jobs in a matter of 10 years—100,000 steel worker jobs in a matter of 10 years. We still have long-term unemployment there.

But I said that it is important to stand up for principle, that we do not spend money today for emergencies, as important as those emergencies are and as needed as the funding is, by penalizing future generations and not making the tough decisions, not setting priorities. That is what this is about. Everybody in this Chamber and everybody in the House Chamber is for this disaster assistance. The President has asked for it, and the appropriators have wisely appropriated the money he has asked for.

The question is, are we going to pay for it now or are we going to make our children pay for it later, forever and ever and ever? I think the answer is pretty clear.

One of the reasons we are here debating this bill—we are into March debating appropriations bills—is because we are trying to balance the budget. We are trying to cut spending. We are trying not to add on to the deficit, and here we are in the middle of this great struggle to put America back on sound financial footing, back on the path to

fiscal responsibility and we are saying, "Oops, we have an emergency; we must add to the deficit."

I can tell you, the House of Representatives is not adding to the deficit in their bill. They have an appropriations bill similar to ours. They do not add to the deficit. They are within their caps, and I think that is important to know. I think it is incumbent upon us to act as judiciously as the House in this instance.

Right now there is a special session going on in Pennsylvania, and they are coming up with the funds to pay for the tens of millions—hundreds of millions—of dollars that the State of Pennsylvania is going to have to come up with to fund this, and they cannot declare an emergency. They cannot put it off budget. They cannot add it to their deficit. They have to balance their budget every year, and they are making tough decisions up there right now.

My colleague in the State house and the State senate and the Governor, my former colleague in the House, Tom Ridge, are offering up some pretty tough medicine right now to the people of Pennsylvania. All I am asking is that we take a little bit of the medicine in Washington, that we do the responsible thing.

I do not understand how this body, whether you are a Republican or a Democrat, can go back home and go before the people of this country and say you really are serious about balancing this budget, that you really are serious about cutting spending and setting priorities. We have to set priorities. As Senator GRAMM says, when the refrigerator breaks, you cancel the vacation. Every family does that. Most States do that. This Government and this Congress should do that.

If there is anyone who should be for this bill, whether it spends for emergency and adds on to the deficit, it should be me. But I believe it is so important—so important—that we continue the precedent that we set last year of paying for our disasters, of not bailing out and declaring emergencies that I am prepared to vote against this bill. I am prepared to vote against disaster assistance for my State if we do not offset it over the next few hours.

If the Gramm amendment fails, I have other amendments. I have other amendments to offset other accounts within the purview of this bill and outside the purview of this bill. I have amendments to transfer money from FEMA. I know that is subject to a point of order, but I am prepared to be here tonight, and I am prepared to offer amendments.

I think this is something that we absolutely must do to be able to face the American public with a straight face.

We bail out too often around here. We are always looking for a way to sort of be cute and get around the law, to get around the substance of what we really are talking about here.

Oh, sure, we can legally, under the law, circumvent the Budget Act and

declare an emergency and add it on. By and large, you know, it is only \$1 billion. No one is going to notice. Well, I notice. I think we have an obligation not just to the process that we are engaged in to balance the budget but for the future generations of Americans who, as I have said before, will pay for this \$1 billion of deficit the rest of their lives. Is that fair to do? The answer, I think, is very clear. It is not fair to do.

So I am very hopeful that we can get bipartisan support for a very rational act. I will tell you that an across-the-board cut is probably not the best way to go about paying for this, but I suggest that the principle of saying that we are going to pass a deficit-neutral appropriations bill is important. When we do that and we send it to the conference and we have a deficit-neutral appropriations bill coming out of the House and a deficit-neutral bill coming out of the Senate, then we can sure as heck guess that we are going to get a deficit-neutral bill coming out of the conference.

Is it going to have an across-the-board cut? No, probably not. They will probably set priorities. They will sit down and they will make those decisions within the context of a larger picture, as it should be. But I think we have to set the tone here with this amendment.

So, I am very hopeful that my colleagues who stand up and repeatedly talk about how we have to set priorities and balance the budget and that we did not need a constitutional amendment to balance the budget because we can do it ourselves, we can make these decisions, we can set priorities—it is priority setting time. I cast my priority to spend this money on disaster relief. I am for disaster relief. I want to fund these programs. But I also want to do it within the context of this budget.

I hope my colleagues on both sides of the aisle will support that effort.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Madam President, I propound a unanimous-consent time agreement. I ask unanimous consent that there be 1 hour for debate on the pending Gramm amendment—30 minutes under the control of Senator SANTORUM, 5 minutes under the control of Senator GRAMM, 25 minutes under the control of myself—and following the debate, the amendment be laid aside and Senator MIKULSKI be recognized to offer an amendment regarding national service, and that there be 1 hour for debate to be equally divided in the usual form, that no amendments be in order to either amendment, and following the debate, the Senate proceed to vote in relation to the Gramm amendment, to be followed by a vote in relation to the Mikulski amendment. I believe this has been cleared on both sides.

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

Mr. HATFIELD. Madam President, I think that those votes, as they are being stacked or joined, linked, probably would occur somewhere between 8 and 8:30, assuming all the time is used. I do not plan to use all the time on my side on this matter that is pending.

Madam President, the Gramm amendment proposes to offset the so-called emergency supplemental the President asked for and that was approved by our committee to cover the losses and the damages, in part, that have occurred during the floods in the Northwest and other parts of the country.

I am not sure that we need to have a replay of the suffering and the tragedy that has beset so many people in these types of disasters, whether it is an earthquake or a hurricane or a flood or a fire. I think that is why the budget agreement of 1990 very precisely empowered the Congress of the United States to visit these problems on an ad hoc basis and make a judgment in accordance with the needs created by these disasters and why there is no formula for that, there is no basic criteria. That is within the prerogative and the discretion of the U.S. Congress.

My colleague from Texas tried to compare this to a family disaster of Johnny breaking an arm, and what would they do? I will tell you what they would do. They would go down and get that arm fixed, and they would charge it on their credit card because they did not have the money, cash in hand. They would take an attitude that this is worthy of an indebtedness because we have an emergency that has to be dealt with.

Madam President, I believe that is true with the Nation as a whole and under the very concepts that set up FEMA, the Federal Emergency Act to deal with these emergencies. The Senator from Texas also said why is it we do this only for nondefense programs? Aha, we put the gulf war in an emergency declaration.

Over \$20 billion we were willing to march down the aisle to say, "We support the President. We support this war for oil," even in spite of all the propaganda that somehow we were trying to support an emergency of a little country like Czechoslovakia being overrun by the big brutal neighbor, Hitler.

So, the gulf war was an oil war, pure and simple. And we declared an emergency. Why is it that we can find it easy to declare an emergency to make war, but we find it a gnat strangling us in trying to swallow in declaring an emergency related to people in need? I suppose it is a philosophical debate to some degree. I think it is also a value and a priority debate as well.

I think it is poor procedure, in addition. Bear in mind that this amendment says that we reduce appropriations in the nondefense area, both in this bill and already enacted, the legislative branch bill, the Treasury bill,

the transportation bill, the agricultural bill, the energy-water bill, the foreign operations bill, all having been passed, and now we are going to go back and reduce those commitments for those programs in spite of the fact that there is a different spendout probably for each one of those accounts in most of those bills. That then is going to fall disproportionately heavily on those that have had a slower spendout in order to recoup that percentage reduction. That kind of fiscal management is irresponsible—irresponsible.

It is an easy way to follow the rules about offsets, but we do not have any consideration as to the impact of that disproportionate reduction in these accounts across the board. It even undoes the action we took yesterday of adding moneys back to the Labor-HHS for educational purposes. We have to revisit that. That may not be a high priority for some. It is a very high priority for me.

But it only means again that there are no sound criteria being used to recover the offset in order to say, oh, I can vote for the disaster relief for those people who drowned, have been drowning, or people whose homes have been drowning or their farms have been drowning or the levees that have broken through that need repair to prevent another storm totally eliminating communities in my State, or the Small Business Administration that had expended or obligated its funds to be replenished in this bill, to give assistance for the reconstruction and the restoration of small enterprise under our great capitalistic system.

We can find lots of help for the big corporations in all sorts of tax breaks, but I do not find that there is that easy access to tax breaks for small enterprises, the small businessperson, which, after all, is the soul of the capitalistic system, not the Fortune 500.

So, consequently, it seems to me that we are being again very inequitable in making these applications. Let me say that on the foreign operations, Israel—Israel, in its time of need—will also be reduced, the Israeli need that exists today that we have voted overwhelmingly to support. I have a strong feeling that we are really almost playing games with people in distress. I heard the recitation of all the times we have adopted the emergency declaration.

Again, Madam President, I do not accept the sins-of-the-fathers-being-visited-upon-the-children concept. I am not saying that every one of those declarations had high support or could be validated by criteria. I can tell you, having visited farms that will take 2 years to restore in my State, at least 2 years for productivity—my colleague, Senator WYDEN and I, had first-hand direct exposure to people who had been absolutely wiped out. Their milk cows stacked in piles waiting to be burned or disposed of, losses that cannot be replaced even if they had the money to do it because there is not that availability. People whose hopes were just

washed away, totally washed away and; at the same time, to replace those hopes and to be able to restore those levies to protect them in the future is being threatened by this particular action at this time.

Let me say, we have stretched this every way possible to find offsets for adding through the actions yesterday, and other actions, moneys to increase the level of funding. We have done it for a variety and many different accounts, fitting almost anybody here on the floor in the body, here as a total body, the needs or priorities.

At the same time, the Appropriations Committee is the only committee in the U.S. Congress that has taken specific actions for budget reductions and spending reductions—\$22 billion we have taken in the Appropriations Committee. We could not get the reconciliation through the President's veto but I have not seen too many subsequent actions taken by authorizing committees to deal with the problem under the current circumstance we had.

There is no committee that can stand on the floor of the Senate and say they have done something specific to try to move toward a balanced budget by the year 2002, except the Appropriations Committee. We have a record. We have a unique position. Always, I will defend our action. Sure, we can say we can do more, maybe \$24 billion instead of \$22 billion. It is very interesting when we come to the floor we face a barrage of amendments to add back, add back, add back; and at the same time that we have offset, offset, and offset, there comes a limit to how much you can offset and make viably authentic a plan you have for funding the U.S. Government.

Another thing that had made our problem difficult is we protect the defense spending. That is sacrosanct. That is jobs. That is this. That is the other things. The Russians are not coming any longer, so now perhaps Saddam Hussein is coming. I grew up at a time when Communists were behind every door, according to some politicians, to scare the people into more spending for military; or that the Russians were coming.

As I have said before on this floor, the greatest enemy we face today, externally, is the viruses are coming. The viruses are coming. We better be more defensive of our people against the viruses through medical research than for the so-called hardware buildup.

I can remember when we used to be able to separate people's philosophy because it was easy, oversimplified—a hawk and dove. Doves vote to lessen military spending and the hawks want increased military spending. I can remember when the Republicans controlled the Senate in 1980 and we were faced with a Reagan massive buildup of military weaponry. Do not let anybody try to sell you the proposition that caused the decline of the empire of the Soviets. I will not give them that much credit. Their system was flawed to

begin with. It was doomed to failure. It was just a matter of time.

Nevertheless, the point is we justified every kind of dollar at that time, build up, and up, and up and deficit go up, up, up—one of the most conservative Presidents in the United States in modern history building the greatest deficit we have had in modern history. So these labels of conservative and liberal and moderate and fiscal conservatives, all that is a very superficial kind of labeling. All I am saying is we have never found a problem to find more money to spend for military hardware, but when we come to trying to meet the needs of flood victims and people of disasters who have suffered disasters, we are, oh, so concerned about our fiscal future and our fiscal present.

This is a legitimate declaration of emergency. I urge my colleagues—I do not know in what way we will move at this time. We are checking the point of order possibility that exists and we will have to have that confirmed. If it is confirmed, I will make a point of order. Otherwise, I will move to table the amendment.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Texas.

Mr. GRAMM. Mr. President, let me ask our colleague who has the preponderance of time to yield me 5 minutes to respond.

Mr. SANTORUM. I yield 5 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, it seems to me in listening to this argument that our dear colleague from Oregon, who has great intellectual powers, has been forced to strain them to defend his position on this amendment. I am not going to get into a lengthy response on each and every point, but there are some I would like to make.

If every penny that we have cut out of defense since 1985 had gone to deficit reduction, we would have a balanced budget today. Second, no one is proposing that we not provide flood relief. Nobody is making that proposal. What we are saying is, we can provide it, but pay for it. There is no doubt about the fact that a lot of families, when Johnny falls down the steps and breaks his arm, they put it on the credit card. The difference is, 30 days later they get the bill. They have to either pay it or come up with permanent financing. Their ability to get financing, other than rolling it on their credit card at astronomical interest rates, depends on a plan to pay it back. We have not paid back a net penny of borrowing since Eisenhower was President of the United States. That has been a long time. That has been too long.

In terms of the gulf war, we actually collected more money from our allies than we spent—probably the only war in history where that was the case. Obviously, when we are talking about the loss of American life, we are talking about a loss that can never be paid back, but I was not talking about the Persian Gulf war here. I am talking

about the fact that in this very bill we increase defense spending, but we offset it by cutting other programs, something we did not do for this \$1.2 billion.

In terms of going back and cutting programs across the board, there is no doubt about the fact that if the committee had offset this increase in spending, they could have done it more efficiently than the across-the-board cut. Let me say that without the emergency designation, the law would apply an across-the-board cut. Let me also say this is a procedure that we have used many times. If a better alternative can be found in conference, it can be substituted.

The point still comes back to not whether we should help flood victims, but should we pay for the assistance or should we simply add it to the debt? Do we simply spend more and more money every time something happens? Or do we say, "There has been a tragedy in the country. We have to do something to help. What we are going to do is take money away from programs that we would have spent the money on that were a lower priority so that we can fund this emergency assistance."

The issue here is simply the issue of deficits, and no matter what kind of arguments are made, no matter what specter is held up about helping needy people, no matter what discussion occurs on defense, the bottom line is that we are going to have a vote here on \$1.2 billion of additional deficit spending.

Are you for it, or are you against it? I am against it. I want to provide the money to try to help people who have suffered from floods, people who have suffered from fires, people who have suffered from emergency situations that they had no control over. But I want to pay for it, and I want to pay for it by cutting other Government programs. That is the prudent policy. That is the way, ultimately, in the real world, things have to operate. We have been divorced from the real world for too long, and that is why we have not paid off a net penny of national debt in any year since Eisenhower was President of the United States.

It seems to me that if we continue this process, people are going to be here 30 years from now who are going to be making the same statement. So I think the choice is clear, and I hope people will make the choice to pay for it—to help, but pay for it.

I yield the floor.

Mr. HATFIELD. I wonder if the Senator will yield for a question?

Mr. GRAMM. I am very happy to.

Mr. HATFIELD. As the Senator knows, we operate on an October-through-October fiscal year. What would the Senator do if an emergency occurred or disaster of some kind occurred on September 28?

Mr. GRAMM. What would I do if it occurred on that date?

Mr. HATFIELD. Yes.

Mr. GRAMM. What I would do is extend the funds. And for those 2 days I would take the funds out of the funding

to be spent on those last 2 days. Then I would take the additional funding—since we are not going to be able to spend it all out in 2 days, I would take the spend-out rate, and for those first 2 days I would take the amount to be spent and take it from the overall Government operations of those 2 days. And then, as it is spent out in the new fiscal year, I would take it from that.

Mr. HATFIELD. Mr. President, I think that is obviously a hypothetical question, but it was not a hypothetical response to that problem because what we are proposing to do today is to meet the emergency at the time.

I think the Senator makes a good point in the matter of how we have handled the emergency declaration. I say to the Senator that I will be happy to work with the him to set up a criteria on how we should apply that emergency declaration. I do not think we ought to do it on an ad hoc basis, on the basis of need today. That is a matter we should deal with in terms of an overall long-term—we can do the job quickly, but it should not be applied on an ad hoc basis of this current emergency.

I think, also, that we realize that the disasters that happen early in the fiscal year—from all practicality, not hypothetically, the disasters that happen early in the fiscal year are going to have more opportunity to be offset than those that happen late in the fiscal year, as to the spend-out we have had during that fiscal year of those accounts that would be taxed or offset.

So, I think, again, the whole principle of offset is unsound at this point in time, unless we add criteria, criteria firmly established that we were going to apply. Let me say that the gulf war was so-called promised on the part of our allies to be paid back. But let us remember we did not have that in hand at the time we made the declaration any more than we had any kind of a payback plan for Somalia and the other programs that we put declarations of emergencies to in order to meet the needs of those people at the moment.

If we are going to have to measure somehow the suffering, or we are going to find some better way to establish the declaration—and the Senator himself was a member of that conference and that so-called summit that adopted the very language of the declaration of emergency, as I was a member of that conference and that summit of that time. So that is sort of ex post facto in terms of the pattern in which we have followed the declarations of emergency and of the conditions that exist today, the call for this declaration of emergency.

I yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I yield myself such time as I may consume. I would like to respond to the distinguished chairman of the Appro-

priations Committee by suggesting that the timing of the disaster is really less important than the timing of when the money is going to be spent. That is very important. We have a billion dollars' worth of damage in Pennsylvania, but we are not going to spend a billion dollars over the next 6 months in repairing or fixing that problem. We have, for example, \$5.5 billion sitting in FEMA right now. That money was originally appropriated for the California earthquake and for the Mississippi floods that happened 3 years ago. It still has not been spent out.

Historically, what we have done when we have declared emergencies is we have put it off budget and appropriated money for the entire emergency, for what we think is going to be the cumulative cost of that emergency, knowing full well they are not going to be able to spend all that money in this fiscal year, whether it was September 28 or October 1. It takes a long time to let contracts and rebuild, as the Senator from Oregon said. It is going to be a couple of years before a lot of these people get it all back together and can use all the money that is available.

So to suggest we should be worried about the timing of disasters really does not reflect how the disasters are paid for. So what we are saying is, look, maybe we should look at, as the Senator suggested, how we appropriate money for disaster assistance because maybe there is money in this request that is not going to be spent this year, that we do not need to put in the budget this year, that we can put in next year when we anticipate it to be spent. That is a real concern.

I think the more fundamental issue here is, how are we going to pay for emergencies? It is interesting for me that if you look at all of these accounts, whether it is the Department of Agriculture, watershed and flood control, or whether it is the Small Business Administration, or the Corps of Engineers, or the National Park Service—all of these agencies that are funded—none of these agencies, to my knowledge, receive any additional funds for emergency purposes. They get funded for their programs, but they are not given sort of a slush fund or a rainy day fund to be able to be used to meet emergencies that they have to deal with when they come. We do not appropriate money—with the exception of a small amount for FEMA every year, usually \$200 million or \$300 million, which is always exceeded. We appropriate very little money annually for emergencies. Then when they come, as surely they come every year, we step back and say: We do not have any money. We have an emergency we did not anticipate. And whether it is a big one like the California earthquake, or a small one, we say, well, let us just add it to the deficit.

What we are saying is that is just not responsible. The responsible thing is to let us appropriate the money every year and, my goodness, if we do not

spend it, and if the Lord shines upon us and we do not have a natural disaster, well, then we keep it for the next year when, probably, the disasters will be worse than what we had planned on. But it is silly for us to not appropriate for emergencies, and when they come along, say: We have all this destruction and costs and we have to come to these people's aid.

We are coming to these people's aid. We are out there. I have been out there, as have Senator HATFIELD in Oregon, and Senator Wyden, and Senator SPECTER, and Senator GORTON. We have been out there, and we have seen the damage. It is severe, and we need to remedy it, but we need to do it within the confines of rational budgeting. That is what Senator GRAMM said. Every family does it. I hear the credit card analogy all the time, and Senator GRAMM is right that the analogy is not applicable to the Congress, because you have to pay back a credit card. If not, they take you to court and garnish your wages. We are never going to pay this money back. We are going to add this billion dollars to the deficit, and we are going to pay interest on that. Children who are not yet born are going to pay interest on that.

I do not think we have any intention in the near future of doing anything to reduce the national debt. We are hoping to reduce the annual deficit.

But there is no plan that I am aware of to start whittling down the mountain of debt that we have already accumulated. So to suggest that it is equivalent is just not accurate. It is apples and oranges.

I applaud Senator HATFIELD and the Appropriations Committee for, as he said, having cut \$22 billion this year. He is absolutely correct. Unfortunately, because we have not been able to get agreement on entitlements and on the budget—the President vetoed the budget that actually does something with entitlements—we have had to rely solely on appropriations. But we have relied on appropriations within the budget caps that we set in the budget resolution. We are not asking them to do anything more than we would have had we done all of the entitlement savings anyway. I appreciate that they have done it. But it is not like we have not worked very hard to get those entitlement savings. Everyone over here, at least, put up the votes to get that bill to the President for him to balance the budget. Unfortunately, the President has vetoed it. But we have done our part. We will continue to do our part to make sure that we reduce all levels of government so we can balance this budget, not just appropriated accounts.

The final point I want to make is just to reemphasize. This is not about helping people in need. We are helping people in need. FEMA teams have been in Pennsylvania for a couple of months. We are doing the job. This is how we pay for it, if we pay for it. I think that is a pretty easy call for most Ameri-

cans. You would think it is fairly common sense. It is one of the common-sense things that I hear when I go home. "Well, of course, if something comes up that you need more money, you find the money somewhere else. You just do not put it on the deficit forever and over and over for us to pay interest on for generations."

I want to see this bill passed. I want to see the people who are in need feel good about the fact that the Federal Government came in and helped them but also feel good that we did it within the context of a budget, that we did it the right way. I am hopeful that we can get bipartisan support on this and send a resounding vote that we are going to balance this budget and that we are willing to step up to the plate in tough situations and make the tough decisions to move this country to a more responsible fiscal future.

Mr. President, I yield the floor.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the time restraints with respect to the Mikulski amendment just agreed to be vitiated, that following the debate on the pending Gramm amendment, the Senate proceed to vote with respect to that amendment, and following the vote Senator MIKULSKI be recognized.

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

Mr. GRAMM. Mr. President, before Senator HATFIELD leaves, I am through debating. I think we made the points. I do not know if the Senator from Pennsylvania is finished or not. But if he is, perhaps we could go ahead. I would like to have 1 or 2 minutes to sort of sum up, and we could go ahead and vote.

Mr. HATFIELD. I say to my friend that this certainly is a possibility. We have to have a few minutes because of the time designated, or, at least, a time estimate for a vote. We have to get notice to some of our colleagues who perhaps have left the Hill. But I would be willing to yield back all of my time and move to a vote as rapidly as possible.

Mr. GRAMM. Mr. President, on that basis, let me sum up. Again, there are a lot of issues that have been raised here. The provision for the emergency designation was in the 1990 budget summit agreement. I participated in those negotiations. I opposed this provision. I voted against that summit agreement—not that that is of any relevance here.

Here is the point. There are some emergencies under some circumstances that create a situation where there is not a readily available option to finance. We could have funded the Civil War by offsetting expenditures and by raising taxes. We decided not to do it that way. We might have funded World War II that way. We decided not to because of the magnitude of the undertaking. But I remind my colleagues, we are spending \$1.6 trillion a year. We are

getting ready to add \$1.2 billion of new spending declared an emergency. We can avoid that by simply cutting across the board by .53 percent, or a penny for every \$2 we spend on nondefense discretionary programs. I am very proud of the fact that in 1995, under the leadership of Senator HATFIELD as our new chairman, we did not have a need for emergency designations. We did not, through supplementals, raise the deficit. In fact, we had rescissions bigger than the new spending we had. It is not as if we have never sinned before, but we were on such a roll from 1995 under the leadership of our great chairman that I was hoping that we might stay on the straight and narrow and avoid this movement back to our old ways.

So, I do not see this as a big amendment in terms of its impact; \$1.2 billion for anybody, or any group of people of any reasonable size, that would be an unbelievable amount of money. For the Federal Government, it is basically one penny out of every \$2 we spend on nondefense discretionary programs. But why not take a stand here, keep the record of this new Congress with the Republican majority, a perfect record in that we have written a budget. The President vetoed it. But we have lived by it. We have not used an emergency declaration to spend money when we had the alternative to pay for it. It is a record I am proud of. It is one I want to keep. And, most importantly, despite all of the arguments that can be made, it is the right thing to do. This is the right thing to do.

This is a manageable emergency. There is no reason that a country that spends \$1.6 trillion a year cannot manage an emergency of \$1.2 billion. This is a manageable amount. And what we are doing here is setting a precedent that will be followed, if we set it here.

I would like to stay with our record in 1995, stay with our budget, not declare this emergency, and pay for this modest amount of money as compared to the Federal budget. We are capable of doing it. It is the right thing to do, and I urge my colleagues to do it.

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

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum on my time.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GREGG. 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. GREGG. Mr. President, I ask unanimous consent that we set aside the pending amendment.

Mr. GRAMM. Reserving the right to object, I think we are about to work out an agreement here, Mr. President,

that would end our debate, order a roll-call at some time in the future, and finish up this matter. I think we can do that very quickly, and then the Senator could be recognized to offer an amendment, and this would be out of the way.

Mr. GREGG. Mr. President, I ask unanimous consent that we set aside the pending amendment.

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

AMENDMENT NO. 3491 TO AMENDMENT NO. 3466

Mr. GREGG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. BIDEN, proposes an amendment numbered 3491 to amendment No. 3466.

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

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

The amendment is as follows:

On page 29, line 20, after "Provided further," insert "That not less than \$20,000,000 of this amount shall be for Boys & Girls Clubs of America for the establishment of Boys & Girls Clubs in public housing facilities and other areas in cooperation with state and local law enforcement: *Provided further,*"

Mr. BIDEN. Mr. President, the amendment I am proposing today would provide the first \$20 million of a 5-year effort to add 1,000 new Boys & Girls Clubs—including 200 more clubs in housing projects—so that 1 million more children can participate in this vital program.

This investment of \$100 million in seed money—all to start new clubs—translates to only \$100 per additional child who will be served by a Boys & Girls Club.

The Federal Government's contribution is only 10 percent of the total funds needed to complete this project. This is only seed money. The remaining 90 percent of the funding for new clubs will come from private donations.

That is a Federal contribution of only \$100 per child to provide 1 million children with a safe, supervised, and challenging place to go after school rather than hanging out on street corners or returning to an empty home.

Fully 40 percent of juvenile crime is committed between 3 and 9 p.m. These are the hours when many children are left unsupervised.

In hundreds of public housing projects across the country, Boys & Girls Clubs give kids a safe place to hang out after school—a place with positive activities and positive role models.

A 1992 evaluation conducted by Columbia University found that housing projects with Boys & Girls Clubs had 13 percent fewer juvenile crimes; 22 percent less drug activity; and 25 percent less presence of crack than housing projects without Boys & Girls Clubs.

Those who study this issue agree that breaking the cycle of violence and crime requires an investment in the lives of our children with support and guidance to help them reject the violence and anarchy of the streets in favor of taking positive responsibility for their lives. And prevention of crime—particularly juvenile crime—is more important now than ever before.

In 1994 more than 2.7 million children under the age of 18 were arrested. Half of these arrests—1.4 million—were children under the age of 16.

There is a fairly simple answer to this problem—provide supervised activities for children during the high-crime hours of the late afternoon and early evening. The key is to keep children off the streets and out of trouble during the times they are most likely to get into trouble.

This is not complicated. We can—in deed we must—recognize this fact and take all the actions necessary to fill the crime-likely hours with supervised activities. Constructive after-school prevention programs like Boys & Girls Clubs are the best way tool we have to stop juvenile crime, juvenile drug use, and juvenile victimization by other youth.

We have a choice. We can work to prevent crime before it happens.

If we don't, we are merely postponing the inevitable—dealing with juveniles after the shots are fired, after the children become addicted to drugs, after more lives are ruined.

When a life about to go wrong is set back on the right track—that is a testament to hope.

We build hope by showing children that they matter and by contrasting the dead end of violence with the opportunity for a constructive life.

This amendment deserves full bipartisan support. This is crime prevention—as far as I know, the Boys & Girls Club is a program everyone on both sides of the aisle has claimed to support.

I urge all of my colleagues to fund this proven prevention program and join me in helping to stem the tide of children who would otherwise be lost to drugs and violence.

Mr. GREGG. Mr. President, this amendment, which is a Biden amendment, would earmark funds for the Boys and Girls Clubs of America. It has no budgetary impact. It has been cleared on both sides.

Mr. President, I ask unanimous consent that this amendment be agreed to.

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

The amendment (No. 3491) was agreed to.

Mr. GREGG. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER (Mr. HELMS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMS. 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. GRAMS. Mr. President, I ask unanimous consent that the pending amendment be laid aside.

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

AMENDMENT NO. 3492 TO AMENDMENT NO. 3466  
(Purpose: To establish a lockbox for deficit reduction and revenues generated by tax cuts)

Mr. GRAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS], for himself, Mr. MCCAIN, Mr. FAIRCLOTH, Mr. COATS, Mr. INHOFE, and Mr. HELMS, proposes an amendment numbered 3492 to amendment No. 3466.

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

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

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

Mr. GRAMS. Mr. President, on behalf of my colleagues, Senator MCCAIN, Senator FAIRCLOTH, Senator COATS, Senator HELMS, and Senator INHOFE, I rise to offer the taxpayer protection lockbox amendment.

Today, as Congress fights to bring down the deficit and set the Nation on the track toward fiscal sanity, President Clinton is continuing his demand for an additional \$8 billion in taxpayer money this year to finance even bigger Government. He says he is offsetting the increased spending, but most of his so-called savings are no more than budget gimmicks—increased taxes, fees, and one-time asset sales financed directly by the taxpayers.

Congress wants to eliminate the deficit but President Clinton wants to spend almost 50 cents of every dollar that working Americans have sacrificed toward a balanced budget this year.

The President said in January that "the era of big government is over," but if he has his way big government will only continue to grow, at the expense of taxpayers today and our children tomorrow. If we do not take immediate action to stop this pattern of abuse, we are risking leaving behind a legacy of debts that our kids will be forced to inherit.

While we still have the opportunity, we must do everything possible to change the rules of the tax-and-spending game and do what is best for taxpayers, for our children and for the Nation as a whole. And for that reason we are offering the Taxpayer Protection Lockbox Act as an amendment to the continuing resolution.

Our amendment would make two important changes to the budget and appropriations process, a process which has served only to encourage abuse of spending and fiscal irresponsibility.



First, this amendment would return honesty to the budget process by ensuring that a cut in spending is truly a cut.

Contrary to popular opinion, under current law, dollars cut from appropriations bills are not returned to the Treasury for deficit reduction purposes as they ought to be. Instead, they are quietly stashed away in a slush fund to be spent later on other programs.

Our amendment would put an end to this practice by locking any appropriations savings into a deficit reduction lockbox and dedicating those dollars to deficit reduction. In other words, if Congress cuts \$10 million in an appropriations bill, the taxpayers will save \$10 million. It does not get spent somewhere else.

Second, our amendment would create a revenue lockbox which would be used to direct any future revenues that exceed current economic projections toward deficit reduction and/or tax relief.

It would create a fast-track process for Congress and the President to use these funds for tax relief with the remainder going for deficit reduction. At the same time, our amendment would prohibit the Government from simply using those dollars for additional spending. This is only fair, because, after all, these additional funds would become available only because of the hard work and productivity of the American people. So it makes sense then to return those dollars to the taxpayers to encourage even greater productivity on their part rather than allowing Congress to waste money that is not even theirs to begin with.

All in all, our amendment is a simple proposal to restore honesty and common sense to the budget process, allow taxpayers to keep more of what they earn and also place further restrictions on abusive Government spending.

Given the most recent demand on tax dollars from the White House, it certainly cannot have come at a better time.

Mr. President, our legislation has been endorsed by a number of citizens and taxpayer groups including the National Taxpayers Union, Citizens for a Sound Economy, and the National Federation of Independent Businesses. With their support and the support of our colleagues, I am confident that we can win a big victory for the American taxpayer by passing the taxpayer protection lockbox amendment this week.

Mr. President, that is the conclusion of my statement, and I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN addressed chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, it is my understanding the Senator does not want to push for a vote at this time on his amendment. I assume he expects to get consent to set the vote on the

amendment aside until we dispose of the Gramm amendment and maybe other amendments tonight; is that correct?

Mr. GRAMS. That will be fine.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the amendment be set aside.

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

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

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

#### AMENDMENT NO. 3490, AS MODIFIED

Mr. GRAMM. Mr. President, I ask unanimous consent to modify my amendment. I send the modification to the desk.

The PRESIDING OFFICER. Is there objection to the modification of the amendment? Without objection, it is so ordered.

The amendment (No. 3490), as modified, is as follows:

At the end of title II of the committee substitute, add the following:

(a) Each amount provided in a nonexempt discretionary spending nondefense account for fiscal year 1996 is reduced by the uniform percentage necessary to offset non-defense discretionary amounts provided in this title. The reductions required by this subsection shall be implemented generally in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. PRYOR. Mr. President, reserving the right to object, reserving the right to object—

Mr. GRAMM. Mr. President, the Chair had already ruled.

If I might say to my colleague, all I did was take out a paragraph that created a point of order. It did not change the nature of the amendment in any way.

Mr. PRYOR. Mr. President, I understand the Chair had previously ruled. Therefore, I have no objection to the Senator's request.

The PRESIDING OFFICER. The amendment is so modified. Who yields time on the amendment?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, what Senator GRAMM did in his modification is really identical to what the House has done in their bill. The House does actually declare an emergency, but they actually do not exceed their caps. What Senator GRAMM is going to do, the effect of his amendment is to keep the emergency declared and pay for it, so we do not exceed the overall budget cap as opposed to the caps on specific subcommittees. I think that makes perfectly good sense, to make sure that we pay for this within the whole appropriations account as opposed to just targeting specific subcommittees because of these occasion-

ally arcane budget rules that we have to deal with in this body.

I want to reiterate that I hope on this matter we can get a strong vote of support, frankly, from both sides of the aisle, that we are no longer going to continue the practice of previous Congresses—not this Congress, but of previous Congresses—every time that we have a disaster. On an annual basis, we do not appropriate for those. We do not appropriate money. With the exception of a couple of hundred million dollars annually for FEMA, we do not appropriate money for disasters. We wait until they happen, as they surely will, and then we ask for emergency authority to borrow the money and not put it on the budget.

We know there are going to be disasters. We should be able to budget for those disasters, either beforehand or be able to rearrange priorities once they occur. That is what we do here. We arrange priorities.

This is not about whether we are going to provide relief to the victims of fire, relief to the victims of floods or storms. What we are talking about is providing a reasonable, commonsense way to pay for it. That is something that all of us in this body have said we want to do. We want to balance this budget. We want to set priorities.

Many people in this body opposed the balanced budget amendment. When they opposed that balanced budget amendment, they said, "We do not need a balanced budget amendment; we can do it ourselves. We have the ability to set priorities in this body without the hammer of a balanced budget amendment to the Constitution."

It is put-up time. If, in fact, you believe that we should have a balanced budget, then this is the first step to making that happen—to stop this practice of adding tens of billions of dollars. Senator GRAMM articulated that earlier in the debate, that we have added close to \$100 billion to the deficit with these emergency declarations.

This is not just a billion dollars. To many people who might be watching this debate who are not Senators, a billion dollars actually is a lot of money, it sounds like a lot of money. Here it does not sound like a lot of money. But when you add up a billion here and there, we have gotten to \$100 billion over the last 6 years. That is a lot of money even for here.

So let us not continue this practice. If anyone has an interest in seeing that this disaster relief is passed, it is the Senator from Pennsylvania. We have had \$1 billion in flood damage in our commonwealth. We have had over 100 people killed, 50,000 homes damaged or destroyed, 2,000 businesses washed away. We need that help, but we need to do it responsibly.

This Senator is not going to be a hypocrite and say, "Well, I'm for reducing the deficit except, of course, when the money comes home and then, well, let's just spend it all." I will vote against this measure if we do not adopt

this, or something like it. I have several other amendments. I am prepared to stay here all night long offering amendment after amendment, which I will require votes on, to find some way to pay for this disaster that is acceptable to this body.

So I hope that we are in for a good day of votes, whether it is tonight or tomorrow, because if we do not succeed, we are going to have votes and you are going to have to stand up to the American public and say, "This is not the way to do business. The way to do business is to add it on to the deficit. Fine, but we are going to be here."

I am going to be here tonight, tomorrow, the next day, whatever it takes, so we do this responsibly. I hope we do it on a bipartisan basis. Balancing the budget is a bipartisan affair, and it is something I know we all want to do. Let us put into practice tonight what we preach.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I think this issue has been fully discussed on the floor tonight. I know Senator HATFIELD, when he was here a moment ago discussing the issue, laid out all the reasons why this amendment is not a good idea.

In 1990, there was a long, drawn-out negotiation over procedures in the budget and how appropriations would be made in case of national emergencies and whether or not they were under the same requirements for off-sets as routine operating expenses were.

It was decided by the Congress in 1990, in concert with the administration, a Republican administration, that these would be the rules.

This amendment is an effort to legislate a rules change on an appropriations bill. We think it an amendment that ought to be rejected by the Senate. Therefore, I am prepared to yield back the remainder of the time on this side of the amendment and hope others will yield back their time, and I then will move to table the amendment and ask for the yeas and nays.

With that understanding, I yield back all the time on this side on the amendment.

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

Mr. SANTORUM. I yield back the remainder of my time.

Mr. COCHRAN. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 3490. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

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

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 32 Leg.]

#### YEAS—55

Akaka	Dorgan	Levin
Baucus	Exon	Lieberman
Biden	Feinstein	Mikulski
Bingaman	Ford	Moseley-Braun
Boxer	Glenn	Moynihan
Bradley	Graham	Murray
Breaux	Harkin	Nunn
Bryan	Hatfield	Pell
Bumpers	Heflin	Pryor
Byrd	Hollings	Reid
Campbell	Inouye	Robb
Chafee	Jeffords	Rockefeller
Cochran	Johnston	Sarbanes
Conrad	Kempthorne	Simon
Craig	Kennedy	Stevens
D'Amato	Kerrey	Wellstone
Daschle	Kerry	Wyden
Dodd	Lautenberg	
Dole	Leahy	

#### NAYS—45

Abraham	Gramm	McConnell
Ashcroft	Grams	Murkowski
Bennett	Grassley	Nickles
Bond	Gregg	Pressler
Brown	Hatch	Roth
Burns	Helms	Santorum
Coats	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Kassebaum	Smith
DeWine	Kohl	Snowe
Domenici	Kyl	Specter
Faircloth	Lott	Thomas
Feingold	Lugar	Thompson
Frist	Mack	Thurmond
Gorton	McCain	Warner

So the motion to lay on the table the amendment (No. 3490) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote and I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, this is a very critical day in the U.S. Senate. By adopting this omnibus appropriations bill we will be providing critical funding to programs on which many Americans depend. If the President signs this bill, then service providers of every sort will be able to better plan their budgets for the remainder of the year and the upcoming fiscal year.

It is vitally important that we have put together a bill that the President should be able to sign. I wish to thank the distinguished chairman, Senator HATFIELD for the fine job he has done to try and address the administration's concerns in this bill.

Title I of the Senate-reported omnibus appropriations bill provides \$331.9 billion in budget authority and \$247 billion in new outlays for the remainder of fiscal year 1996 for the Departments and Agencies funded by the five appropriation bills not yet enacted, including: Labor, Health and Human Services, and Education; Commerce, Justice, and State, the Judiciary, and Related Agencies; Veterans Affairs and Housing and Urban Development and Independent Agencies; Interior; and District of Columbia.

Of this amount, \$149.4 billion in budget authority and \$78.4 billion in new

outlays is for discretionary spending. When outlays from prior-year budget authority and other completed actions are taken into account, the Senate-reported bill totals \$163.8 billion in budget authority and \$183 billion in outlays for discretionary spending in fiscal year 1996.

The Senate-reported bill is below the 602(b) allocations of all subcommittees by a total of \$4 million in BA and \$38 million in outlays.

The Senate-reported bill is \$23.9 billion in budget authority and \$9.2 billion in outlays below the President's budget request of just over a year ago. The Senate bill is \$6.4 billion in budget authority and \$3.9 billion in outlays below the 1995 level. It is \$836 million in BA above the House-passed bill and \$99 million in outlays below the House-passed bill.

While I may not agree with all of the priorities established by this bill, I would like to thank the chairman for the \$22 million increase above the conference level provided for the Legal Services Corporation. The bill provides \$300 million for this purpose, and another \$9 million if Congress and the President reach a budget agreement.

We have worked very closely with the House on restructuring the Legal Services Corporation to disengage grantees involvement in controversial litigation, and restrict them to providing traditional legal services for the poor. While some may not like these restrictions, they are necessary to control the controversial activities of some grantees and to protect LSC from the negative perceptions of those who wish to see its termination.

I have been very concerned about the proposed \$414 million reduction in title I, education for the disadvantaged. I am thankful to Senator SPECTER for offering an amendment during the Senate committee markup and a further amendment on the floor that restored \$814.5 million to the title I program, \$1.3 billion higher than the conference level and \$110 million higher than the 1995 level.

I am empathetic to the use of a contingency appropriations to provide additional funding for discretionary priorities. I realize that the discretionary spending caps have been very tight on the Appropriations Committee this year as we seek a balanced Federal budget.

With a broader budget agreement remaining elusive, I can appreciate the frustration of the Appropriations Subcommittee chairmen in trying to live within these tight appropriation caps.

I remain concerned about attempts to use entitlement reforms contained in the Balanced Budget Act to offset discretionary spending included in this bill as contingency funding, and with the possible use of the emergency designation that one could argue in some cases does not fit the traditional definition of such expenditures.

Overall, I believe the committee has done a very good job on this bill. The committee has tried to address significant priorities in the remaining bills.

It provides funding to meet the President's major domestic concerns but continues to pressure both Congress

and the President to work toward a budget agreement. It provides disaster aid and support for the United States military mission in Bosnia. I urge the Senate to adopt the bill.

Mr. President, I ask unanimous consent that a Budget Committee table

displaying the budgetary effects of this bill be placed in the RECORD at this point.

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

# CONSOLIDATED OMNIBUS RESCISSIONS AND APPROPRIATIONS BILL

[Spending totals—Senate-reported bill]  
[Fiscal year 1996, in millions of dollars]

	Commerce-Justice		Labor-HHS		Interior		VA-HUD		District of Columbia		Total	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Defense discretionary:												
Outlays from prior-year BA and other actions completed .....	0	92					0	78			0	170
H.R. 3019, as reported to the Senate .....	151	125					153	92			304	218
Scorekeeping adjustment .....	0	0					0	0			0	0
Subtotal defense discretionary .....	151	217					153	170			304	387
Nondefense discretionary:												
Outlays from prior-year BA and other actions completed .....	0	6,561	15,297	47,368	148	5,002	-1,113	44,345	0	0	14,332	103,545
H.R. 3019, as reported to the Senate .....	22,658	17,195	46,776	20,836	12,092	8,210	62,914	29,919	727	727	145,168	76,887
Scorekeeping adjustment .....	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal nondefense discretionary .....	22,658	23,756	62,073	68,472	12,239	13,213	61,801	74,265	727	727	159,500	180,431
Violent crime reduction trust fund:												
Outlays from prior-year BA and other actions completed .....	0	826	32	21							32	847
H.R. 3019, as reported to the Senate .....	3,956	1,286	21	4							3,977	1,290
Scorekeeping adjustment .....	0	0	0	0							0	0
Subtotal violent crime reduction trust fund .....	3,956	2,112	53	25							4,009	2,137
Mandatory:												
Outlays from prior-year BA and other actions completed .....	2	20	38,687	40,804	0	24	0	133			38,689	40,981
H.R. 3019, as reported to the Senate .....	503	480	161,850	150,864	59	25	20,043	17,213			182,455	168,583
Adjustment to conform mandatory programs with Budget Resolution assumptions .....	27	25	4,673	14,012	6	6	-905	341			3,801	14,384
Subtotal mandatory .....	532	525	205,210	205,680	65	55	19,138	17,688	0	0	224,945	223,948
Adjusted bill total .....	27,297	26,610	267,336	274,177	12,304	13,268	81,093	92,123	727	727	388,758	406,904
Senate Subcommittee 602(b) allocation:												
Defense discretionary .....	151	218	0	0	0	0	154	170			305	388
Nondefense discretionary .....	22,659	23,762	62,074	68,478	12,241	13,215	61,802	74,270	727	727	159,503	180,452
Violent crime reduction trust fund .....	3,956	2,113	53	44	0	0	0	0			4,009	2,157
Mandatory .....	532	525	205,210	205,680	65	55	19,138	17,688			224,945	223,948
Total allocation .....	27,298	26,618	267,337	274,202	12,306	13,270	81,094	92,128			388,035	406,218
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:												
Defense discretionary .....	0	-1	0	0	0	0	-1	-0			-1	-1
Nondefense discretionary .....	-1	-6	-1	-6	-2	-2	-1	-5	0	0	-3	-21
Violent crime reduction trust fund .....	-0	-1	0	-19	0	0	0	0			-0	-20
Mandatory .....	0	0	0	0	0	0	0	0			0	0
Total allocation .....	-1	-8	-1	-25	-2	-2	-1	-5			-4	-41

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

## THE SPECTER AMENDMENT

Mr. ABRAHAM. Mr. President, I want to take a moment of the Senate's time to discuss the Specter education amendment to the continuing resolution—S. 1594. As you know, the Senate adopted the Specter amendment yesterday by a vote of 84 to 16. This amendment provides \$2.7 billion in additional funding for Head Start, job training, title I, and other education programs. Given that these additional funds are fully offset by spending cuts elsewhere, I supported the amendment.

Senator SPECTER offered his amendment in the second degree to the Daschle amendment. Like the Specter amendment, Senator DASCHLE's amendment would have provided additional funding for various Federal education programs. Unlike the Specter amendment, however, the Daschle amendment was not fully offset and violated the Budget Act. In other words, while both amendments provided additional funding for education programs, the Specter amendment provides those funds in a responsible manner that does not bust the budget.

On the other hand, both the Daschle and Specter amendments also provided an additional \$60 million for President Clinton's Goals 2000 Program. I want to make clear that my support for the Specter amendment should not be interpreted as support for this program. Instead of funding Goals 2000, I would have preferred to use the funding for education vouchers or charter schools.

## TRANSFER OF F-16 AIRCRAFT TO JORDAN

Mrs. HUTCHISON. Mr. President, I rise to speak on a matter which could profoundly affect the U.S. defense industrial base. It is my understanding that the Committee on Appropriations recommends the appropriation of an additional \$70 million in fiscal year 1996 funds for the Foreign Military Financing Program. These funds would be joined with \$30 million in previously appropriated funds to provide initial grant funding in support of the transfer of F-16 aircraft to Jordan. Ultimately, 16 F-16 aircraft are to be upgraded and then leased to Jordan in support of its participation in the Middle East peace process.

Mr. President, I have recently received information which suggests that

the necessary upgrades will be performed on these aircraft in the United States prior to making them available to Jordan. If that is the case, I will support the committee's recommendation, because I believe the required work will enhance the defense industrial base.

Mr. President, I would ask the junior Senator from Kentucky, who serves as the chairman of the Foreign Operations Subcommittee, who has served on that subcommittee as a champion of U.S. private sector exports and who has insisted that American foreign aid programs serve our national interests, is this what the committee intends by its recommendation? Does the committee intend that engine upgrades and structural upgrades will be made by the U.S. private sector prior to the lease of these F-16's to Jordan?

Mr. McCONNELL. Mr. President, I can answer my colleague's question very directly and without ambiguity. Yes.

Yes, the Subcommittee on Foreign Operations recognizes the commitment that Jordan has made to peace in the

Middle East. Jordan has joined with Israel in a treaty of peace. The subcommittee believes that the lease of F-16 aircraft to Jordan, a transfer of military equipment which is supported by Israel, will strengthen Jordan militarily and provide a strong signal of United States support for King Hussein and the people of Jordan as partners with Israel in the quest for peace in the Middle East.

It is the subcommittee's intention that the grant funding which we recommend to finance the required upgrades will be used to support the U.S. private sector and further serve U.S. interests by enhancing the defense industrial base. While third countries may participate in maintenance programs at a later date, the subcommittee believes that, insofar as the upgrades are concerned, the original U.S. manufacturer can best insure quality control, cost management, and interoperability with U.S. Air Force units.

Mrs. HUTCHISON. Mr. President, I think the Senator from Kentucky. I think that we have clearly established the intent of the Senate. These aircraft are to be provided to Jordan, in support of Jordan's participation in the Middle East peace process. Furthermore, to support U.S. exports and to help preserve the private sector defense industrial base, the required engine, structural, and related upgrades are to be performed in the United States.

#### PRESERVE TECHNOLOGY INVESTMENTS

Mr. ROCKEFELLER. Mr. President, I strongly endorse the Hollings-Daschle-Kerrey-Lieberman-Bingaman-Rockefeller-Kerry Amendment to H.R. 3019 that was debated last night, and to praise Senator HOLLINGS for offering this amendment that I cosponsored. This amendment would have restored funds for three key Department of Commerce programs: the Advanced Technology Program, National Telecommunications and Information Administration (NTIA) Telecommunications and Information Infrastructure Assistance Program, and Technology Administration as well as funding for Educational and Environmental Technologies. Restoring these funds is essential to making progress in generating more jobs for Americans, a better education system, protecting the environment, and maintaining our Nation's ability to compete and excel in research.

As a nation, we have used the best mix of individual innovation and national cooperative efforts to develop the most advanced and most productive economy in the world. Cooperative government and industry investments have brought us computers, the Internet, new treatments for disease, a better environment, and the moon. And these investments have brought us new industries; high-quality, high-paying jobs; and an improved standard of living.

But today, Americans understand that the ground underneath them is shifting—they have seen their work and workplaces transformed by new technologies and global competition. These changes and their consequences are as profound as the economic shifts that moved us from farms to factories more than a century ago. Now, as then, there is no way to reverse the tide. Now, as then, the fortunes of working people are uncertain as the landscape around them is remade.

Working Americans have reason to be worried, reasons, even, to be angry. They are working harder than ever, but their jobs are less secure, their wages are stagnant, and their benefits and pensions are shrinking. All this when company profits and CEO salaries are rising.

Parents are putting in more hours at the office. Precious time taken from Little League games and PTA meetings and family dinners. And the strain—on families, schools, neighborhoods, on what makes a civil society—is all too apparent.

At the same time, Mr. President, "Reaganomics" can't seem to disappear for good, no matter how clear the evidence is from the 1980's that this is a dangerous course and bad economic policy. The Reagan manifesto might have been written for a Warren G. Harding campaign speech. Big tax breaks for top-income earners and corporations—a trickle from the top will grow jobs and wages. Drop safety standards and environmental safeguards—an invisible hand will protect workers and consumers. Push the disabled, elderly, and poor children off the wagon.

In a trance, Congress cooperated in the eighties when Reagan told them to cut taxes on the rich and corporations. In the last decade tax rates for top-income brackets were lowered from 70 percent to 40 percent. And, the share of the tax burden that corporations pay has been reduced from 15 percent to 10 percent over the last decade.

The minimum wage was stunted. And, domestic spending was cut from nearly 5 percent of the Federal budget to about 3½ percent since 1980.

To what end? Some people benefitted—some a whole lot. Since 1980, more than \$800 billion was added to household incomes—but 98 percent of that money went to the richest 20 percent. That means all the rest, 80 percent of American households, shared just 2 percent of the gains. In fact, the average American family is now getting by on less than they had in 1980.

For a fortunate handful of Americans, the transformation from an industrial to an information economy offers unlimited opportunity and fantastic profit. But for most, right now, this new economy demands more and offers less—it demands more education, more skills, more flexibility, more time; but offers less pay, less benefits, and less security. Working families are running faster and losing ground—a raw deal that undermines the crucial link be-

tween work and personal progress, and breeds the anger and cynicism that are poisoning our society and our political debate.

I believe there are clear, common-sense, approaches that must be followed to enable all Americans to gain the fruits of our success.

Our trade and monetary policies must work for working people. We need trade agreements based on only giving access when we get exactly that for our products. We have to say no to agreements that push our jobs across our borders. Let's live in the real world, and demand other countries to live up to environmental and labor standards they avoid to get the upper hand.

The Fed should be as aggressive in promoting growth to benefit workers as they are with managing inflation to benefit bondholders.

And we must have investments in education, training, infrastructure, and technology that produce dividends for working people here at home. Investments in people are every bit as important as investment in equipment. But unless that's better known and understood, human investments will keep shriveling through the budget cuts already being made. Behind the banner of a balanced budget, we are in danger of surrendering what really spreads opportunity in America—the chance to learn, to train, and to excel.

Investments in science and technology are a key part of the solution. As the President's Council of Economic Advisors recently reported, investments in innovation have been responsible for almost one-half of the Nation's economic growth.

This Nation has had a 50-year consensus on investments in science in technology. We have made these investments to expand the basic store of knowledge both because of our exploring, inquisitive nature and because we know the benefits are unpredictable. We have invested in biological research that improves our ability to feed our people and attack disease. And we have invested in new technologies in support of Federal missions, technologies that created new industries and jobs in aviation, electronics, software, and communications.

But those very programs that are key to our technological progress are now under threat. If it had passed, our Hollings-Daschle-Kerry Amendment would have lessened that threat by restoring funds for technology programs that invest in new innovations with broad benefits for the Nation.

Recently, we have realized that with fierce global competition, this Nation must invest in innovation to advance economic growth. We are investing in the Advanced Technology Program with bipartisan support.

President Bush's science advisor, D. Allan Bromley, realized that we can support key technologies without intervening in the market's selection of winners and losers. The Advanced Technology Program was first funded

in 1991 under President George Bush. This program is important because it invests in precompetitive or generic technologies, in the neglected zone between pure research and product development. These technologies are essential to technological progress for several industries or companies and are too risky for individual companies to fund on their own. The ATP will help to develop new technologies and new industries before other countries do.

We must keep investing in the Department of Commerce Technology Administration. This is the one office in the Federal Government that is dedicated to advancing national investments in technology in support of economic growth. TA works to develop policies and partnerships that assist industrial innovation. And the office is supporting cooperative technology ventures between United States and Israeli companies that will be a win-win effort for both nations. This commitment is especially crucial now, as Israel reels from a string of devastating terrorist attacks.

We must keep investing in educational technologies, technologies that will improve classroom learning and increase our student's chance to excel and succeed.

And we must invest in connecting schools, libraries, and hospitals to the world of the Internet. Funding grants from the National Telecommunications and Information Administration [NTIA] Telecommunications and Information Infrastructure Assistance Program [TIIAP] will enable these institutions to develop new applications that will increase students skills, improve health care, and extend telephone service in rural areas. This is particularly important to my home State of West Virginia, a heavily rural State. A TIIAP grant to the State library system will give citizens of West Virginia access to information around the globe.

We must keep investing in new, innovative environmental technologies, that will result in higher levels of environmental protection at lower costs for industry. These new technologies offer U.S. companies opportunities for increased exports and more jobs here at home.

These programs are essential investments to our Nation's economic future. They mean new industries and high-quality, high-wage jobs. They mean an improved environment. They mean a better education and greater opportunities for students and workers.

Our Nation must act—if we do not, our competitors are ready to take advantage. While we are considering cutting our investments in nondefense R&D by 30 percent by 2002, Japan is about to double its Government's investments.

We cannot go back and we should not go back—old policies need to change to meet new needs. But we should hold on to what we learned in that earlier era, and carry those lessons into the 1990's and the 21st century. Lessons of hard

work and fair play, of balance between business and worker, of investment in people and technology should guide us as we meet the challenges of today and the future.

With the continued leadership of Senator HOLLINGS for America's economic strength and jobs, I will persist as well in pressing the case for the investments that our amendment attempted to rescue. We will not give up, because jobs for our people and the American dream are at stake.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### UNANIMOUS-CONSENT AGREEMENT

Mr. HATFIELD. Mr. President, I ask unanimous consent that the following amendments be the only remaining first-degree amendments in order to H.R. 3019, that they be subject to relevant second-degrees, and following the disposition of the amendments, the Senate proceed to vote on the Hatfield substitute, as amended, the bill then be read for the third time, and the Senate proceed to final passage of H.R. 3019, all without any intervening action or debate.

The list of amendments follows:

#### REPUBLICAN AMENDMENTS

Jeffords—Technical to D.C. provisions.  
 Jeffords—Technical to D.C. provisions.  
 Jeffords—Relevant.  
 Faircloth—Bosnia funding.  
 Burns—Relevant.  
 Burns—Relevant.  
 Burns—Relevant.  
 Helms—International Family Planning/Abortion.  
 Helms—N.C. Hospital.  
 Helms—Waiver of authority.  
 Helms—Abortion.  
 Helms—Relevant.  
 Helms—Relevant.  
 Coverdell—Relevant.  
 Brown—Relevant.  
 Brown—Relevant.  
 Coats—Abortion accreditation.  
 McConnell—Mexico City policy.  
 Gramm—Emergency provisions.  
 Gramm—Housing.  
 Gramm—State Welfare Program.  
 Gramm—Contingency provisions.  
 Gramm—Legal Services.  
 Gramm—Community assistance.  
 Santorum—Emergency provisions.  
 Santorum—Offset disaster assistance.  
 Santorum—Offset disaster assistance/confees.  
 Santorum—Funding cut in title I.  
 Santorum—Salary/expense cut in title I.  
 Hatch—Drug czar.  
 Craig—Legal Services Corp.  
 Shelby—Drug czar.  
 Hatfield—Relevant.  
 Hatfield—Relevant.  
 Hatfield—Amalgamated millsite.  
 Lott—Relevant.  
 Lott—Relevant.  
 Lott—Relevant.  
 Murkowski—Canned salmon.

Murkowski—Salmon.  
 Murkowski—Greens Creek.  
 Murkowski—Study.  
 Cohen—Legal Services.  
 Stevens—Relevant.  
 Stevens—Relevant.  
 Stevens—Sematech.  
 Stevens—R&D camera.  
 Stevens—Interior floods.  
 Gorton—Medical Center—VA.  
 Gorton—Administrative accounts adjustment.  
 Gorton—Relevant.  
 Kempthorne—Interior floods.  
 Grams—Lockbox.  
 McConnell—FBI.  
 Bond—Relevant.  
 Bond—Relevant.  
 Bond—Relevant.  
 Bond—Relevant.  
 Cochran—Relevant.  
 Dole—Relevant.  
 Dole—Relevant.  
 Cohen—DOD.  
 Chafee—Relevant.  
 McCain—(3)/Relevant.  
 Warner—Relevant.

#### DEMOCRATIC AMENDMENTS

Boxer—D.C. abortion funds.  
 Bradley—Relevant.  
 Bumpers—Legal Services.  
 Byrd:  
 (1) Relevant.  
 (2) Relevant.  
 (3) Relevant.  
 (4) Relevant.  
 (5) Relevant.  
 (6) Relevant.  
 Daschle:  
 (1) Inhalants.  
 (2) Crop insurance.  
 (3) Watertown SD.  
 (4) Relevant.  
 (5) Relevant.  
 (6) Relevant.  
 (7) Relevant.  
 (8) Relevant.  
 Dorgan—Defense (with/Conrad).  
 Harkin—Health care.  
 Kennedy—Drug exports.  
 Lautenberg:  
 (1) Environment.  
 (2) Environment.  
 (3) Relevant.  
 Mikulski—National service.  
 Murray—Timber sales.  
 Pryor—Drugs.  
 Ried—Relevant.  
 Simon:  
 (1) Literacy/longer schoolyear.  
 (2) National Secondary Education Program.  
 (3) Relevant.  
 Wellstone:  
 (1) SoS Liheap.  
 (2) Relevant.  
 Levin—Relevant.  
 Leahy—Relevant.  
 Johnston—Water Resources Den. Act.  
 Breaux—Relevant.  
 Lautenberg—FAA employee rights.  
 Baucus—Relevant.  
 Biden—Relevant.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration, at 9:30, Thursday, of the Murray timber salvage amendment, and there be 2½ hours of debate, equally divided between Senators MURRAY and HATFIELD, or his designee; further, that no second-degree amendments be in order to

the amendment, and at the expiration or yielding back of debate time, the Senate proceed to a vote on or in relation to the Murray amendment.

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

Mr. HATFIELD. Mr. President, I yield the floor.

#### THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, 4 years ago when I commenced these daily reports to the Senate it was my purpose to make a matter of daily record the exact Federal debt as of the close of business the previous day.

In that first report (February 27, 1992) the Federal debt the previous day stood at \$3,825,891,293,066.80, as of close of business. The point is, the Federal debt has since shot further into the stratosphere. As of yesterday at the close of business, a total of \$1,191,392,298,843.23 has been added to the Federal debt since February 26, 1992.

This means that as of the close of business yesterday, Tuesday, March 12, 1996, the Federal debt total was exactly \$5,017,283,591,910.03. (On a per capita basis, every man, woman, and child in America owes \$19,044.03 as his or her share of the Federal debt.)

#### THE NOMINATION OF COMMANDER ROBERT STUMPF

Mr. THURMOND. Mr. President, the Senate Armed Services Committee agreed on March 13, 1996 to issue the following statement concerning the consideration of the nomination of Commander Robert Stumpf, U.S. Navy.

On March 11, 1994, the President submitted various nominations for promotion in the Navy to the grade of Captain (O-6), including a list containing the nomination of Commander Stumpf. On the same date, the Assistant Secretary of Defense, in the letter required by the committee on all Navy and Marine Corps nominees, advised the committee that none of the officers had been identified as potentially implicated on matters related to Tailhook. The list was reported favorably to the Senate on May 19, 1994, and all nominations on the list were confirmed by the Senate on May 24, 1994.

Subsequent to the Senate's confirmation of the list, but prior to the appointment by the President of Commander Stumpf to the grade of Captain, the committee was advised by the Department of Defense that the March 11, 1994 letter had been in error because the Navy had failed to inform the Office of the Secretary of Defense that Commander Stumpf had been identified as potentially implicated in Tailhook. On June 30, 1994, the committee requested that the Navy withhold action on the promotion until the committee had an opportunity to review the information that had not been made available to the Senate during the confirmation proceedings.

On April 4, 1995, the Navy provided the Committee with the report of the

investigation and related information concerning Commander Stumpf, and subsequently provided additional information in response to requests from the committee. On October 25, 1995, the committee met in closed session—consistent with longstanding practice—to consider a number of nominations and to consider the matter involving Commander Stumpf. The committee directed the Chairman and Ranking Member to advise the Secretary of the Navy that "had the information regarding Commander Stumpf's activities surrounding Tailhook '91 been available to the committee, as required, at the time of the nomination, the committee would not have recommended that the Senate confirm his nomination to the grade of Captain." The committee also directed that the letter advise the Secretary that: "The committee recognizes that, in light of the Senate having earlier given its advice and consent to Commander Stumpf's nomination, the decision to promote him rests solely with the Executive Branch." A draft letter was prepared, made available for review by all members of the committee, and was transmitted to the Secretary on November 13, 1995. On December 22, 1995, the Secretary of the Navy removed Commander Stumpf's name from the promotion list.

The committee met on March 12, 1996, to review the committee's procedures for considering Navy and Marine Corps nominations in the aftermath of Tailhook. At that meeting, the committee reviewed the proceedings concerning Commander Stumpf.

The committee, in considering the promotion of Commander Stumpf, acted in good faith and in accordance with established rules and procedures, including procedures designed to protect the privacy and reputation of nominees, with appropriate regard for the rights of Commander Stumpf. The Chief of Naval Operations has testified that he believes such confidentiality should be maintained. The committee made its November 13, 1995 recommendation based upon information that was made available by the Navy.

At the present time, no nomination concerning Commander Stumpf is pending before the committee, and the Secretary of the Navy has removed his name from the promotion list. The committee has been advised by the Navy's General Counsel that this administrative action taken by the Secretary of the Navy is final and that the Secretary cannot act unilaterally to promote Commander Stumpf.

The committee notes that much of the material that has appeared in the media about the substantive and procedural issues concerning this matter, is inaccurate and incomplete.

As with any nominee whose name has been removed from a promotion list, Commander Stumpf remains eligible for further nomination by the President. If he is nominated again for promotion to Captain, the committee will

give the nomination the same careful consideration it would give any nominee.

#### MESSAGES FROM THE HOUSE

At 2 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the Bill (H.R. 1561) to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal year 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 2036) to amend the Solid Waste Disposal Act to make certain adjustments in the land disposal program to provide needed flexibility, and for other purposes.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2064. An act to grant the consent of Congress to an amendment of the Historic Chattahoochee Compact between the States of Alabama and Georgia.

H.R. 2276. An act to establish the Federal Aviation Administration as an independent establishment in the executive branch, and for other purposes.

H.R. 2685. An act to repeal the Medicare and Medicaid Coverage Data Bank.

H.R. 2972. An act to authorize appropriations for the Securities and Exchange Commission, to reduce the fees collected under the Federal securities laws, and for other purposes.

H.J.Res. 78. Joint resolution to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

The message further announced that the House agrees to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 149. Concurrent resolution condemning terror attacks in Israel.

#### MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2276. An act to establish the Federal Aviation Administration as an independent establishment in the executive branch, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2685. An act to repeal the Medicare and Medicaid Coverage Data Bank; to the Committee on Finance.

H.R. 2972. An act to authorize appropriations for the Securities and Exchange Commission, to reduce the fees collected under the Federal securities laws, and for other purposes.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 149. Concurrent resolution condemning terror attacks in Israel, to the Committee on Foreign Relations.

#### MEASURE PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 2064. An act to grant the consent of Congress to an amendment of the Historic Chattahoochee Compact between the States of Alabama and Georgia.

#### 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-2054. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled "Program Review of the Economic Development Finance Corporation for Fiscal Year 1994"; to the Committee on Governmental Affairs.

EC-2055. A communication from the Director of the Office of Administration, Executive Office of the President, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2056. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2057. A communication from the Secretary of the Interior, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2058. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2059. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2060. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2061. A communication from the Secretary of Energy, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2062. A communication from the Director of the National Gallery of Art, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2063. A communication from the Secretary of Labor, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2064. A communication from the Chairman and General Counsel of the National Labor Relations Board, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

ant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2065. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2066. A communication from the Director of the Federal Mediation and Conciliation Service, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2067. A communication from the Office of Special Counsel, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2068. A communication from the Director of the U.S. Trade and Development Agency, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2069. A communication from the Chairman of the U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2070. A communication from the Chairman of the U.S. Consumer Product Safety Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2071. A communication from the Director of the U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2072. A communication from the Director of the U.S. Information Agency, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2073. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2074. A communication from the Chair of the Federal Labor Relations Authority, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2075. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2076. A communication from the Chairman of the Postal Rate Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2077. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2078. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2079. A communication from the Executive Director of the State Justice Institute, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2080. A communication from the Executive Director of the U.S. National Commission on Libraries and Information Science, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2081. A communication from the Chairman of the U.S. Commission For the Preservation of America's Heritage Abroad, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2082. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2083. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2084. A communication from the Attorney General, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2085. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2086. A communication from the Director of the Morris K. Udall Scholarship and Excellence in National Environment Policy Foundation, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2087. A communication from the Chairperson of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2088. A communication from the Secretary of the American Battle Monuments Commission, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2089. A communication from the Chairman of the Board of Trustees of the Harry S. Truman Scholarship Foundation, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2090. A communication from the Chairman of the U.S. Merit System Protection Board, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2091. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2092. A communication from the Chairman of the U.S. Commission For the Preservation of America's Heritage Abroad, transmitting, pursuant to law, the report under



the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2093. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2094. A communication from the Chairman of the African Development Foundation, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2095. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2096. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2097. A communication from the Administrator of the U.S. Small Business Administration, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2098. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2099. A communication from the Comptroller General, transmitting, pursuant to law, the report of General Accounting Office reports for January 1996; to the Committee on Governmental Affairs.

EC-2100. A communication from the Comptroller General, transmitting, pursuant to law, the report of General Accounting Office reports for December 1995; to the Committee on Governmental Affairs.

EC-2101. A communication from the Comptroller General, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2102. A communication from the Assistant Comptroller General (Accounting and Information Management Division), transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2103. A communication from the Director of the Office of Financial Management (General Services and Controller), General Accounting Office, transmitting, pursuant to law; to the Committee on Governmental Affairs.

EC-2104. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation to amend the Right to Financial Privacy Act of 1978; to the Committee on Governmental Affairs.

EC-2105. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report of the amount of personal property furnished to non-Federal recipients; to the Committee on Governmental Affairs.

EC-2106. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report under the Program Fraud Civil Remedies Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2107. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursu-

ant to law, the report on material weaknesses; to the Committee on Governmental Affairs.

EC-2108. A communication from the Secretary of Education, transmitting, pursuant to law, the report of the audit follow-up for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2109. A communication from the Secretary of Education, transmitting, pursuant to law, a report concerning surplus Federal real property; to the Committee on Governmental Affairs.

EC-2110. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report under the Single Audit Act for fiscal year 1993; to the Committee on Governmental Affairs.

EC-2111. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report entitled "Statistical Programs of the U.S. Government: Fiscal Year 1996"; to the Committee on Governmental Affairs.

EC-2112. A communication from the Executive Director of the National Education Goals Panel, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2113. A communication from the Chairperson of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-2114. A communication from the Chairman of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, the report of the number of appeals submitted during fiscal year 1995; to the Committee on Governmental Affairs.

EC-2115. A communication from the Inspector General, transmitting, pursuant to law, a report relative to lobbying activities by contractors or grantees; to the Committee on Governmental Affairs.

EC-2116. A communication from the Vice Chairman and Chief Financial Officer of the Potomac Electric Power Company, transmitting, pursuant to law, the report of the balance sheet for calendar year 1995; to the Committee on Governmental Affairs.

EC-2117. A communication from the Director of the U.S. Office of Personnel Management, transmitting, pursuant to law, the report of the privatization of investigations service through employee stock ownership plans; to the Committee on Governmental Affairs.

EC-2118. A communication from the Manager of the Benefits Communications of the Ninth Farm Credit District Trust Committee, transmitting, pursuant to law, the annual report for the plan year ended December 31, 1994; to the Committee on Governmental Affairs.

EC-2119. A communication from the Chairman of the Advisory Commission on Intergovernmental Relations, transmitting, pursuant to law, the annual report for calendar year 1995; to the Committee on Governmental Affairs.

EC-2120. A communication from the Acting Inspector General of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the report under the Inspector General Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-2121. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, a report relative to lobbying for the period Oc-

tober 1, 1994 through March 31, 1995; to the Committee on Governmental Affairs.

EC-2122. A communication from the Acting Inspector General of the Federal Communication Commission, transmitting, pursuant to law, a report relative to Federal contracts; to the Committee on Governmental Affairs.

EC-2123. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, a report relative to the procedural schedule; to the Committee on Governmental Affairs.

EC-2124. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, the report under the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC-2125. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, the report of the justification of budget estimates for fiscal year 1997; to the Committee on Appropriations.

EC-2126. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 93-50; to the Committee on Appropriations.

#### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Christopher M. Coburn, of Ohio, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2000.

Charles William Burton, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2001.

Alvin L. Alm, of Virginia, to be an Assistant Secretary of Energy (Environmental Management).

Thomas Paul Grumbly, of Virginia, to be Under Secretary of Energy.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOND (for himself, Mr. NICKLES, Mr. DOLE, Mr. D'AMATO, Mr. MURKOWSKI, Mr. INHOFE, Mr. LOTT, Mr. GRAMM, and Mr. FRIST):

S. 1610. A bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees; to the Committee on Finance.

By Mr. MCCONNELL:

S. 1611. A bill to establish the Kentucky National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HELMS (for himself, Mr. DOLE, Mr. HATCH, Mr. THURMOND, Mr. FAIRCLOTH, Mr. GRAMM, and Mrs. FEINSTEIN):

S. 1612. A bill to provide for increased mandatory minimum sentences for criminals

possessing firearms, and for other purposes; to the Committee on the Judiciary.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. INOUE (for himself, Mr. D'AMATO, Mr. SIMPSON, Mr. SMITH, Mr. MACK, Mr. CONRAD, Mr. FORD, Mr. MCCONNELL, Mr. HELMS, Mr. HEFLIN, Mr. STEVENS, Mr. DOMENICI, Mr. WARNER, Mr. GRAHAM, and Mr. CRAIG):

S. Con. Res. 46. A concurrent resolution to express Congress' admiration of the late Israeli Prime Minister Yitzhak Rabin and his contribution to the special relationship between the United States and Israel, and to express the sense of the Congress that the American Promenade in Israel be named in his memory; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOND (for himself, Mr. NICKLES, Mr. DOLE, Mr. D'AMATO, Mr. MURKOWSKI, Mr. INHOFE, Mr. LOTT, Mr. GRAMM, and Mr. FRIST):

S. 1610. A bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees; to the Committee on Finance.

#### THE INDEPENDENT CONTRACTOR TAX SIMPLIFICATION ACT OF 1996

Mr. BOND. Mr. President, determining worker classification is one of the most important tax issues facing small business today. Indeed, and in fact, it was rated No. 1 by the delegates to the White House Conference on Small Business. They said this is something that must be dealt with because the ambiguity in the current law makes it extremely difficult for business owners to determine whether a worker is an independent contractor or an employee. Today I will be introducing the Independent Contractor Tax Simplification Act on behalf of myself, Senator NICKLES, Senator DOLE, Senator D'AMATO, Senator MURKOWSKI and Senator LOTT. For years, now, the Internal Revenue Service has used a 20-factor common law test to determine worker status. Frankly, the test is a nightmare of subjectivity and unpredictability for small business owners who often get their tutorial on the subtleties of the issue during an IRS audit—certainly an unfortunate time to be learning how tricky the law is.

IRS agents are required to consider 20 different factors to determine whether an employer/employee relationship exists. The problem is that the small business taxpayer is not able to predict which of the 20 factors is going to be more important to a particular IRS agent, and finding a certain number of these factors present in a case does not always determine the result.

Inevitably, what has been happening is that agents are resolving far too

many cases in favor of the IRS and its tendency to find the existence of an employment relationship at the expense and disruption of bona fide independent contractor arrangements.

Let me make perfectly clear, the IRS has every right to obtain information on payments, whether they are made to an employee or to an independent contractor. It is our position that simplifying IRS collection does not warrant the IRS going beyond tax law to determine business organization, so long as the organizations are legitimate structures and the IRS has the information on payments so they may collect appropriate taxes.

This lack of a clear standard in existing law has made some small business owners reluctant to hire independent contractors and put others in great concern and risk of being pursued for back taxes.

In some cases, the concern is so great that it stifles business expansion. As I indicated earlier, the depth of the problem was made clear last summer when the White Conference on Small Business, a nationwide group of almost 2,000 small business delegates, voted the independent contractor issue first on its list for recommended changes.

Today, together with Senator NICKLES and the other Senators whom I mentioned, Senator NICKLES having been a long and consistent supporter of small business legislation, we introduce a bill that solves this problem. Our bill provides a short list of simple, clear objective standards that will allow all taxpayers to understand what the law says about who is an employee and who is an independent contractor. When this law is enacted, IRS agents will have clear direction, small business will have clear direction, but the IRS will no longer have the upper hand in today's confusing independent contractor law, which gives the IRS agent, when they deal with our country's small business taxpayers, advantage in determining their business organization.

I especially thank Senator NICKLES for his willingness to allow us to work on this bill together. Last September at a hearing, I held in the Small Business Committee, Senator NICKLES testified about his personal experience with this issue dating back to the small business that he began while he was a college student. For Senator NICKLES' company, like many startup companies and small businesses, it seemed to make perfect sense to hire independent contractors in certain situations. More established, larger businesses also need to hire independent contractors to accomplish specific tasks that may require specialized skill. In fact, many of America's entrepreneurs are in business as independent contractors whose livelihood is dependent upon the fact that other companies need their service and expertise. These entrepreneurs have no desire, nor do they have any need, to become employees of the businesses who purchase their services.

Others in our Small Business Committee hearing testified about their experiences with IRS agents regarding worker status, telling us about receiving IRS penalties as high as a quarter of a million dollars. Between these outrageously high penalties and the complexity of the 20-factor test, this issue, understandably, infuriates many small business taxpayers.

Mr. President, the Commissioner of Internal Revenue, the Honorable Margaret Richardson, in a speech to last summer's small business conference delegates, told them the IRS does not care whether someone is an employee or independent contractor, as long as they properly report their income, and that is as it should be. Yet, the IRS continues to pursue this issue fiercely during its audits. It has been reported that in a recent 4-year span, the IRS reclassified 338,000 workers as employees. The same report indicates the IRS prevails in 9 out of 10 worker classification audits. Little wonder when they have the upper hand with a very confusing, very complex 20-factor test.

Just last week, I received a copy of the "Revised Internal Revenue Service Worker Classification Training Materials." This was distributed by Commissioner Richardson. In her memo accompanying the document, she describes the purchase of the document as an attempt to identify, simplify and clarify the factors that should be applied in order to accurately determine worker classification.

There could be no more compelling justification for the importance of our immediate passage of the legislation than this document. We commend Commissioner Richardson for seeking to simplify, but this document is over 100 pages long. If it takes that much paper and that much ink to instruct IRS agents on how to simplify and clarify a small business tax issue, I think we can be pretty sure how simple and clear it is going to seem to the taxpayer sitting across the desk from an IRS agent during an audit.

As those who follow this issue know, what makes this problem especially frustrating is that unlike most interpretive actions of the IRS where they must determine the proper amount of income or deductions so Treasury can collect the amount of tax legally due to it, the independent contractor issue is not about how much tax the Government receives. The classification decision does not alter aggregate tax liability to the Government at all. This problem exists because of IRS's apparent desire to recast economic relationships between private parties that these parties have already determined for themselves. The Independent Contractor Tax Simplification Act will help move the IRS out of its de facto role of setting employment policy and back into its role of revenue collection.

Our bill sets out three simple questions to be asked in determining whether a person providing services is an employee or independent contractor.

First, is there a written agreement between the parties?

Second, does it appear the worker has made some investment, such as incurring substantial unreimbursed expenses or being paid primarily on a commission basis?

Third, does the worker appear to have some independence, such as having his or her own place of business?

In other words, under this bill, if there is a written contract between the parties and if basic investment and independence criteria are met, then the worker is an independent contractor. Plain, simple, predictable. Fine. To take advantage of this simple rule, the party must properly report payments above \$600 to the IRS just like under current law. This ensures all taxes properly due to the Treasury can be collected.

The legislation is written to provide immediate clarification and relief to taxpayers undergoing IRS examinations currently. The change, no doubt, would save many businesses from a protracted and expensive battle with IRS. For some, it may even save the business.

When we in Congress find an opportunity to take action in a tax area so strongly supported by many small businesses, and when it is one that does not involve any loss to the Federal Treasury, we should act without delay. I am confident the Finance Committee can find an acceptable revenue offset for this worthy purpose to the extent that any revenue is lost. The revenue estimate for the bill should be fairly simple, reflecting the bill's provisions that assure continued collection of all taxes due the Federal Government.

Small businesses cannot afford to wait any longer for resolution of this problem, and they should not be expected to do so. They have waited for decades. We now have a bill that will solve the problem.

The companion bill has been introduced in the other body. I am told it has over 200 cosponsors. It is time Congress steps up to the plate and delivers for small business. I urge members of the Finance Committee to work with Senator NICKLES and others to report out a bill that provides this much-needed change.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the bill, a section-by-section analysis and copies of some letters of support for the bill we have received.

I also ask unanimous consent that Senators DOLE, D'AMATO, LOTT, MURKOWSKI, and INHOFE be shown as original cosponsors.

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

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

S. 1610

*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 "Independent Contractor Tax Simplification Act of 1996".

#### SEC. 2. FINDINGS.

The Congress finds that:

(1) Simplifying the tax rules with respect to independent contractors was the top vote-getter at the 1995 White House Conference on Small Business. Conference delegates recommended that Congress "should recognize the legitimacy of an independent contractor". The Conference found that the current common law is "too subjective" and called upon the Congress to establish "realistic and consistent guidelines".

(2) It is in the best interests of taxpayers and the Federal Government to have fair and objective rules for determining who is an employee and who is an independent contractor.

#### SEC. 3. STANDARDS FOR DETERMINING WHETHER INDIVIDUALS ARE NOT EMPLOYEES.

(a) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 (general provisions relating to employment taxes) is amended by adding after section 3510 the following new section:

##### "SEC. 3511. STANDARDS FOR DETERMINING WHETHER INDIVIDUALS ARE NOT EMPLOYEES.

"(a) GENERAL RULE.—For purposes of this title, and notwithstanding any provision of this title to the contrary, if the requirements of subsections (b), (c), and (d) are met with respect to any service performed by any individual, then with respect to such service—

"(1) the service provider shall not be treated as an employee,

"(2) the service recipient shall not be treated as an employer,

"(3) the payor shall not be treated as an employer, and

"(4) compensation paid or received for such service shall not be treated as paid or received with respect to employment.

"(b) SERVICE PROVIDER REQUIREMENTS WITH REGARD TO SERVICE RECIPIENT.—For the purposes of subsection (a), the requirements of this subsection are met if the service provider, in connection with performing the service—

"(1) has a significant investment in assets, training, or both,

"(2) incurs significant unreimbursed expenses,

"(3) agrees to perform the service for a particular amount of time or to complete a specific result and is liable for damages for early termination without cause,

"(4) is paid primarily on a commissioned basis or per unit basis, or

"(5) purchases products for resale.

"(c) ADDITIONAL SERVICE PROVIDER REQUIREMENTS WITH REGARD TO OTHERS.—For the purposes of subsection (a), the requirements of this subsection are met if—

"(1) the service provider—

"(A) has a principal place of business,

"(B) does not primarily provide the service at the service recipient's facilities,

"(C) pays a fair market rent for use of the service recipient's facilities, or

"(D) operates primarily from equipment not supplied by the service recipient; or

"(2) the service provider—

"(A) is not required to perform service exclusively for the service recipient, and

"(B) in the year involved, or in the preceding or subsequent year—

"(i) has performed a significant amount of service for other persons,

"(ii) has offered to perform service for other persons through—

"(I) advertising,

"(II) individual written or oral solicitations,

"(III) listing with registries, agencies, brokers, and other persons in the business of providing referrals to other service recipients, or

"(IV) other similar activities, or

"(iii) provides service under a business name which is registered with (or for which a license has been obtained from) a State, a political subdivision of a State, or any agency or instrumentality of 1 or more States or political subdivisions.

"(d) WRITTEN DOCUMENT REQUIREMENTS.—For purposes of subsection (a), the requirements of this subsection are met if the services performed by the individual are performed pursuant to a written contract between such individual and the person for whom the services are performed, or the payor, and such contract provides that the individual will not be treated as an employee with respect to such services for purposes of this subtitle.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) FAILURE TO MEET REPORTING REQUIREMENTS.—If for any taxable year any service recipient or payor fails to meet the applicable reporting requirements of section 6041(a), 6041A(a), or 6051 with respect to a service provider, then, unless such failure is due to reasonable cause and not willful neglect, this section shall not apply in determining whether such service provider shall not be treated as an employee of such service recipient or payor for such year.

"(2) RELATED ENTITIES.—If the service provider is performing services through an entity owned in whole or in part by such service provider, then the references to 'service provider' in subsections (b) through (d) may include such entity, provided that the written contract referred to in paragraph (1) of subsection (d) may be with either the service provider or such entity and need not be with both.

"(f) DEFINITIONS.—For the purposes of this section—

"(1) SERVICE PROVIDER.—The term 'service provider' means any individual who performs service for another person.

"(2) SERVICE RECIPIENT.—Except as provided in paragraph (5), the term 'service recipient' means the person for whom the service provider performs such service.

"(3) PAYOR.—Except as provided in paragraph (5), the term 'payor' means the person who pays the service provider for the performance of such service in the event that the service recipients do not pay the service provider.

"(4) IN CONNECTION WITH PERFORMING THE SERVICE.—The term 'in connection with performing the service' means in connection or related to—

"(A) the actual service performed by the service provider for the service recipients or for other persons for whom the service provider has performed similar service, or

"(B) the operation of the service provider's trade or business.

"(5) EXCEPTIONS.—The terms 'service recipient' and 'payor' do not include any entity which is owned in whole or in part by the service provider."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding at the end the following new item:

"Sec. 3511. Standards for determining whether individuals are not employees."

(c) EFFECTIVE DATE.—The amendments made by this Act shall apply to services performed before, on, or after the date of the enactment of this Act.

#### SUMMARY OF THE INDEPENDENT CONTRACTOR TAX SIMPLIFICATION ACT

For too long now, businesses have been forced to rely upon complicated and ambiguous IRS guidelines for classifying individual

workers as employees or independent contractors. IRS audit determinations of misclassification often result in heavy tax penalties. Clarifying independent contractor rules was considered the top small business priority by conference delegates at the 1995 White House Conference on Small Business.

Instead of trying to define who is an employee (the common law 20-point test), this legislation creates a simple definition of who is not an employee.

#### GENERAL RULE

If this legislation's requirements are met with respect to any service performed by any individual, then the service provider shall not be treated as an employee, the service recipient shall not be treated as an employer, the payor shall not be treated as an employer, and the compensation paid shall not be treated as paid with respect to employment.

#### INVESTMENT/TRAINING/RISK

With regard to the service being performed, the service provider must—

(1) have a significant investment in assets and/or training, or

(2) incur significant unreimbursed expenses, or

(3) agree to perform the service for a particular amount of time or to complete a specific result and is liable for damages for early termination without cause, or

(4) be paid primarily on a commissioned or per-unit basis, or

(5) purchase products for resale.

#### PRINCIPAL PLACE OF BUSINESS/ADVERTISING

With regard to other parties, the service provider must—

(1) have a principal place of business, or

(2) not primarily provide the service in the recipient's facilities unless the provider is paying a fair market rent for this use, or

(3) operate primarily from equipment not supplied by the service recipient, or

(4) not be required to perform service exclusively for the service recipient, and

(a) have recently performed a significant amount of service for other persons, or

(b) have offered to perform service for persons through advertising, individual solicitations, listing with registries, etc., or other similar activities, or

(c) have provided service under a registered or licensed business name.

#### WRITTEN DOCUMENT REQUIREMENTS

The services of a provider must be performed pursuant to a written contract between such individual and the service recipient stating that the provider will not be treated as an employee.

#### SPECIAL RULES

If any service recipient fails to meet the applicable IRS reporting requirements with respect to a service provider, then they may not rely upon these simplified independent contractor guidelines and are subject to the existing 20-point common law test.

NATIONAL FEDERATION OF  
INDEPENDENT BUSINESS,  
Washington, DC, March 12, 1996.

Hon. KIT BOND,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR BOND: On behalf of the more than 600,000 members of the National Federation of Independent Business (NFIB), I am writing to offer our strong support of the Independent Contractor Simplification Act. The independent contractor issue has been confusing and burdensome for small business owners for decades. As you know, the independent contractor issue was the top recommendation of the 1995 White House Conference on Small Business.

Small businesses are put in a lose-lose situation with the Internal Revenue Service. Under the current law, they are required to classify individuals as independent contractors or employees based on extremely vague and ambiguous IRS guidelines. When a small business owner mistakenly misclassifies a worker based on these vague criteria, the IRS audits the business and levies back tax penalties. Even if the employer fully reported all payments to the independent contractor and the mistake was unintentional, these penalties are still levied. This misunderstanding can put the employer out of business. For small businesses, misinterpreting these nebulous IRS guidelines can be financially devastating.

The Independent Contractor Simplification Act sets forth an alternate set of clear and distinct criteria for businesses to follow when classifying their workers. It solves the independent contractor problem by defining who is not an employee. Most importantly, the legislation puts forth safeguards against abusing this classification by prohibiting both independent contractor and employer from relying on these new rules if all payments for service are not properly reported to the IRS.

We commend you on your legislation which sends much needed relief to our nation's small business owners and the million of budding entrepreneurs who have an interest in being an independent contractor. We look forward to working with you to move the Independent Contractor Simplification Act through the Senate.

Sincerely,

DONALD A. DANNER,  
Vice President,  
Federal Governmental Relations.

THE INDEPENDENT  
CONTRACTOR COALITION,  
Washington, DC.

Hon. KIT BOND,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR BOND: We the undersigned, representing a cross-section of close to one million businesses and individuals, are writing to offer our strong support for the Independent Contractor Tax Simplification Act.

This legislation will bring much needed relief to millions of businesses and budding entrepreneurs in addressing ambiguities in the IRS guidelines for determining independent contractor status.

At a minimum, the current system by which the IRS enforces laws and regulations governing an individual's employment tax status promotes uncertainty and inhibits entry of aspiring entrepreneurs into the free market system as independent contractors. At its worst, the current system is unfairly biased against the use of independent contractors and constrains economic expansion of our nation's free market system.

The Bond/Nickles bill will settle many of the problems associated with the current system. By setting forth a clear set of alternate criteria, this legislation will resolve many of the long standing complaints businesses and individuals have had with the vague and often subjective guidelines the IRS uses to classify workers as employees or independent contractors.

As the leading coalition of businesses and individuals working to clarify independent contractor status, we commend you on your effort and look forward to working with you to move this legislation through the Senate.

Allow the free enterprise system to work for the benefit of our economy.

Sincerely,

NELSON LITTERST,  
NFIB, Co-Chair.  
JOHN SATAGAJ,  
SBLI, Co-Chair.

#### THE BOND/NICKLES INDEPENDENT CONTRACTOR LEGISLATION—ENDORSEMENT LIST

Agricultural & Industrial Manuf. (AIMRA).  
Air Courier Conference of America.  
Alliance of Independent Store Owners & Professionals.

American Animal Hospital Association.  
American Association of Equine Practitioners.

American Association of Meat Processors.  
American Association for Medical Transcription.

American Association of Nurserymen.  
American Consulting Engineers Councils.  
American Council of Independent Laboratories.

American Rental Association.  
American Society of Interior Designers.  
Associated Builders & Contractors.  
Associated Landscape Contractors of America.

American Society of Travel Agents.  
American Warehouse Association.  
Bureau of Wholesale Sales Representatives.

Business Advertising Council, Inc.  
Computer Software Industry Association.  
Council of Growing Companies.  
Direct Selling Association.

Electronics Representatives Association.  
Expedited Package Independent Contractor Council.

FTD Association.  
Health Industry Representatives Association.

Helicopter Association International.  
Home Food Service of Colorado.  
Independent Computer Consultants Association.

Independent Distributors Association.  
Independent Medical Distributors Association.

Institute of Electrical and Electronics Engineers-U.S. Activities.

International Association for Financial Planning.

International Taxi Cab and Livery Association.

International Television Association Inc.  
Marine Retailers Association of America.  
McNair Law Firm.

Messenger Courier Association of the Americas.

Metal Treating Institute.  
National Association of Computer Consultant Businesses.

National Association of Orchestra Leaders.  
National Association of the Remodeling Industry.

National Association for the Self-Employed.

National Electrical Manufacturers Representative Association.

National Federation of Independent Business.

National Fire Sprinkler Association.  
National Home Furnishings Association.

National Moving & Storage Association.  
National Restaurant Association.

National Tooling & Machining Association.  
National Tour Association.

Nurse Brokers and Contractors of America.  
Power-Motion Technology Representative Association.

Promotional Products Association International.

Rich Plan Corporation.  
Securities Industry Association.

Small Business Legislative Council.  
SMC Business Councils.

Society of American Florists.  
The Management Association of Illinois.

World Floor Covering Association.

SMALL BUSINESS LEGISLATIVE COUNCIL,  
Washington, DC, March 4, 1996.

Hon. CHRISTOPHER BOND,  
Hon. DON NICKLES,  
U.S. Senate,  
Washington, DC.

DEAR SENATORS BOND AND NICKLES: On behalf of the Small Business Legislative Council (SBLC), I wish to express our strong support for your legislation to establish clear and objective rules for the purposes of determining whether an individual is an independent contractor or employee.

This is a long-time concern of the SBLC. Indeed, one of the founding principles of the organization, when it was established in the mid-1970s, was to work to encourage individuals to pursue the American Dream—owning and managing their own business. Becoming an independent contractor is both the means and the end to that goal.

As you know, the delegates to the 1995 White House Conference on Small Business made this one of their priority recommendations. Indeed, while there was no official ranking, this was the top vote-getter in the final balloting.

Congratulations on this initiative! We look forward to working with you towards the passage and enactment.

The Small Business Legislative Council (SBLC) is a permanent, independent coalition of nearly one hundred trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of small businesses in such diverse economic sectors as manufacturing, retailing, distribution, professional and technical services, construction, transportation and agriculture. Our policies are developed through a consensus among our membership. Individual associations may express their own views. For your information, a list of our members is enclosed.

Sincerely,

GARY F. PETTY,  
Chairman of the Board.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL

Air Conditioning Contractors of America.  
Alliance for Affordable Health Care.  
Alliance for American Innovation.  
Alliance of Independent Store Owners and Professionals.  
American Animal Hospital Association.  
American Association of Equine Practitioners.  
American Association of Nurserymen.  
American Bus Association.  
American Consulting Engineers Council.  
American Council of Independent Laboratories.  
American Gear Manufacturers Association.  
American Machine Tool Distributors Association.  
American Road & Transportation Builders Association.  
American Society of Interior Designers.  
American Society of Travel Agents, Inc.  
American Subcontractors Association.  
American Textile Machinery Association.  
American Trucking Associations, Inc.  
American Warehouse Association.  
AMT-The Association for Manufacturing Technology.  
Architectural Precast Association.  
Associated Builders & Contractors.  
Associated Equipment Distributors.  
Associated Landscape Contractors of America.  
Association of Small Business Development Centers.  
Automotive Service Association.  
Automotive Recyclers Association.  
Bowling Proprietors Association of America.

Building Service Contractors Association International.  
Business Advertising Council.  
Christian Booksellers Association.  
Council of Fleet Specialists.  
Council of Growing Companies.  
Direct Selling Association.  
Electronics Representatives Association.  
Florists' Transworld Delivery Association.  
Health Industry Representatives Association.  
Helicopter Association International.  
Independent Bankers Association of America.  
Independent Medical Distributors Association.  
International Association of Refrigerated Warehouses.  
International Communications Industries Association.  
International Formalwear Association.  
International Franchise Association.  
International Television Association.  
Machinery Dealers National Association.  
Mail Advertising Service Association.  
Manufacturers Agents National Association.  
Manufacturers Representatives of America, Inc.  
Mechanical Contractors Association of America, Inc.  
National Association for the Self-Employed.  
National Association of Catalog Showroom Merchandisers.  
National Association of Home Builders.  
National Association of Investment Companies.  
National Association of Plumbing-Heating-Cooling Contractors.  
National Association of Private Enterprise.  
National Association of Realtors.  
National Association of RV Parks and Campgrounds.  
National Association of Small Business Investment Companies.  
National Association of the Remodeling Industry.  
National Chimney Sweep Guild.  
National Electrical Contractors Association.  
National Electrical Manufacturers Representatives Association.  
National Food Brokers Association.  
National Independent Flag Dealers Association.  
National Knitwear & Sportswear Association.  
National Lumber & Building Material Dealers Association.  
National Moving and Storage Association.  
National Ornamental & Miscellaneous Metals Association.  
National Paperbox Association.  
National Shoe Retailers Association.  
National Society of Public Accountants.  
National Tire Dealers & Retreaders Association.  
National Tooling and Machining Association.  
National Tour Association.  
National Wood Flooring Association.  
NATSO, Inc.  
Opticians Association of America.  
Organization for the Protection and Advancement of Small Telephone Companies.  
Petroleum Marketers Association of America.  
Power Transmission Representatives Association.  
Printing Industries of America, Inc.  
Professional Lawn Care Association of America.  
Promotional Products Association International.  
The Retailer's Bakery Association.  
Small Business Council of America, Inc.

Small Business Exporters Association.  
SMC Business Councils.  
Society of American Florists.  
Turfgrass Producers International.

NATIONAL HOME  
FURNISHINGS ASSOCIATION,  
Washington, DC, March 4, 1996.

Hon. CHRISTOPHER BOND,  
Hon. DON NICKLES,  
U.S. Senate,  
Washington, DC.

DEAR SENATORS BOND AND NICKLES: On behalf of the National Home Furnishings Association (NHFA), I would like to offer our endorsement of your bill to establish criteria for the determination of individuals as independent contractors or employees for federal employment tax purposes.

Our retailers engage independent contractors to provide a variety of services including design, installation, and delivery. This has been a long-standing practice in our industry.

The unsettled nature of the law in this area has been the cause for concern in our industry and, therefore, we support your efforts.

The NHFA represents approximately 2,800 retailers of home furnishings throughout the United States.

We look forward to working with you towards passage of this important legislation.

Sincerely,

PATRICIA BOWLING,  
Executive Vice President.

WORLD FLOOR COVERING ASSOCIATION,  
Washington, DC, March 4, 1996.

Hon. CHRISTOPHER BOND,  
Hon. DON NICKLES,  
U.S. Senate,  
Washington, DC.

DEAR SENATORS BOND AND NICKLES: On behalf of the World Floor Covering Association (WFCA), and our member floorcovering retailers, I would like to express our strong support for your bill to establish realistic criteria for the classification of individuals as independent contractors or employees for federal employment tax purposes.

Our retailers engage independent contractors to provide installation services. This has been a long-standing practice in our industry and is fundamental to the way we do and have done business for many years.

Over the years, we and our members have discussed this matter with the IRS on numerous occasions. The only thing we can say about the discussions is it is apparent to us that Congress must step in and establish a clear and objective set of rules. That is why we support your bill. We also believe Congress should establish once and for all, that encouraging individuals to become independent contractors is a good thing for the nation and the economy.

We look forward to working with you towards passage of this important legislation.

Sincerely,

D. CHRISTOPHER DAVIS,  
Chief Executive Officer.

PROMOTIONAL PRODUCTS  
ASSOCIATION INTERNATIONAL,  
Irving, TX, March 4, 1996.

Hon. CHRISTOPHER BOND,  
Hon. DON NICKLES,  
U.S. Senate,  
Washington, DC.

DEAR SENATORS BOND AND NICKLES: On behalf of the Promotional Product Association International (PPA), I would like to offer our support for your bill to establish rules for the classification of individuals as independent contractors or employees.

Historically, our industry has engaged independent contractors to sell its products

and services. We feel our industry practice is the epitome of the American tradition of selling products and services through independent sales representatives.

We strongly believe clear and objective rules that will put the ongoing battle between the IRS and small business over this issue behind us are needed and welcomed. Therefore, we support your efforts.

The promotional products industry is the advertising, sales promotion, and motivational medium employing useful articles of merchandise imprinted with an advertiser's name, logo, or message. Our industry sales are over \$6 billion and PPA members are manufacturers and distributors of such goods and services.

We look forward to working with you towards passage of this important legislation.

Sincerely,

G. STEPHEN SLAGLE,  
*President.*

Mr. NICKLES. Mr. President, one of the most fundamental concepts in our free enterprise economy is the ability of any American to use talent, intelligence, and hard work to start a business. The small, independent business is the engine which drives innovation, job creation, and increased economic activity in this country.

For many small, start-up companies, independent contractor status is the best way, and sometimes the only way, they can do business. Similarly, many larger, established businesses find that using independent contractors is the most effective way of handling projects that require special talents. There are five million independent contractors in America according to the Small Business Administration, and almost one-third of all companies use independent contractors to some degree. Independent contractor status gives both the service provider and the service recipient the flexibility needed to be competitive in today's economic environment.

Before coming to the U.S. Senate, I had first hand experience with these issues; both working as and employing independent contractors. The janitorial service I began as a student at Oklahoma State University could not have existed if I had been required to work as an employee, and it never would have expanded if I could not have hired other students as independent contractors to handle specific jobs.

Despite the obvious importance of independent contractors to our economy, Congress has amazingly failed to give workers or businesses adequate guidance as to who is an employee and who is an independent contractor. Unfortunately, this lack of decisive congressional action combined with aggressive dislike of independent contractors by the Internal Revenue Service has subjected many businesses to abusive audits and unfair penalties. In effect, our Government is killing the independent contractor.

Mr. President, I rise today with my colleague from Missouri, Senator BOND, to introduce the Independent Contractor Tax Simplification Act. This legislation is the Senate companion of a H.R. 1972, a bill introduced last

year by Congressman Jon Christensen which now has 215 cosponsors. Our bill, which is supported by over 50 trade and industry associations, cuts through the horrendously complicated and ambiguous current law rules and provides relief and confidence to independent contractors and service recipients alike.

Why is congressional action needed, Mr. President? In the mid-1970's, the IRS undertook a major initiative to reclassify workers as employees. In response to the tremendous outcry from business owners, Congress in 1978 enacted what was intended to be a temporary solution, the section 530 safe harbor provisions. Section 530 prohibited the IRS from reclassifying workers as employees if the employer had a reasonable basis for treatment of the workers as independent contractors, or if a past IRS audit did not dispute the workers' classification.

So for two decades, independent contractor status has been controlled by this temporary solution, related IRS rulings, judicial precedent, and legislation targeted at specific industries. Those contractors and businesses who are unable to rely upon section 530 are subjected to a 20-point command law test which attempts to define an employer's control over workers. This common law test is the bane of employers and workers across the country, and is at the heart of the problems my legislation intends to address. The General Accounting Office calls the common law test "unclear and subject to conflicting interpretations". Even the Treasury Department has testified that "applying the common law test in employment tax issues does not yield clear, consistent, or even satisfactory answers, and reasonable persons may differ as to the correct classification".

The horror stories surrounding this issue are numerous and disturbing, Mr. President. Last year, "NBC Nightly News" ran a story on two business owners who are facing hundreds of thousands of dollars in back taxes and penalties because the IRS decided to reclassify their independent contractors as employees. One of these citizens, who owns a travel agency, received a bill for almost \$200,000 in back taxes, penalties, and interest, despite the fact that his independent contractors had already paid their taxes! Mr. President, a \$200,000 tax bill will close the doors of most small businesses.

According to the NBC report, the IRS has used these worker classification audits to collect more than three-quarters of a billion dollars from business owners over the last 7 years in disputed employment taxes, even though many of the independent contractors had already paid these taxes.

The Independent Contractor Tax Simplification Act replaces the complicated and arbitrary common law test with a simple definition of who is not an employee.

To qualify for independent contractor status, my legislation requires the service provider to have a significant

investment in assets and/or training, or incur significant unreimbursed expenses, or agree to perform the service for a particular amount of time or to, complete a specific result and is liable for damages for early termination without cause, or be paid primarily on a commissioned or per-unit basis, or purchase products for resale.

Further, under my legislation the service provider must have a principal place of business, or not primarily provide the service in the recipient's facilities unless the provider is paying a fair market rent for their use, or operate primarily from equipment not supplied by the service recipient or not be required to perform service exclusively for the service recipient, and have recently performed a significant amount of service for other persons, or have offered to perform service for other persons through advertising, individual solicitations, listing with registries, et cetera or other similar activities, or have provided service under a registered or licensed business name.

Finally, Mr. President, my legislation requires businesses and independent contractors to enter into a written contract and comply with all applicable IRS reporting requirements to ensure that payments to independent contractors are properly reported in order to prevent taxpayer arbitrage.

I would like to stress, Mr. President, that this legislation is not a comprehensive rewrite of all independent contractor law. It is very difficult to address all worker classification issues in one bill, because there is an unlimited number of employment situations and each one presents different challenges. Further, many individuals, businesses, and trade associations have resolved their problems with the IRS, and they fear that a comprehensive change in the law will force them to renew old arguments with the Government or impose unwanted conditions on their employment practices, such as tax withholding. The Independent Contractor Tax Simplification Act will benefit those businesses and contractors who have not resolved their status with the IRS, while preserving current law for those who are satisfied with it.

Mr. President, it is not fair to business, nor is it conducive to the entrepreneurial spirit of this country, to leave the question of worker classification up to the whim of the IRS. The importance and timeliness of this issue was made clear last summer when delegates to the White House Conference on Small Business made clarifying independent contractor rules their No. 1 small business priority. I believe Congress should act decisively to recognize the importance of independent contractors, and I invite my colleagues to join me in this initiative.

By Mr. MCCONNELL:

S. 1611. A bill to establish the Kentucky National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

THE KENTUCKY NATIONAL WILDLIFE REFUGE  
AUTHORIZATION ACT

• Mr. McCONNELL. Mr. President, I introduce a bill to establish the Kentucky National Wildlife Refuge. The designation will give Kentucky something that 49 other States have enjoyed for a long time: its own national wildlife refuge. What this means to my State is new tourism opportunities and a pristine environmental preserve that will be part of our legacy to future generations.

Nearly 100 years ago, President Theodore Roosevelt established the National Wildlife Refuge System to protect our Nation's open lands, water, and wildlife for the future. It was one of the first Federal environmental programs in our history.

Today, the National Wildlife Refuge System is made up of 571 refuges in 49 States and U.S. Territories, totaling nearly 92 million acres of the Nation's best wildlife habitat. Until now, Kentucky has been the only State without its own independently managed refuge.

The legislation I am proposing will authorize the U.S. Fish and Wildlife Service to purchase up to 20,000 acres in western Kentucky located in the east fork of the Clarks River. This site, located near Benton, is the only major bottomland hardwood area remaining in western Kentucky.

Once established, the Kentucky National Wildlife Refuge will showcase a unique ecosystem, protecting wildlife and offering a variety of educational opportunities for the public. This refuge will also provide recreational activities, including bird-watching, hiking, hunting, and the fishing.

The refuge area is situated on an important migratory fly-way and breeding area for a variety of waterfowl. A large number of migratory birds including wood ducks, song birds, and the threatened bald eagle make their home here. The hardwood forests make an ideal habitat for numerous woodpeckers, hawks, and the eastern wild turkey. Other wildlife which would thrive in this area include deer, beavers, otters, and bobcats.

For visitors, the refuge is conveniently located near Paducah, Mayfield, Murray, and Benton, and is just 15 miles from Land Between the Lakes, which draws nearly 2 million visitors a year. This refuge is ideally suited to serve surrounding schools, recreational hikers, and hunters. The Clarks River will also appeal to those who enjoy canoeing and fishing as well.

In addition to the environmental and educational benefits, the designation of the Kentucky Wildlife Refuge will also provide a significant economic boost to the area. The creation of Kentucky's first refuge will help keep tourist dollars in the State. A perfect example of this is a trip, planned by the Louisville Zoo, to a National Wildlife Refuge in Tennessee. This trip is for Kentuckians who are interested in eagle-watching. By creating a Kentucky wildlife refuge, people who are interested in outdoor

activities would have an opportunity here in Kentucky—something that nature lovers and the State would benefit from.

I have worked hard to ensure that my proposal is fair in protecting the rights of individual landowners, while preserving this important habitat. Contained in my bill is language to ensure that the acquisition of refuge lands will be from willing sellers, donations, or exchanges only.

I am sensitive to the property rights and concerns of local landowners; and for this reason I will closely follow the project to ensure that their rights are protected.

I have also worked closely with the Kentucky Farm Bureau to guarantee that the management of the refuge will not impact surrounding farmers or unduly restrict agricultural activities. I am confident that both agricultural interests and conservation interests can exist side-by-side in this region.

Finally, it is deeply gratifying to have such a broad array of support for my proposal, including State and local public officials, conservation groups, and sportsmen. I would like to commend Tom Bennett, commissioner of the Kentucky Department of Fish and Wildlife Resources, and his staff, for their efforts to establish consensus among the various groups. This refuge could never have been established without the strong support of people like Tom, as well as the cooperation we have received from the surrounding communities.

It has been 92 years since Teddy Roosevelt created the National Wildlife Refuge System. The time is long overdue for Kentucky to join that system at last.

Mr. President, I ask unanimous consent that a text of the bill be printed in the RECORD and a list of organizations and individuals who have endorsed the creation of the wildlife refuge also be printed in the RECORD.

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

S. 1611

*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 "Kentucky National Wildlife Refuge Authorization Act".

**SEC. 2. FINDINGS.**

Congress finds that—

(1) the area known as the Clarks River Basin, consisting of 20,000 acres of bottomland hardwood and associated wetlands along the Clarks River and the East Fork of the Clarks River in Graves, Marshall, and McCracken Counties, Kentucky, is of critical importance to a variety of migratory and resident waterfowl, neotropical migratory birds, forest wildlife, and riverine species, and a wide array of other species associated with bottomland communities;

(2) the area is the only major, natural (unchannelized) bottomland hardwood wetland ecosystem remaining in western Kentucky and attracts wintering migratory waterfowl, neotropical migratory birds, and an array of raptors;

(3) the area provides extraordinary recreational, research, and educational opportunities for students, scientists, birdwatchers, wildlife observers, hunters, anglers, hikers, and nature photographers;

(4) the area is an internationally significant environmental resource that is unprotected and requires active management to prevent vegetative encroachment and to otherwise protect and enhance the value of the area as fish and wildlife habitat;

(5) the Clarks River Basin has been identified in the preliminary project proposal plan for the establishment of the Kentucky National Wildlife Refuge, prepared by the United States Fish and Wildlife Service (Southeast Region), as an area deserving permanent protection; and

(6) since agriculture and silviculture are essential to the economies of Graves, Marshall, and McCracken Counties and can contribute to healthy ecosystems for wildlife, the refuge should not restrict agricultural and silvicultural activities on private lands.

**SEC. 3. PURPOSE.**

The purpose of this Act is to establish the Kentucky National Wildlife Refuge to be managed—

(1) to conserve fish and wildlife populations and the habitats of the populations, including habitats of bald eagles, golden eagles, Indiana bats, wood ducks, neotropical migratory birds, shorebirds, and other migratory birds;

(2) to preserve and showcase the concepts of biodiversity and ecosystem management;

(3) to enhance and provide a vital link to public areas containing habitat managed for waterfowl and other migratory birds;

(4) to fulfill international treaty obligations of the United States with regard to fish and wildlife and the habitats of the fish and wildlife;

(5) to restore and maintain the physical and biological integrity of wetlands and other waters within the refuge;

(6) to conserve species known to be threatened with extinction; and

(7) to provide opportunities for scientific research, environmental education, and fish- and wildlife-associated recreation (including hunting, trapping, and fishing) and access to the extent compatible with the management purposes specified in paragraphs (1) through (6).

**SEC. 4. DEFINITIONS.**

In this Act:

(1) LAND.—The term "land" includes an interest in land.

(2) REFUGE.—The term "refuge" means the Kentucky National Wildlife Refuge established under section 5.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service.

(4) WATER.—The term "water" includes an interest in water.

**SEC. 5. ESTABLISHMENT OF REFUGE.**

(a) ESTABLISHMENT.—In accordance with this Act, the Secretary shall establish a staffed and fully functional national wildlife refuge to be known as the "Kentucky National Wildlife Refuge".

(b) BOUNDARY DESIGNATION.—The Secretary shall—

(1) consult with appropriate State and local officials, private conservation organizations, and other interested parties in designating the boundaries of the refuge, which shall comprise approximately 20,000 acres;

(2) prepare a detailed map depicting the boundaries designated under paragraph (1), which shall be on file and available for public inspection at offices of the United States Fish and Wildlife Service; and

(3) include in the boundaries of the refuge the lands, aquatic systems, wetlands, and



waters depicted on the maps prepared under paragraph (2).

(c) **BOUNDARY REVISIONS.**—The Secretary may make such minor revisions in the boundaries designated under subsection (b) as are necessary to carry out the purpose of the refuge and to facilitate the acquisition of property within the refuge.

(d) **ACQUISITION.**—To the extent authorized under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 et seq.), the Migratory Bird Conservation Act (16 U.S.C. 715 et seq.), the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3901 et seq.), and other laws, the Secretary may acquire for inclusion in the refuge, by purchase from willing sellers, donation, or exchange, lands and waters (including permanent conservation easements) within the boundaries designated under subsection (b). All lands and waters so acquired shall become part of the refuge.

(e) **OPERATION AND MAINTENANCE.**—The Secretary shall construct such office, maintenance, and support facilities as are necessary for the operation and maintenance of the refuge.

#### SEC. 6. ADMINISTRATION.

(a) **GENERAL ADMINISTRATIVE AUTHORITY.**—The Secretary shall administer all lands and waters acquired under section 5 in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

(b) **OTHER ADMINISTRATIVE AUTHORITY.**—Consistent with subsection (a) and to carry out the purpose of the refuge, the Secretary may use such additional authority as is available to the Secretary for the conservation and development of fish, wildlife, and natural resources, the development of outdoor recreational opportunities (including hunting, trapping, and fishing), and interpretative education.

(c) **MANAGEMENT PLAN.**—

(1) **IN GENERAL.**—Not later than 18 months after the date of enactment of this Act, the Secretary shall prepare a comprehensive management plan for the development and operation of the refuge that shall include—

(A) refuge management priorities and strategies;

(B) the planning and design of observation points, trails, and access points, including parking and other necessary facilities; and

(C) such provisions as are necessary to ensure that—

(i) no activity carried out in the refuge will result in the obstruction of the flow of water so as to affect any private land adjacent to the refuge; and

(ii) no buffer zone regulating any land use (other than hunting and fishing) is established.

(2) **PUBLIC PARTICIPATION.**—

(A) **IN GENERAL.**—The Secretary shall provide opportunity for public participation in developing the management plan.

(B) **LOCAL ENTITIES.**—The Secretary shall give special consideration to means by which the participation and contributions of local public and private entities in developing and implementing the management plan can be encouraged.

(d) **OUTREACH AND EDUCATION.**—The Secretary shall work with, provide technical assistance to, provide community outreach and education programs for or with, or enter into cooperative agreements with private landowners, State and local governments or agencies, and conservation organizations to further the purpose for which the refuge is established.

#### SEC. 7. GIFTS.

As soon as practicable after the date of enactment of this Act, the Director of the

United States Fish and Wildlife Service shall request that the National Fish and Wildlife Foundation established under the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701 et seq.) take such measures as the Foundation considers appropriate to encourage, accept, and administer private gifts of property or funds to further the purpose of this Act.

#### SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

#### ORGANIZATIONS THAT HAVE ENDORSED THE CREATION OF THE KENTUCKY NATIONAL WILDLIFE REFUGE

Appalachia Science in the Public Interest.  
Association of Chenoweth Run Environmentalists.

Audubon Society of Kentucky.  
Bell County Beautification Association.  
Berea College Biology Club.  
Brushy Fork Water Watch.  
Community Farm Alliance.

Daviess County Audubon Society & Kentucky Ornithological Society.

Department of Parks  
Eastern KY University Wildlife Society.  
Elkhorn Land & Historic Trust Inc.  
Floyds Fork Environmental Association.  
Friends of Mill Creek.

Gun Powder Creek Water Watch.  
Harlan County Clean Community Association.

Hart County Environmental Group.  
Highlands Group Cumberland Chapter Sierra Club.

Ky Academy of Science.  
Ky Association for Environmental Education.

Ky Audubon Council.  
Ky Citizens Accountability Project.  
Ky Conservation Committee.  
Ky Fish & Wildlife Education & Resource Foundation.

Ky Houndsmen Association.  
Ky Native Plant Society.  
Ky Society of Natural History.  
Ky State Nature Preserve Commission.  
Lake Cumberland Water Watch.

Land & Nature Trust of the Bluegrass.  
League of Ky Sportsman.  
League of Women Voters of Kentucky.  
Leslie County KAB System.

Litter River Audubon Society.  
Louisville Audubon Society.  
Louisville Chapter 476 of Trout Unlimited.  
Louisville Nature Center.  
Madison County Clean Community Committee.

Madison Environment.  
Mall Interiors.  
Midway Area Environmental Committee.  
National Wild Turkey Federation.  
Oldham Community Center & Nature Preserve, Inc.

Petersen's Fault Farm.  
Pleasant Hill Recreation Association.  
Pride Inc.  
Quail Unlimited

Rockcastle River Rebirth.  
Rocky Mountain Elk Foundation.  
Ruddles Mill Conservation Project.  
Scenic Kentucky.

Shelby Clean Community Program.  
Shelby County Clean Community Council.  
Sierra Club Cumberland Chapter.  
Steve & Janet Kistler.

The Nature Conservancy/Kentucky Chapter.

The Wildlife Connection.  
Trout Unlimited/KYOA Chapter.  
Mikeal E. Joseph.  
Paul Garland.  
Paul C. Garland.  
Kathy Zajac.

William S. Bryant.  
Frances Williams.  
The Black Family.●

By Mr. HELMS (for himself, Mr. DOLE, Mr. HATCH, Mr. THURMOND, Mr. FAIRCLOTH, Mr. GRAMM, and Mrs. FEINSTEIN):

S. 1612. A bill to provide for increased mandatory minimum sentences for criminals possessing firearms, and for other purposes; to the Committee on the Judiciary.

#### MANDATORY MINIMUM SENTENCING LEGISLATION

Mr. HELMS. Mr. President, a drug trafficker who in 1992 was convicted in the U.S. District Court for the Eastern District of North Carolina was released from prison 2 days ago, Monday, March 11, as the tragic result of an unfortunate and unwise Supreme Court decision.

Although the drug trafficker had 5 more years to serve, the U.S. Supreme Court, using the flimsiest of reasoning, set this convicted drug trafficker free. So, Mr. President, the bill I am introducing today will prevent future criminals from being set free. I am advised that my bill is being numbered S. 1612.

Mr. President, S. 1612 provides that a 10-year minimum mandatory sentence shall be imposed upon any criminal possessing a gun during and in relation to the commission of a violent or drug trafficking crime. This, of course, does not apply to lawful possession of a gun.

This bill will obviously crack down on gun-toting thugs who commit violent felonies and drug trafficking offenses and other felonies. Moreover, it will ensure that criminals possessing a firearm while committing a violent or drug trafficking felony shall receive a stiff punishment.

This is just common sense, Mr. President; violent felons who possess firearms are more dangerous than those who do not.

Current Federal law provides that a person who, during a Federal crime of violence or drug trafficking crime, uses or carries a firearm shall be sentenced to 5 years in prison. That law has been used effectively by Federal prosecutors across the country to add 5 additional years to the prison sentences of criminals who use or carry firearms.

However, a recent U.S. Supreme Court decision threatens to undermine the efforts of prosecutors to use this statute effectively. The Supreme Court's decision, *Bailey versus United States*, interpreted the law to require that a violent felon actively employ a firearm as a precondition of receiving an additional 5 year sentence. The Court in *Bailey* held that the firearm must be brandished, fired or otherwise actively used before the additional 5 year sentence may be imposed. So if a criminal merely possesses a firearm, but does not fire or otherwise use it, he gets off without the additional 5 year penalty.

Mr. President, this Supreme Court decision poses serious problems for law enforcement. It weakens the Federal

criminal law; it is leading to the early release of hundreds of violent criminals. Before this Supreme Court's error of judgment, in the Bailey versus U.S. decision, armed criminals committing violent or drug trafficking felonies were jailed for an additional 5 years, regardless of whether they actively employed their weapons. Now, as a result of the Court's decision, the prison revolving door is in full swing. Yet another roadblock has been erected between a savage criminal act and swift, certain punishment.

Mr. President, now that the word is out, prisoners already are preparing and filing motions to get out of jail as fast as they can write. U.S. attorneys are receiving petitions from criminals every day—for example consider the case of Lancelot Martin, who ran a drug trafficking operation out of Raleigh, NC: In 1992, Martin had attempted to use the U.S. Postal Service to receive and sell drugs. Martin was arrested by a Raleigh crime task force. The authorities obtained a warrant, searched his apartment, seized his drugs and recovered a 9 mm. semi-automatic pistol that Martin used to protect his drug business.

Martin was convicted of drug trafficking charges and received a 5 year sentence for using the gun. But Monday, well before his sentence expired, Martin walked free, simply because his gun and a hefty supply of drugs were found—but the Court somehow held that the gun was not actively employed during his drug trafficking crime.

So, Mr. President, my bill will ensure that future criminals possessing guns, like Lancelot Martin, serve real time when they use a gun in furtherance of a violent or drug trafficking crime. There are many other examples similar to the episode involving Lancelot Martin.

As a result of the Court's decision, any thug who hides a gun under the back seat of his car, or who stashes a gun with his drugs, may now get off with a slap on the wrist. Or if a criminal stores a sub-machinegun in a crack-house where he runs a drug trafficking operation, he can now avoid the additional penalty. The fact is, Mr. President, that firearms are the tools of the trade of most drug traffickers. Weapons clearly facilitate the criminal transactions and embolden violent thugs to commit their crimes.

I believe that mere possession of a firearm, during the commission of a violent felony—even if the weapon is not actively used—should nonetheless be punished—because of the heightened risk of violence when firearms are present. In its opinion, the Supreme Court observed, "Had Congress intended possession alone to trigger liability . . . it easily could have so provided." That, Mr. President, is precisely the intent of this legislation—to make clear that "possession alone" does indeed "trigger liability."

This legislation will increase the mandatory—repeat, mandatory—sen-

tences for violent armed felons from 5 to 10 years—and if the firearm is discharged, the term of imprisonment is 20 years. This legislation also increases to 25 years the mandatory sentences for second and subsequent offenses.

Mr. President, this bill is a necessary and appropriate response to the Supreme Court's judicial limitation of the mandatory penalty for gun-toting criminals. According to Sentencing Commission statistics, more than 9,000 armed violent felons were convicted from April, 1991, through October, 1995. In North Carolina alone, this statute was used to help imprison over 800 violent criminals. We must strengthen law enforcement's ability to use this strong anticrime provision.

Fighting crime is, and should be, a top concern in America. It has been estimated that in the United States one violent crime is committed every 16 seconds. And with youth-related violent crime at an all-time high, we must fight back with the most severe punishment possible for those who terrorize law-abiding citizens.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1612

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

**SECTION 1. INCREASED MANDATORY MINIMUM SENTENCES FOR CRIMINALS POSSESSING FIREARMS.**

Section 924(c)(1) of title 18, United States Code, is amended to read as follows:

"(c)(1)(A) Except to the extent a greater minimum sentence is otherwise provided by any other provision of this subsection or any other law, a person who, during and in relation to any crime of violence or drug trafficking crime (including a crime of violence or drug trafficking crime which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device) for which a person may be prosecuted in a court of the United States, possesses a firearm shall, in addition to the punishment provided for such crime of violence or drug trafficking crime—

"(i) be punished by imprisonment for not less than 10 years;

"(ii) if the firearm is discharged, be punished by imprisonment for not less than 20 years; and

"(iii) if the death of a person results, be punished by the death penalty or by imprisonment for not less than life.

"(B) If the firearm possessed by a person convicted under this subsection is a machinegun or a destructive device, or is equipped with a firearm silencer or firearm muffler, such person shall be sentenced to imprisonment for not less than 30 years.

"(C) In the case of a second or subsequent conviction under this subsection, such person shall be sentenced to imprisonment for not less than 25 years, and if the firearm is a machinegun or a destructive device, or is equipped with a firearm silencer or firearm muffler, to life imprisonment without release.

"(D) Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person convicted of a violation of this subsection, nor

shall the term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment including that imposed for the crime of violence or drug trafficking crime in which the firearm was possessed."

**ADDITIONAL COSPONSORS**

S. 581

At the request of Mr. FAIRCLOTH, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 581, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal those provisions of Federal law that require employees to pay union dues or fees as a condition of employment, and for other purposes.

S. 942

At the request of Mr. BOND, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 942, a bill to promote increased understanding of Federal regulations and increased voluntary compliance with such regulations by small entities, to provide for the designation of regional ombudsmen and oversight boards to monitor the enforcement practices of certain Federal agencies with respect to small business concerns, to provide relief from excessive and arbitrary regulatory enforcement actions against small entities, and for other purposes.

S. 948

At the request of Mr. DORGAN, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 948, a bill to encourage organ donation through the inclusion of an organ donation card with individual income refund payments, and for other purposes.

S. 953

At the request of Mr. DOLE, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 953, a bill to require the Secretary of the Treasury to mint coins in commemoration of black revolutionary war patriots.

At the request of Mr. CHAFEE, the names of the Senator from Georgia [Mr. COVERDELL], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 953, supra.

S. 1483

At the request of Mr. KYL, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1483, a bill to control crime, and for other purposes.

**SENATE CONCURRENT RESOLUTION 43**

At the request of Mr. THOMAS, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Concurrent Resolution 43, a concurrent resolution expressing the sense of the Congress regarding proposed missile tests by the People's Republic of China.

## SENATE RESOLUTION 226

At the request of Mr. DOMENICI, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of Senate Resolution 226, a resolution to proclaim the week of October 13, through October 19, 1996, as "National Character Counts Week."

## SENATE CONCURRENT RESOLUTION 46—RELATIVE TO THE LATE ISRAELI PRIME MINISTER RABIN

Mr. INOUE (for himself, Mr. D'AMATO, Mr. SIMPSON, Mr. SMITH, Mr. MACK, Mr. CONRAD, Mr. FORD, Mr. MCCONNELL, Mr. HELMS, Mr. HEFLIN, Mr. STEVENS, Mr. DOMENICI, Mr. WARNER, Mr. GRAHAM, and Mr. CRAIG) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

## S. CON. RES. 46

Whereas the late Prime Minister Rabin was an outstanding Ambassador during his service in the United States;

Whereas the late Israeli Prime Minister Yitzhak Rabin was a chief architect of the military and nonmilitary ties between the United States and Israel;

Whereas the late Prime Minister Rabin was one of the leading and more consistent and reliable friends of the United States in the world;

Whereas the late Prime Minister Rabin was a cornerstone of the alliance between the United States and Israel in the face of terrorism and radicalism;

Whereas the late Prime Minister Rabin strengthened the values of democracy, pluralism, and market economy, which are at the foundation of both the United States and Israel;

Whereas the late Prime Minister Rabin, the courageous warrior, dedicated most of his life to Israel's independence and security;

Whereas the late Prime Minister Rabin devoted the latter part of his life to the pursuit of lasting peace between Israel and its neighbors;

Whereas the American Promenade in Israel is a privately funded project, expressing Israel's appreciation toward the United States and commemorating the unique bonds of friendship between the two countries;

Whereas the American Promenade had earned the bipartisan support of the top Israeli leadership, including the late Prime Minister Rabin, Prime Minister Shimon Peres, former Prime Minister Yitzhak Shamir, and Likud Chairman Benjamin Netanyahu, as well as the leadership of the United States Congress;

Whereas the American Promenade will consist of 50 marble, 20 foot high monuments bearing the flags and the official seals of the 50 States of this country and the United States-Israel Friendship Botanical Garden, featuring biblical and State trees and flowers; and

Whereas the late Prime Minister Rabin served as the Honorary Chairman of the American Promenade: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring), That—*

(1) the Congress expresses its admiration of the legacy of the late Israeli Prime Minister Yitzhak Rabin and his contribution to the special relationship between the United States and Israel; and

(2) it is the sense of the Congress that the American Promenade in Israel be named in memory of Prime Minister Yitzhak Rabin as

an extraordinary leader who served the cause of peace and who furthered the special relationship between the United States and Israel.

## AMENDMENTS SUBMITTED

## THE 1996 BALANCED BUDGET DOWN PAYMENT ACT, II

MCCONNELL (AND OTHERS)  
AMENDMENT NO. 3480

Mr. DOLE (for Mr. MCCONNELL for himself, Mr. DOLE, Mr. BENNETT, Mrs. HUTCHISON, Mr. FAIRCLOTH, Mr. MCCAIN, Mr. D'AMATO, and Mr. BURNS) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill (H.R. 3019) making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes; as follows:

No funds may be provided under this Act until the President certifies to the Committee on Appropriations that:

(1) The Federation of Bosnia and Herzegovina is in full compliance with Article III, Annex 1A of the Dayton Agreement; and

(2) Intelligence cooperation between Iranian officials and Bosnian officials has been terminated.

MCCONNELL (AND OTHERS)  
AMENDMENT NO. 3481

Mr. DOLE (for Mr. MCCONNELL for himself, Mr. DOLE, Mrs. HUTCHISON, Mr. FAIRCLOTH, Mr. MCCAIN, Mr. D'AMATO, and Mr. BURNS) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

On page 751, section entitled "Agency for International Development, Assistance for Eastern Europe and the Baltics," insert at the appropriate place, the following: "Provided further, That funds appropriated by this Act may only be made available for projects, activities, or programs within the sector assigned to American forces of the NATO military Implementation Force (IFOR) and Sarajevo: *Provided further*, That Priority consideration shall be given to projects and activities designated in the IFOR "Task Force Eagle civil military project list": *Provided further*, That No funds made available under this Act, or any other Act, may be obligated for the purposes of rebuilding or repairing housing in areas where refugees or displaced persons are refused the right of return due to ethnicity or political party affiliation: *Provided further*, That No funds may be made available under this heading in this Act, or any other Act, to any banking or financial institution in Bosnia and Herzegovina unless such institution agrees in advance, and in writing, to allow the United States General Accounting Office access for the purposes of audit of the use of U.S. assistance: *Provided further*, That effective ninety days after the date of enactment of this Act, none of the funds appropriated under this heading may be made available for the purposes of economic reconstruction in Bosnia and Herzegovina unless the President determines and certifies in writing to the Committees on Appropriations that the bilateral contributions pledged by non-U.S. donors are at

least equivalent to the U.S. bilateral contributions made under this Act and in the FY 1995 and FY 1996 Foreign Operations, Export Financing and Related Programs Appropriations bills.

LAUTENBERG (AND OTHERS)  
AMENDMENT NO. 3482

Mr. LAUTENBERG (for himself, Ms. MIKULSKI, Mr. DASCHLE, Mr. LIEBERMAN, Mr. KENNEDY, Mr. LEVIN, Mr. WELLSTONE, Mrs. BOXER, and Mr. LEAHY) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

On page 781, between lines 4 and 5, insert the following:

## TITLE V—ENVIRONMENTAL INITIATIVES

CHAPTER 1—RESTORATIONS FOR  
PRIORITY ENVIRONMENT PROGRAMS  
DEPARTMENT OF THE INTERIOR AND  
RELATED AGENCIES

## NATIONAL PARK SERVICE

## OPERATION OF THE NATIONAL PARK SYSTEM

In addition to funds provided elsewhere in this Act, \$72,137,000, to remain available until December 31, 1996.

## DEPARTMENT OF AGRICULTURE

## STATE AND PRIVATE FORESTRY

An additional \$14,500,000 for the stewardship incentive program.

## DEPARTMENT OF ENERGY

## ENERGY CONSERVATION

In addition to funds provided elsewhere in this Act, \$75,000,000, to remain available until expended.

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

An additional \$5,000,000 for the Agricultural Research Service for the purpose of carrying out additional research related to a replacement for methyl bromide.

DEPARTMENTS OF VETERANS AFFAIRS  
AND HOUSING AND URBAN DEVELOPMENT,  
AND INDEPENDENT AGENCIES

## ENVIRONMENTAL PROTECTION AGENCY

## SCIENCE AND TECHNOLOGY

In addition to funds provided elsewhere in this Act, \$37,000,000, to remain available until September 30, 1997.

## ENVIRONMENTAL PROGRAMS AND MANAGEMENT

In addition to funds provided elsewhere in this Act, \$148,000,000, to remain available until September 30, 1997.

## BUILDINGS AND FACILITIES

In addition to funds provided elsewhere in this Act, \$50,000,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, EPA is authorized to establish and construct a consolidated research facility at Research Triangle Park, North Carolina, at a maximum total construction cost of \$232,000,000, and to obligate such monies as are made available by this Act, and hereafter, for this purpose.

## HAZARDOUS SUBSTANCE SUPERFUND

In addition to funds provided elsewhere in this Act, \$50,000,000, to remain available until expended, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101-508.

## STATE AND TRIBAL ASSISTANCE GRANTS

In addition to funds provided elsewhere in this Act, \$440,000,000, to remain available until expended, of which \$365,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing, and \$75,000,000 shall be for

making grants for the construction of wastewater treatment facilities for municipalities discharging into Boston Harbor in accordance with the terms and conditions specified for Boston Harbor grants in the Conference Report accompanying H.R. 2099: *Provided*, That of the additional \$365,000,000 for capitalization grants for State revolving funds, \$175,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by June 1, 1996, these funds shall immediately be available for making capitalization grants under Title VI of the Federal Water Pollution Control Act, as amended.

## CHAPTER 2—SPENDING OFFSETS

### Subchapter A—Debt Collection

#### SEC. 5101. SHORT TITLE.

This subchapter may be cited as the "Debt Collection Improvement Act of 1996".

#### SEC. 5102. EFFECTIVE DATE.

Except as otherwise provided in this subchapter, the provisions of this subchapter and the amendments made by this subchapter shall be effective on the date of enactment of this Act.

## PART I—GENERAL DEBT COLLECTION INITIATIVES

### Subpart A—General Offset Authority

#### SEC. 5201. ENHANCEMENT OF ADMINISTRATIVE OFFSET AUTHORITY.

(a) Section 3701(c) of title 31, United States Code, is amended to read as follows:

"(c) In sections 3716 and 3717 of this title, the term 'person' does not include an agency of the United States Government, or of a unit of general local government."

(b) Section 3716 of title 31, United States Code, is amended—

(1) by amending subsection (b) to read as follows:

"(b) Before collecting a claim by administrative offset, the head of an executive, legislative, or judicial agency must either—

"(1) adopt regulations on collecting by administrative offset promulgated by the Department of Justice, the General Accounting Office and/or the Department of the Treasury without change; or

"(2) prescribe independent regulations on collecting by administrative offset consistent with the regulations promulgated under paragraph (1).";

(2) by amending subsection (c)(2) to read as follows:

"(2) when a statute explicitly prohibits using administrative 'offset' or 'setoff' to collect the claim or type of claim involved.";

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following new subsection:

"(c)(1)(A) Except as provided in subparagraph (B) or (C), a disbursing official of the Department of the Treasury, the Department of Defense, the United States Postal Service, or any disbursing official of the United States designated by the Secretary of the Treasury, is authorized to offset the amount of a payment which a payment certifying agency has certified to the disbursing official for disbursement by an amount equal to the amount of a claim which a creditor agency has certified to the Secretary of the Treasury pursuant to this subsection.

"(B) An agency that designates disbursing officials pursuant to section 3321(c) of this title is not required to certify claims arising out of its operations to the Secretary of the Treasury before such agency's disbursing officials offset such claims.

"(C) Payments certified by the Department of Education under a program administered by the Secretary of Education under title IV of the Higher Education Act of 1965, as amended, shall not be subject to offset under this subsection.

"(2) Neither the disbursing official nor the payment certifying agency shall be liable—

"(A) for the amount of the offset on the basis that the underlying obligation, represented by the payment before the offset was taken, was not satisfied; or

"(B) for failure to provide timely notice under paragraph (8).

"(3)(A) Notwithstanding any other provision of law (including sections 207 and 1631(d)(1) of the Act of August 14, 1935 (42 U.S.C. 407 and 1383(d)(1)), section 413(b) of Public Law 91-173 (30 U.S.C. 923(b)), and section 14 of the Act of August 29, 1935 (45 U.S.C. 231m)), all payments due under the Social Security Act, Part B of the Black Lung Benefits Act, or under any law administered by the Railroad Retirement Board shall be subject to offset under this section.

"(B) An amount of \$10,000 which a debtor may receive under Federal benefit programs cited under subparagraph (A) within a 12-month period shall be exempt from offset under this subsection. In applying the \$10,000 exemption, the disbursing official shall—

"(i) apply a prorated amount of the exemption to each periodic benefit payment to be made to the debtor during the applicable 12-month period; and

"(ii) consider all benefit payments made during the applicable 12-month period which are exempt from offset under this subsection as part of the \$10,000 exemption.

For purposes of the preceding sentence, the amount of a periodic benefit payment shall be the amount after any reduction or deduction required under the laws authorizing the program under which such payment is authorized to be made (including any reduction or deduction to recover any overpayment under such program).

"(C) The Secretary of the Treasury shall exempt means-tested programs when notified by the head of the respective agency. The Secretary may exempt other payments from offset under this subsection upon the written request of the head of a payment certifying agency. A written request for exemption of other payments must provide justification for the exemption under the standards prescribed by the Secretary. Such standards shall give due consideration to whether offset would tend to interfere substantially with or defeat the purposes of the payment certifying agency's program.

"(D) The provisions of sections 205(b)(1) and 1631(c)(1) of the Social Security Act shall not apply to any offset executed pursuant to this section against benefits authorized by either title II or title XVI of the Social Security Act.

"(4) The Secretary of the Treasury is authorized to charge a fee sufficient to cover the full cost of implementing this subsection. The fee may be collected either by the retention of a portion of amounts collected pursuant to this subsection, or by billing the agency referring or transferring the claim. Fees charged to the agencies shall be based only on actual offsets completed. Fees charged under this subsection concerning delinquent claims may be considered as costs pursuant to section 3717(e) of this title. Fees charged under this subsection shall be deposited into the 'Account' determined by the Secretary of the Treasury in accordance with section 3711(g) of this title, and shall be collected and accounted for in accordance with the provisions of that section.

"(5) The Secretary of the Treasury may disclose to a creditor agency the current address of any payee and any data related to certifying and authorizing such payment in accordance with section 552a of title 5, United States Code, even when the payment has been exempt from offset. Where payments are made electronically, the Secretary is authorized to obtain the current address of the

debtor/payee from the institution receiving the payment. Upon request by the Secretary, the institution receiving the payment shall report the current address of the debtor/payee to the Secretary.

"(6) The Secretary of the Treasury is authorized to prescribe such rules, regulations, and procedures as the Secretary of the Treasury deems necessary to carry out the purposes of this subsection. The Secretary shall consult with the heads of affected agencies in the development of such rules, regulations, and procedures.

"(7)(A) Any Federal agency that is owed by a named person a past-due legally enforceable non-tax debt that is over 180 days delinquent (other than any past-due support), including non-tax debt administered by a third party acting as an agent for the Federal Government, shall notify the Secretary of the Treasury of all such non-tax debts for purposes of offset under this subsection.

"(B) An agency may delay notification under subparagraph (A) with respect to a debt that is secured by bond or other instruments in lieu of bond, or for which there is another specific repayment source, in order to allow sufficient time to either collect the debt through normal collection processes (including collection by internal administrative offset) or render a final decision on any protest filed against the claim.

"(8) The disbursing official conducting the offset shall notify the payee in writing of—

"(A) the occurrence of an offset to satisfy a past-due legally enforceable debt, including a description of the type and amount of the payment otherwise payable to the debtor against which the offset was executed;

"(B) the identity of the creditor agency requesting the offset; and

"(C) a contact point within the creditor agency that will handle concerns regarding the offset."

Where the payment to be offset is a periodic benefit payment, the disbursing official shall take reasonable steps, as determined by the Secretary of the Treasury, to provide the notice to the payee not later than the date on which the payee is otherwise scheduled to receive the payment, or as soon as practical thereafter, but no later than the date of the offset. Notwithstanding the preceding sentence, the failure of the debtor to receive such notice shall not impair the legality of such offset.

"(9) A levy pursuant to the Internal Revenue Code of 1986 shall take precedence over requests for offset received from other agencies."

(c) Section 3701(a) of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(8) 'non-tax claim' means any claim from any agency of the Federal Government other than a claim by the Internal Revenue Service under the Internal Revenue Code of 1986."

#### SEC. 5202. HOUSE OF REPRESENTATIVES AS LEGISLATIVE AGENCY.

(a) Section 3701 of title 31, United States Code, is amended by adding at the end the following new subsections:

"(e) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against United States Government), the United States House of Representatives shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Clerk of the House of Representatives shall be deemed to be the head of such legislative agency.

"(f) Regulations prescribed by the Clerk of the House of Representatives pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Committee on Rules of the House of Representatives."

**SEC. 5203. EXEMPTION FROM COMPUTER MATCHING REQUIREMENTS UNDER THE PRIVACY ACT OF 1974.**

Section 552a(a) of title 5, United States Code, is amended in paragraph (8)(B)—

(1) by striking "or" at the end of clause (vi);

(2) by inserting "or" at the end of clause (vi); and

(3) by adding after clause (vii) the following new clause:

"(viii) matches for administrative offset or claims collection pursuant to subsection 3716(c) of title 31, section 5514 of this title, or any other payment intercept or offset program authorized by statute;"

**SEC. 5204. TECHNICAL AND CONFORMING AMENDMENTS.**

(a) Title 31, United States Code, is amended—

(1) in section 3322(a), by inserting "section 3716 and section 3720A of this title, section 6331 of title 26, and" after "Except as provided in";

(2) in section 3325(a)(3), by inserting "or pursuant to payment intercepts or offsets pursuant to section 3716 or 3720A, or pursuant to levies executed under section 6331 of the Internal Revenue Code of 1986 (26 U.S.C. 6331)," after "voucher"; and

(3) in sections 3711, 3716, 3717, and 3718, by striking "the head of an executive or legislative agency" each place it appears and inserting instead "the head of an executive, judicial, or legislative agency".

(b) Subsection 6103(l)(10) of title 26, United States Code, is amended—

(1) in subparagraph (A), by inserting "and to officers and employees of the Department of the Treasury in connection with such reduction" adding after "6402"; and

(2) in subparagraph (B), by adding "and to officers and employees of the Department of the Treasury in connection with such reduction" after "agency".

**Subpart B—Salary Offset Authority**

**SEC. 5221. ENHANCEMENT OF SALARY OFFSET AUTHORITY.**

Section 5514 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by adding at the end of paragraph (1) the following: "All Federal agencies to which debts are owed and are delinquent in repayment, shall participate in a computer match at least annually of their delinquent debt records with records of Federal employees to identify those employees who are delinquent in repayment of those debts. Matched Federal employee records shall include, but shall not be limited to, active Civil Service employees government-wide, military active duty personnel, military reservists, United States Postal Service employees, and records of seasonal and temporary employees. The Secretary of the Treasury shall establish and maintain an interagency consortium to implement centralized salary offset computer matching, and promulgate regulations for this program. Agencies that perform centralized salary offset computer matching services under this subsection are authorized to charge a fee sufficient to cover the full cost for such services.";

(B) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(C) by inserting after paragraph (2) the following new paragraph:

"(3) The provisions of paragraph (2) shall not apply to routine intra-agency adjustments of pay that are attributable to clerical or administrative errors or delays in processing pay documents that have occurred within the four pay periods preceding the adjustment and to any adjustment that amounts to \$50 or less, provided that at the time of such adjustment, or as soon thereafter as prac-

tical, the individual is provided written notice of the nature and the amount of the adjustment and a point of contact for contesting such adjustment."; and

(D) by amending paragraph (5)(B) (as redesignated) to read as follows:

"(B) For purposes of this section 'agency' includes executive departments and agencies, the United States Postal Service, the Postal Rate Commission, the United States Senate, the United States House of Representatives, and any court, court administrative office, or instrumentality in the judicial or legislative branches of government, and government corporations.";

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

"(3) For purposes of this section, the Clerk of the House of Representatives shall be deemed to be the head of the agency. Regulations prescribed by the Clerk of the House of Representatives pursuant to subsection (b)(1) shall be subject to the approval of the Committee on Rules of the House of Representatives.

"(4) For purposes of this section, the Secretary of the Senate shall be deemed to be the head of the agency. Regulations prescribed by the Secretary of the Senate pursuant to subsection (b)(1) shall be subject to the approval of the Committee on Rules and Administration of the Senate.";

(3) by adding after subsection (c) the following new subsection:

"(d) A levy pursuant to the Internal Revenue Code of 1986 shall take precedence over requests for offset received from other agencies."

**Subpart C—Taxpayer Identifying Numbers**

**SEC. 5231. ACCESS TO TAXPAYER IDENTIFYING NUMBERS; BARRING DELINQUENT DEBTORS FROM CREDIT ASSISTANCE.**

Section 4 of the Debt Collection Act of 1982 (Public Law 97-365, 96 Stat. 1749, 26 U.S.C. 6103 note) is amended—

(1) in subsection (b), by striking "For purposes of this section" and inserting instead "For purposes of subsection (a)"; and

(2) by adding at the end thereof the following new subsections:

"(c) FEDERAL AGENCIES.—Each Federal agency shall require each person doing business with that agency to furnish to that agency such person's taxpayer identifying number.

"(1) For purposes of this subsection, a person is considered to be 'doing business' with a Federal agency if the person is—

"(A) a lender or servicer in a Federal guaranteed or insured loan program;

"(B) an applicant for, or recipient of—

"(i) a Federal guaranteed, insured, or direct loan; or

"(ii) a Federal license, permit, right-of-way, grant, benefit payment or insurance;

"(C) a contractor of the agency;

"(D) assessed a fine, fee, royalty or penalty by that agency;

"(E) in a relationship with a Federal agency that may give rise to a receivable due to that agency, such as a partner of a borrower in or a guarantor of a Federal direct or insured loan; and

"(F) is a joint holder of any account to which Federal benefit payments are transferred electronically.

"(2) Each agency shall disclose to the person required to furnish a taxpayer identifying number under this subsection its intent to use such number for purposes of collecting and reporting on any delinquent amounts arising out of such persons's relationship with the government.

"(3) For purposes of this subsection:

"(A) The term 'taxpayer identifying number' has the meaning given such term in section 6109 of title 26, United States Code.

"(B) The term 'person' means an individual, sole proprietorship, partnership, corporation, nonprofit organization, or any other form of business association, but with the exception of debtors owing claims resulting from petroleum pricing violations does not include debtors under third party claims of the United States.

"(d) ACCESS TO SOCIAL SECURITY NUMBERS.—Notwithstanding section 552a of title 5, United States Code, creditor agencies to which a delinquent claim is owed, and their agents, may match their debtor records with the Social Security Administration records to verify name, name control, Social Security number, address, and date of birth."

**SEC. 5232. BARRING DELINQUENT FEDERAL DEBTORS FROM OBTAINING FEDERAL LOANS OR LOAN GUARANTEES.**

(a) Title 31, United States Code, is amended by adding after section 3720A the following new section:

**"§ 3720B. Barring delinquent Federal debtors from obtaining Federal loans or loan guarantees"**

"(a) Unless waived by the head of the agency, no person may obtain any Federal financial assistance in the form of a loan or a loan guarantee if such person has an outstanding Federal non-tax debt which is in a delinquent status, as determined under the standards prescribed by the Secretary of the Treasury, with a Federal agency. Any such person may obtain additional Federal financial assistance only after such delinquency is resolved, pursuant to these standards. This section shall not apply to loans or loan guarantees where a statute specifically permits extension of Federal financial assistance to borrowers in delinquent status.

"(b) The head of the agency may delegate the waiver authority described in subsection (a) to the Chief Financial Officer of the agency. The waiver authority may be redelegated only to the Deputy Chief Financial Officer of the agency.

"(c) For purposes of this section, 'person' means an individual; or sole proprietorship, partnership, corporation, non-profit organization, or any other form of business association."

(b) The table of sections for subchapter II of chapter 37 of title 31, United States Code, is amended by inserting after the item relating to section 3720A the following new item:

**Subpart D—Expanding Collection Authorities and Governmentwide Cross-Servicing**

**SEC. 5241. EXPANDING COLLECTION AUTHORITIES UNDER THE DEBT COLLECTION ACT OF 1982.**

(a) Subsection 8(e) of the Debt Collection Act of 1982 (Public Law 97-365, 31 U.S.C. 3701(d) and 5 U.S.C. 5514 note) is repealed.

(b) Section 5 of the Social Security Domestic Employment Reform Act of 1994 (Public Law 103-387) is repealed.

(c) Section 631 of the Tariff Act of 1930 (19 U.S.C. 1631), is repealed.

(d) Title 31, United States Code, is amended—

(1) in section 3701—

(A) by amending subsection (a)(4) to read as follows:

"(4) 'executive, judicial or legislative agency' means a department, military department, agency, court, court administrative office, or instrumentality in the executive, judicial or legislative branches of government, including government corporations.";

(B) by inserting after subsection (c) the following new subsection:

"(d) Sections 3711(f) and 3716-3719 of this title do not apply to a claim or debt under,

or to an amount payable under, the Internal Revenue Code of 1986.”;

(2) by amending section 3711(f) to read as follows:

“(f)(1) When trying to collect a claim of the Government, the head of an executive or legislative agency may disclose to a consumer reporting agency information from a system of records that an individual is responsible for a claim if notice required by section 552a(e)(4) of title 5, United States Code, indicates that information in the system may be disclosed to a consumer reporting agency.

“(2) The information disclosed to a consumer reporting agency shall be limited to—

“(A) information necessary to establish the identity of the individual, including name, address and taxpayer identifying number;

“(B) the amount, status, and history of the claim; and

“(C) the agency or program under which the claim arose.”; and

(3) in section 3718—

(A) in subsection (a), by striking the first sentence and inserting instead the following: “Under conditions the head of an executive, legislative or judicial agency considers appropriate, the head of an agency may make a contract with a person for collection service to recover indebtedness owed, or to locate or recover assets of, the United States Government. No head of an agency may enter into a contract to locate or recover assets of the United States held by a State government or financial institution unless that agency has established procedures approved by the Secretary of the Treasury to identify and recover such assets.”; and

(B) in subsection (d), by inserting “, or to locate or recover assets of,” after “owed”.

#### **SEC. 5242. GOVERNMENTWIDE CROSS-SERVICING.**

Section 3711 of title 31, United States Code, is amended by adding at the end the following new subsection:

“(g)(1) At the discretion of the head of an executive, judicial or legislative agency, referral of a non-tax claim may be made to any executive department or agency operating a debt collection center for servicing and collection in accordance with an agreement entered into under paragraph (2). Referral or transfer of a claim may also be made to the Secretary of the Treasury for servicing, collection, compromise, and/or suspension or termination of collection action. Non-tax claims referred or transferred under this section shall be serviced, collected, compromised, and/or collection action suspended or terminated in accordance with existing statutory requirements and authorities.

“(2) Executive departments and agencies operating debt collection centers are authorized to enter into agreements with the heads of executive, judicial, or legislative agencies to service and/or collect non-tax claims referred or transferred under this subsection. The heads of other executive departments and agencies are authorized to enter into agreements with the Secretary of the Treasury for servicing or collection of referred or transferred non-tax claims or other Federal agencies operating debt collection centers to obtain debt collection services from those agencies.

“(3) Any agency to which non-tax claims are referred or transferred under this subsection is authorized to charge a fee sufficient to cover the full cost of implementing this subsection. The agency transferring or referring the non-tax claim shall be charged the fee, and the agency charging the fee shall collect such fee by retaining the amount of the fee from amounts collected pursuant to this subsection. Agencies may agree to pay

through a different method, or to fund the activity from another account or from revenue received from Section 701. Amounts charged under this subsection concerning delinquent claims may be considered as costs pursuant to section 3717(e) of this title.

“(4) Notwithstanding any other law concerning the depositing and collection of Federal payments, including section 3302(b) of this title, agencies collecting fees may retain the fees from amounts collected. Any fee charged pursuant to this subsection shall be deposited into an account to be determined by the executive department or agency operating the debt collection center charging the fee (hereafter referred to in this section as the ‘Account’). Amounts deposited in the Account shall be available until expended to cover costs associated with the implementation and operation of government-wide debt collection activities. Costs properly chargeable to the Account include, but are not limited to—

“(A) the costs of computer hardware and software, word processing and telecommunications equipment, other equipment, supplies, and furniture;

“(B) personnel training and travel costs;

“(C) other personnel and administrative costs;

“(D) the costs of any contract for identification, billing, or collection services; and

“(E) reasonable costs incurred by the Secretary of the Treasury, including but not limited to, services and utilities provided by the Secretary, and administration of the Account.

“(5) Not later than January 1 of each year, there shall be deposited into the Treasury as miscellaneous receipts, an amount equal to the amount of unobligated balances remaining in the Account at the close of business on September 30 of the preceding year minus any part of such balance that the executive department or agency operating the debt collection center determines is necessary to cover or defray the costs under this subsection for the fiscal year in which the deposit is made.

“(6)(A) The head of an executive, legislative, or judicial agency shall transfer to the Secretary of the Treasury all non-tax claims over 180 days delinquent for additional collection action and/or closeout. A taxpayer identification number shall be included with each claim provided if it is in the agency's possession.

“(B) Subparagraph (A) shall not apply—

“(i) to claims that—

“(I) are in litigation or foreclosure;

“(II) will be disposed of under the loan sales program of a Federal department or agency;

“(III) have been referred to a private collection contractor for collection;

“(IV) are being collected under internal offset procedures;

“(V) have been referred to the Department of the Treasury, the Department of Defense, the United States Postal Service, or a disbursing official of the United States designated by the Secretary of the Treasury for administrative offset;

“(VI) have been retained by an executive agency in a debt collection center; or

“(VII) have been referred to another agency for collection;

“(ii) to claims which may be collected after the 180-day period in accordance with specific statutory authority or procedural guidelines, provided that the head of an executive, legislative, or judicial agency provides notice of such claims to the Secretary of the Treasury; and

“(iii) to other specific class of claims as determined by the Secretary of the Treasury at the request of the head of an agency or otherwise.

“(C) The head of an executive, legislative, or judicial agency shall transfer to the Secretary of the Treasury all non-tax claims on which the agency has ceased collection activity. The Secretary may exempt specific classes of claims from this requirement, at the request of the head of an agency, or otherwise. The Secretary shall review transferred claims to determine if additional collection action is warranted. The Secretary may, in accordance with section 6050P of title 26, United States Code, report to the Internal Revenue Service on behalf of the creditor agency any claims that have been discharged within the meaning of such section.

“(7) At the end of each calendar year, the head of an executive, legislative, or judicial agency which, regarding a claim owed to the agency, is required to report a discharge of indebtedness as income under the 6050P of title 26, United States Code, shall either complete the appropriate form 1099 or submit to the Secretary of the Treasury such information as is necessary for the Secretary of the Treasury to complete the appropriate form 1099. The Secretary of the Treasury shall incorporate this information into the appropriate form and submit the information to the taxpayer and Internal Revenue Service.

“(8) To carry out the purposes of this subsection, the Secretary of the Treasury is authorized—

“(A) to prescribe such rules, regulations, and procedures as the Secretary deems necessary; and

“(B) to designate debt collection centers operated by other Federal agencies.”.

#### **SEC. 5243. COMPROMISE OF CLAIMS.**

(a) Section 3711(a)(2) of title 31, United States Code, is amended by striking out “\$20,000 (excluding interest)” and inserting in lieu thereof “\$100,000 (excluding interest) or such higher amount as the Attorney General may from time to time prescribe.

(b) This section shall be effective as of October 1, 1995.

#### **Subpart E—Federal Civil Monetary Penalties**

##### **SEC. 5251. ADJUSTING FEDERAL CIVIL MONETARY PENALTIES FOR INFLATION.**

(a) The Federal Civil Penalties Inflation Adjustment Act of 1990 (Public Law 101-410, 104 Stat. 890; 28 U.S.C. 2461 note) is amended—

(1) by amending section 4 to read as follows:

“SEC. 4. The head of each agency shall, not later than 180 days after the date of enactment of the Debt Collection Improvement Act of 1996, and at least once every 4 years thereafter, by regulation adjust each civil monetary penalty provided by law within the jurisdiction of the Federal agency, except for any penalty under title 26, United States Code, by the inflation adjustment described under section 5 of this Act and publish each such regulation in the Federal Register.”;

(2) in section 5(a), by striking “The adjustment described under paragraphs (4) and (5)(A) of section 4” and inserting “The inflation adjustment”; and

(3) by adding at the end the following new section:

“SEC. 7. Any increase to a civil monetary penalty resulting from this Act shall apply only to violations which occur after the date any such increase takes effect.”.

(b) The initial adjustment of a civil monetary penalty made pursuant to section 4 of Federal Civil Penalties Inflation Adjustment Act of 1990 (as amended by subsection (a)) may not exceed 10 percent of such penalty.

#### **Subpart F—Gain Sharing**

##### **SEC. 5261. DEBT COLLECTION IMPROVEMENT ACCOUNT.**

(a) Title 31, United States Code, is amended by inserting after section 3720B the following new section:

**“§3720C. Debt Collection Improvement Account**

“(a)(1) There is hereby established in the Treasury a special fund to be known as the ‘Debt Collection Improvement Account’ (hereinafter referred to as the ‘Account’).

“(2) The Account shall be maintained and managed by the Secretary of the Treasury, who shall ensure that programs are credited with the amounts described in subsection (b) and with allocations described in subsection (c).

“(b)(1) Not later than 30 days after the end of a fiscal year, an agency other than the Department of Justice is authorized to transfer to the Account a dividend not to exceed five percent of the debt collection improvement amount as described in paragraph (3).

“(2) Agency transfers to the Account may include collections from—

“(A) salary, administrative and tax referral offsets;

“(B) automated levy authority;

“(C) the Department of Justice; and

“(D) private collection agencies.

“(3) For purposes of this section, the term ‘debt collection improvement amount’ means the amount by which the collection of delinquent debt with respect to a particular program during a fiscal year exceeds the delinquent debt baseline for such program for such fiscal year. The Office of Management and Budget shall determine the baseline from which increased collections are measured over the prior fiscal year, taking into account the recommendations made by the Secretary of the Treasury in consultation with creditor agencies.

“(c)(1) The Secretary of the Treasury is authorized to make payments from the Account solely to reimburse agencies for qualified expenses. For agencies with franchise funds, payments may be credited to subaccounts designated for debt collection.

“(2) For purposes of this paragraph, the term ‘qualified expenses’ means expenditures for the improvement of tax administration and agency debt collection and debt recovery activities including, but not limited to, account servicing (including cross-servicing under section 502 of the Debt Collection Improvement Act of 1996), automatic data processing equipment acquisitions, delinquent debt collection, measures to minimize delinquent debt, asset disposition, and training of personnel involved in credit and debt management.

“(3) Payments made to agencies pursuant to paragraph (1) shall be in proportion to their contributions to the Account.

“(4)(A) Amounts in the Account shall be available to the Secretary of the Treasury to the extent and in the amounts provided in advance in appropriation Acts, for purposes of this section. Such amounts are authorized to be appropriated without fiscal year limitation.

“(B) As soon as practicable after the end of third fiscal year after which appropriations are made pursuant to this section, and every 3 years thereafter, any unappropriated balance in the account as determined by the Secretary of the Treasury in consultation with agencies, shall be transferred to the Treasury general fund as miscellaneous receipts.

“(d) For direct loan and loan guarantee programs subject to title V of the Congressional Budget Act of 1974, amounts credited in accordance with subsection (c) shall be considered administrative costs and shall not be included in the estimated payments to the Government for the purpose of calculating the cost of such programs.

“(e) The Secretary of the Treasury shall prescribe such rules, regulations, and procedures as the Secretary deems necessary or

appropriate to carry out the purposes of this section.”.

(b) The table of sections for subchapter II of chapter 37 of title 31, United States Code, is amended by inserting after the item relating to section 3720B the following new item: “3720C. Debt Collection Improvement Account.”.

**Subpart G—Tax Refund Offset Authority****SEC. 5271. OFFSET OF TAX REFUND PAYMENT BY DISBURSING OFFICIALS.**

Section 3720A(h) of title 31, United States Code, is amended to read as follows:

“(h)(1) The term ‘Secretary of the Treasury’ may include the disbursing official of the Department of the Treasury.

“(2) The disbursing official of the Department of the Treasury—

“(A) shall notify a taxpayer in writing of—

“(i) the occurrence of an offset to satisfy a past-due legally enforceable non-tax debt;

“(ii) the identity of the creditor agency requesting the offset; and

“(iii) a contact point within the creditor agency that will handle concerns regarding the offset;

“(B) shall notify the Internal Revenue Service on a weekly basis of—

“(i) the occurrence of an offset to satisfy a past-due legally enforceable non-tax debt;

“(ii) the amount of such offset; and

“(iii) any other information required by regulations; and

“(C) shall match payment records with requests for offset by using a name control, taxpayer identifying number (as defined in 26 U.S.C. 6109), and any other necessary identifiers.”.

**SEC. 5272. EXPANDING TAX REFUND OFFSET AUTHORITY.**

(a) Section 3720A of title 31, United States Code, is amended by adding after subsection (h) the following new subsection:

“(i) An agency subject to section 9 of the Act of May 18, 1933 (16 U.S.C. 831h) may implement this section at its discretion.”.

(b) Section 6402(f) of title 26, United States Code, is amended to read as follows:

“(f) FEDERAL AGENCY.—For purposes of this section, the term ‘Federal agency’ means a department, agency, or instrumentality of the United States, and includes a government corporation (as such term is defined in section 103 of title 5, United States Code).”.

**SEC. 5273. EXPANDING AUTHORITY TO COLLECT PAST-DUE SUPPORT.**

(a) Section 3720A(a) of title 31, United States Code, is amended to read as follows:

“(a) Any Federal agency that is owed by a named person a past-due, legally enforceable debt (including past-due support and debt administered by a third party acting as an agent for the Federal Government) shall, in accordance with regulations issued pursuant to subsections (b) and (d), notify the Secretary of the Treasury at least once a year of the amount of such debt.”.

(b) Section 464(a) of the Social Security Act (42 U.S.C. 664(a)) is amended—

(1) in paragraph (1), by adding at the end thereof the following: “This subsection may be implemented by the Secretary of the Treasury in accordance with section 3720A of title 31, United States Code.”; and

(2) in paragraph (2)(A), by adding at the end thereof the following: “This subsection may be implemented by the Secretary of the Treasury in accordance with section 3720A of title 31, United States Code.”.

**Subpart H—Definitions, Due Process Rights, and Severability****SEC. 5281. TECHNICAL AMENDMENTS TO DEFINITIONS.**

Section 3701 of title 31, United States Code, is amended—

(1) by amending subsection (a)(1) to read as follows:

“(1) ‘administrative offset’ means withholding money payable by the United States (including money payable by the United States on behalf of a State government) to, or held by the United States for, a person to satisfy a claim.”;

(2) by amending subsection (b) to read as follows:

“(b)(1) The term ‘claim’ or ‘debt’ means any amount of money or property that has been determined by an appropriate official of the Federal Government to be owed to the United States by a person, organization, or entity other than another Federal agency. A claim includes, without limitation, money owed on account of loans insured or guaranteed by the Government, non-appropriated funds, over-payments, any amount the United States is authorized by statute to collect for the benefit of any person, and other amounts of money or property due the Government.

“(2) For purposes of section 3716 of this title, the term ‘claim’ also includes an amount of money or property owed by a person to a State, the District of Columbia, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Commonwealth of Puerto Rico where there is also a Federal monetary interest or in cases of court ordered child support.”; and

(3) by adding after subsection (f) (as added in section 5202(a)) the following new subsection:

“(g) In section 3716 of this title—

“(1) ‘creditor agency’ means any entity owed a claim that seeks to collect that claim through administrative offset; and

“(2) ‘payment certifying agency’ means any Federal department, agency, or instrumentality and government corporation, that has transmitted a voucher to a disbursing official for disbursement.”.

**SEC. 5282. SEVERABILITY.**

If any provision of this title, or the amendments made by this title, or the application of any provision to any entity, person, or circumstance is for any reason adjudged by a court of competent jurisdiction to be invalid, the remainder of this title, and the amendments made by this title, or its application shall not be affected.

**Subpart I—Reporting****SEC. 5291. MONITORING AND REPORTING.**

(a) The Secretary of the Treasury, in consultation with concerned Federal agencies, is authorized to establish guidelines, including information on outstanding debt, to assist agencies in the performance and monitoring of debt collection activities.

(b) Not later than three years after the date of enactment of this Act, the Secretary of the Treasury shall report to the Congress on collection services provided by Federal agencies or entities collecting debt on behalf of other Federal agencies under the authorities contained in section 3711(g) of title 31, United States Code.

(c) Section 3719 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) by amending the first sentence to read as follows: “In consultation with the Comptroller General, the Secretary of the Treasury shall prescribe regulations requiring the head of each agency with outstanding non-tax claims to prepare and submit to the Secretary at least once a year a report summarizing the status of loans and accounts receivable managed by the head of the agency.”; and

(B) in paragraph (3), by striking “Director” and inserting “Secretary”; and

(2) in subsection (b), by striking “Director” and inserting “Secretary”.



(d) Notwithstanding any other provision of law, the Secretary of the Treasury is authorized to consolidate all reports concerning debt collection into one annual report.

## PART II—JUSTICE DEBT MANAGEMENT

### Subpart A—Private Attorneys

#### SEC. 5301. EXPANDED USE OF PRIVATE ATTORNEYS.

(a) Section 3718(b)(1)(A) of title 31, United States Code, is amended by striking the fourth sentence.

(b) Sections 3 and 5 of the Federal Debt Recovery Act (Public Law 99-578, 100 Stat. 3305) are hereby repealed.

### Subpart B—Nonjudicial Foreclosure

#### SEC. 5311. NONJUDICIAL FORECLOSURE OF MORTGAGES.

Chapter 176 of title 28 of the United States Code is amended by adding at the end thereof the following:

##### "SUBCHAPTER E—NONJUDICIAL FORECLOSURE

"Sec.

"3401. Definitions.

"3402. Rules of construction.

"3403. Election of procedure.

"3404. Designation of foreclosure trustee.

"3405. Notice of foreclosure sale; statute of limitations.

"3406. Service of notice of foreclosure sale.

"3407. Cancellation of foreclosure sale.

"3408. Stay.

"3409. Conduct of sale; postponement.

"3410. Transfer of title and possession.

"3411. Record of foreclosure and sale.

"3412. Effect of sale.

"3413. Disposition of sale proceeds.

"3414. Deficiency judgment.

#### "§ 3401. Definitions

"As used in this subchapter—

"(1) 'agency' means—

"(A) an executive department as defined in section 101 of title 5, United States Code;

"(B) an independent establishment as defined in section 104 of title 5, United States Code (except that it shall not include the General Accounting Office);

"(C) a military department as defined in section 102 of title 5, United States Code; and

"(D) a wholly owned government corporation as defined in section 9101(3) of title 31, United States Code;

"(2) 'agency head' means the head and any assistant head of an agency, and may upon the designation by the head of an agency include the chief official of any principal division of an agency or any other employee of an agency;

"(3) 'bona fide purchaser' means a purchaser for value in good faith and without notice of any adverse claim who acquires the seller's interest free of any adverse claim;

"(4) 'debt instrument' means a note, mortgage bond, guaranty or other instrument creating a debt or other obligation, including any instrument incorporated by reference therein and any instrument or agreement amending or modifying a debt instrument;

"(5) 'file' or 'filing' means docketing, indexing, recording, or registering, or any other requirement for perfecting a mortgage or a judgment;

"(6) 'foreclosure trustee' means an individual, partnership, association, or corporation, or any employee thereof, including a successor, appointed by the agency head to conduct a foreclosure sale pursuant to this subchapter;

"(7) 'mortgage' means a deed of trust, deed to secure debt, security agreement, or any other form of instrument under which any interest in real property, including leaseholds, life estates, reversionary interests, and any other estates under applicable law is conveyed in trust, mortgaged, encumbered,

pledged or otherwise rendered subject to a lien, for the purpose of securing the payment of money or the performance of any other obligation;

"(8) 'of record' means an interest recorded pursuant to Federal or State statutes that provide for official recording of deeds, mortgages and judgments, and that establish the effect of such records as notice to creditors, purchasers, and other interested persons;

"(9) 'owner' means any person who has an ownership interest in property and includes heirs, devisees, executors, administrators, and other personal representatives, and trustees of testamentary trusts if the owner of record is deceased;

"(10) 'sale' means a sale conducted pursuant to this subchapter, unless the context requires otherwise; and

"(11) 'security property' means real property, or any interest in real property including leaseholds, life estates, reversionary interests, and any other estates under applicable State law that secure a mortgage.

#### "§ 3402. Rules of construction

"(a) IN GENERAL.—If an agency head elects to proceed under this subchapter, this subchapter shall apply and the provisions of this subchapter shall govern in the event of a conflict with any other provision of Federal law or State law.

"(b) LIMITATION.—This subchapter shall not be construed to supersede or modify the operation of—

"(1) the lease-back/buy-back provisions under section 1985 of title 7, United States Code, or regulations promulgated thereunder; or

"(2) The Multifamily Mortgage Foreclosure Act of 1981 (chapter 38 of title 12, United States Code).

"(c) EFFECT ON OTHER LAWS.—This subchapter shall not be construed to curtail or limit the rights of the United States or any of its agencies—

"(1) to foreclose a mortgage under any other provision of Federal law or State law; or

"(2) to enforce any right under Federal law or State law in lieu of or in addition to foreclosure, including any right to obtain a monetary judgment.

"(d) APPLICATION TO MORTGAGES.—The provisions of this subchapter may be used to foreclose any mortgage, whether executed prior or subsequent to the effective date of this subchapter.

#### "§ 3403. Election of procedure

"(a) SECURITY PROPERTY SUBJECT TO FORECLOSURE.—An agency head may foreclose a mortgage upon the breach of a covenant or condition in a debt instrument or mortgage for which acceleration or foreclosure is authorized. An agency head may not institute foreclosure proceedings on the mortgage under any other provision of law, or refer such mortgage for litigation, during the pendency of foreclosure proceedings pursuant to this subchapter.

"(b) EFFECT OF CANCELLATION OF SALE.—If a foreclosure sale is canceled pursuant to section 3407, the agency head may thereafter foreclose on the security property in any manner authorized by law.

#### "§ 3404. Designation of foreclosure trustee

"(a) IN GENERAL.—An agency head shall designate a foreclosure trustee who shall supersede any trustee designated in the mortgage. A foreclosure trustee designated under this section shall have a nonjudicial power of sale pursuant to this subchapter.

"(b) DESIGNATION OF FORECLOSURE TRUSTEE.—

"(1) An agency head may designate as foreclosure trustee—

"(A) an officer or employee of the agency;

"(B) an individual who is a resident of the State in which the security property is located; or

"(C) a partnership, association, or corporation, provided such entity is authorized to transact business under the laws of the State in which the security property is located.

"(2) The agency head is authorized to enter into personal services and other contracts not inconsistent with this subchapter.

"(c) METHOD OF DESIGNATION.—An agency head shall designate the foreclosure trustee in writing. The foreclosure trustee may be designated by name, title, or position. An agency head may designate one or more foreclosure trustees for the purpose of proceeding with multiple foreclosures or a class of foreclosures.

"(d) AVAILABILITY OF DESIGNATION.—An agency head may designate such foreclosure trustees as the agency head deems necessary to carry out the purposes of this subchapter.

"(e) MULTIPLE FORECLOSURE TRUSTEES AUTHORIZED.—An agency head may designate multiple foreclosure trustees for different tracts of a secured property.

"(f) REMOVAL OF FORECLOSURE TRUSTEES; SUCCESSOR FORECLOSURE TRUSTEES.—An agency head may, with or without cause or notice, remove a foreclosure trustee and designate a successor trustee as provided in this section. The foreclosure sale shall continue without prejudice notwithstanding the removal of the foreclosure trustee and designation of a successor foreclosure trustee. Nothing in this section shall be construed to prohibit a successor foreclosure trustee from postponing the foreclosure sale in accordance with this subchapter.

#### "§ 3405. Notice of foreclosure sale; statute of limitations

"(a) IN GENERAL.—

"(1) Not earlier than 21 days nor later than ten years after acceleration of a debt instrument or demand on a guaranty, the foreclosure trustee shall serve a notice of foreclosure sale in accordance with this subchapter.

"(2) For purposes of computing the time period under paragraph (1), there shall be excluded all periods during which there is in effect—

"(A) a judicially imposed stay of foreclosure; or

"(B) a stay imposed by section 362 of title 11, United States Code.

"(3) In the event of partial payment or written acknowledgement of the debt after acceleration of the debt instrument, the right to foreclosure shall be deemed to accrue again at the time of each such payment or acknowledgement.

"(b) NOTICE OF FORECLOSURE SALE.—The notice of foreclosure sale shall include—

"(1) the name, title, and business address of the foreclosure trustee as of the date of the notice;

"(2) the names of the original parties to the debt instrument and the mortgage, and any assignees of the mortgagor of record;

"(3) the street address or location of the security property, and a generally accepted designation used to describe the security property, or so much thereof as is to be offered for sale, sufficient to identify the property to be sold;

"(4) the date of the mortgage, the office in which the mortgage is filed, and the location of the filing of the mortgage;

"(5) the default or defaults upon which foreclosure is based, and the date of the acceleration of the debt instrument;

"(6) the date, time, and place of the foreclosure sale;

"(7) a statement that the foreclosure is being conducted in accordance with this subchapter;

"(8) the types of costs, if any, to be paid by the purchaser upon transfer of title; and

"(9) the terms and conditions of sale, including the method and time of payment of the foreclosure purchase price.

**"§ 3406. Service of notice of foreclosure sale**

"(a) RECORD NOTICE.—At least 21 days prior to the date of the foreclosure sale, the notice of foreclosure sale required by section 3405 shall be filed in the manner authorized for filing a notice of an action concerning real property according to the law of the State where the security property is located or, if none, in the manner authorized by section 3201 of this chapter.

"(b) NOTICE BY MAIL.—

"(1) At least 21 days prior to the date of the foreclosure sale, the notice set forth in section 3405 shall be sent by registered or certified mail, return receipt requested—

"(A) to the current owner of record of the security property as the record appears on the date that the notice of foreclosure sale is recorded pursuant to subsection (a);

"(B) to all debtors, including the mortgagor, assignees of the mortgagor and guarantors of the debt instrument;

"(C) to all persons having liens, interests or encumbrances of record upon the security property, as the record appears on the date that the notice of foreclosure sale is recorded pursuant to subsection (a); and

"(D) to any occupants of the security property. If the names of the occupants of the security property are not known to the agency, or the security property has more than one dwelling unit, the notice shall be posted at the security property.

"(2) The notice shall be sent to the debtor at the address, if any, set forth in the debt instrument or mortgage as the place to which notice is to be sent, and if different, to the debtor's last known address as shown in the mortgage record of the agency. The notice shall be sent to any person other than the debtor to that person's address of record or, if there is no address of record, to any address at which the agency in good faith believes the notice is likely to come to that person's attention.

"(3) Notice by mail pursuant to this subsection shall be effective upon mailing.

"(c) NOTICE BY PUBLICATION.—The notice of the foreclosure sale shall be published at least once a week for each of three successive weeks prior to the sale in at least one newspaper of general circulation in any county or counties in which the security property is located. If there is no newspaper published at least weekly that has a general circulation in at least one county in which the security property is located, copies of the notice of foreclosure sale shall instead be posted at least 21 days prior to the sale at the courthouse of any county or counties in which the property is located and the place where the sale is to be held.

**"§ 3407. Cancellation of foreclosure sale**

"(a) IN GENERAL.—At any time prior to the foreclosure sale, the foreclosure trustee shall cancel the sale—

"(1) if the debtor or the holder of any subordinate interest in the security property tenders the performance due under the debt instrument and mortgage, including any amounts due because of the exercise of the right to accelerate, and the expenses of proceeding to foreclosure incurred to the time of tender;

"(2) if the security property is a dwelling of four units or fewer, and the debtor—

"(A) pays or tenders all sums which would have been due at the time of tender in the absence of any acceleration;

"(B) performs any other obligation which would have been required in the absence of any acceleration; and

"(C) pays or tenders all costs of foreclosure incurred for which payment from the proceeds of the sale would be allowed; or

"(3) for any reason approved by the agency head.

"(b) LIMITATION.—The debtor may not, without the approval of the agency head, cure the default under subsection (a)(2) if, within the preceding 12 months, the debtor has cured a default after being served with a notice of foreclosure sale pursuant to this subchapter.

"(c) NOTICE OF CANCELLATION.—The foreclosure trustee shall file a notice of the cancellation in the same place and manner provided for the filing of the notice of foreclosure sale under section 3406(a).

**"§ 3408. Stay**

"If, prior to the time of sale, foreclosure proceedings under this subchapter are stayed in any manner, including the filing of bankruptcy, no person may thereafter cure the default under the provisions of section 3407(a)(2). If the default is not cured at the time a stay is terminated, the foreclosure trustee shall proceed to sell the security property as provided in this subchapter.

**"§ 3409. Conduct of sale; postponement**

"(a) SALE PROCEDURES.—Foreclosure sale pursuant to this subchapter shall be at public auction and shall be scheduled to begin at a time between the hours of 9:00 a.m. and 4:00 p.m. local time. The foreclosure sale shall be held at the location specified in the notice of foreclosure sale, which shall be a location where real estate foreclosure auctions are customarily held in the county or one of the counties in which the property to be sold is located or at a courthouse therein, or upon the property to be sold. Sale of security property situated in two or more counties may be held in any one of the counties in which any part of the security property is situated. The foreclosure trustee may designate the order in which multiple tracts of security property are sold.

"(b) BIDDING REQUIREMENTS.—Written one-price sealed bids shall be accepted by the foreclosure trustee, if submitted by the agency head or other persons for entry by announcement by the foreclosure trustee at the sale. The sealed bids shall be submitted in accordance with the terms set forth in the notice of foreclosure sale. The agency head or any other person may bid at the foreclosure sale, even if the agency head or other person previously submitted a written one-price bid. The agency head may bid a credit against the debt due without the tender or payment of cash. The foreclosure trustee may serve as auctioneer, or may employ an auctioneer who may be paid from the sale proceeds. If an auctioneer is employed, the foreclosure trustee is not required to attend the sale. The foreclosure trustee or an auctioneer may bid as directed by the agency head.

"(c) POSTPONEMENT OF SALE.—The foreclosure trustee shall have discretion, prior to or at the time of sale, to postpone the foreclosure sale. The foreclosure trustee may postpone a sale to a later hour the same day by announcing or posting the new time and place of the foreclosure sale at the time and place originally scheduled for the foreclosure sale. The foreclosure trustee may instead postpone the foreclosure sale for not fewer than 9 nor more than 31 days, by serving notice that the foreclosure sale has been postponed to a specified date, and the notice may include any revisions the foreclosure trustee deems appropriate. The notice shall be served by publication, mailing, and posting in accordance with section 3406 (b) and (c), except that publication may be made on any of three separate days prior to the new date of the foreclosure sale, and mailing may be

made at any time at least 7 days prior to the new date of the foreclosure sale.

"(d) LIABILITY OF SUCCESSFUL BIDDER WHO FAILS TO COMPLY.—The foreclosure trustee may require a bidder to make a cash deposit before the bid is accepted. The amount or percentage of the cash deposit shall be stated by the foreclosure trustee in the notice of foreclosure sale. A successful bidder at the foreclosure sale who fails to comply with the terms of the sale shall forfeit the cash deposit or, at the election of the foreclosure trustee, shall be liable to the agency on a subsequent sale of the property for all net losses incurred by the agency as a result of such failure.

"(e) EFFECT OF SALE.—Any foreclosure sale held in accordance with this subchapter shall be conclusively presumed to have been conducted in a legal, fair, and commercially reasonable manner. The sale price shall be conclusively presumed to constitute the reasonably equivalent value of the security property.

**"§ 3410. Transfer of title and possession**

"(a) DEED.—After receipt of the purchase price in accordance with the terms of the sale as provided in the notice of foreclosure sale, the foreclosure trustee shall execute and deliver to the purchaser a deed conveying the security property to the purchaser that grants and conveys title to the security property without warranty or covenants to the purchaser. The execution of the foreclosure trustee's deed shall have the effect of conveying all of the right, title, and interest in the security property covered by the mortgage. Notwithstanding any other law to the contrary, the foreclosure trustee's deed shall be a conveyance of the security property and not a quitclaim. No judicial proceeding shall be required ancillary or supplementary to the procedures provided in this subchapter to establish the validity of the conveyance.

"(b) DEATH OF PURCHASER PRIOR TO CONSUMMATION OF SALE.—If a purchaser dies before execution and delivery of the deed conveying the security property to the purchaser, the foreclosure trustee shall execute and deliver the deed to the representative of the purchaser's estate upon payment of the purchase price in accordance with the terms of sale. Such delivery to the representative of the purchaser's estate shall have the same effect as if accomplished during the lifetime of the purchaser.

"(c) PURCHASER CONSIDERED BONA FIDE PURCHASER WITHOUT NOTICE.—The purchaser of property under this subchapter shall be presumed to be a bona fide purchaser without notice of defects, if any, in the title conveyed to the purchaser.

"(d) POSSESSION BY PURCHASER; CONTINUING INTERESTS.—A purchaser at a foreclosure sale conducted pursuant to this subchapter shall be entitled to possession upon passage of title to the security property, subject to any interest or interests senior to that of the mortgage. The right to possession of any person without an interest senior to the mortgage who is in possession of the property shall terminate immediately upon the passage of title to the security property, and the person shall vacate the security property immediately. The purchaser shall be entitled to take any steps available under Federal law or State law to obtain possession.

"(e) RIGHT OF REDEMPTION; RIGHT OF POSSESSION.—This subchapter shall preempt all Federal and State rights of redemption, statutory, or common law. Upon conclusion of the public auction of the security property, no person shall have a right of redemption.

"(f) PROHIBITION OF IMPOSITION OF TAX ON CONVEYANCE BY THE UNITED STATES OR AGENCY THEREOF.—No tax, or fee in the nature of

a tax, for the transfer of title to the security property by the foreclosure trustee's deed shall be imposed upon or collected from the foreclosure trustee or the purchaser by any State or political subdivision thereof.

**"§3411. Record of foreclosure and sale**

"(a) RECITAL REQUIREMENTS.—The foreclosure trustee shall recite in the deed to the purchaser, or in an addendum to the foreclosure trustee's deed, or shall prepare an affidavit stating—

- "(1) the date, time, and place of sale;
- "(2) the date of the mortgage, the office in which the mortgage is filed, and the location of the filing of the mortgage;
- "(3) the persons served with the notice of foreclosure sale;
- "(4) the date and place of filing of the notice of foreclosure sale under section 3406(a);
- "(5) that the foreclosure was conducted in accordance with the provisions of this subchapter; and
- "(6) the sale amount.

"(b) EFFECT OF RECITALS.—The recitals set forth in subsection (a) shall be prima facie evidence of the truth of such recitals. Compliance with the requirements of subsection (a) shall create a conclusive presumption of the validity of the sale in favor of bona fide purchasers and encumbrancers for value without notice.

"(c) DEED TO BE ACCEPTED FOR FILING.—The register of deeds or other appropriate official of the county or counties where real estate deeds are regularly filed shall accept for filing and shall file the foreclosure trustee's deed and affidavit, if any, and any other instruments submitted for filing in relation to the foreclosure of the security property under this subchapter.

**"§3412. Effect of sale**

"A sale conducted under this subchapter to a bona fide purchaser shall bar all claims upon the security property by—

"(1) any person to whom the notice of foreclosure sale was mailed as provided in this subchapter who claims an interest in the property subordinate to that of the mortgage, and the heir, devisee, executor, administrator, successor, or assignee claiming under any such person;

"(2) any person claiming any interest in the property subordinate to that of the mortgage, if such person had actual knowledge of the sale;

"(3) any person so claiming, whose assignment, mortgage, or other conveyance was not filed in the proper place for filing, or whose judgment or decree was not filed in the proper place for filing, prior to the date of filing of the notice of foreclosure sale as required by section 3406(a), and the heir, devisee, executor, administrator, successor, or assignee of such a person; or

"(4) any other person claiming under a statutory lien or encumbrance not required to be filed and attaching to the title or interest of any person designated in any of the foregoing subsections of this section.

**"§3413. Disposition of sale proceeds**

"(a) DISTRIBUTION OF SALE PROCEEDS.—The foreclosure trustee shall distribute the proceeds of the foreclosure sale in the following order—

"(1)(A) to pay the commission of the foreclosure trustee, other than an agency employee, the greater of—

"(i) the sum of—

"(I) 3 percent of the first \$1,000 collected, plus

"(II) 1.5 percent on the excess of any sum collected over \$1,000; or

"(ii) \$250; and

"(B) the amounts described in subparagraph (A)(i) shall be computed on the gross proceeds of all security property sold at a single sale;

"(2) to pay the expense of any auctioneer employed by the foreclosure trustee, if any, except that the commission payable to the foreclosure trustee pursuant to paragraph (1) shall be reduced by the amount paid to an auctioneer, unless the agency head determines that such reduction would adversely affect the ability of the agency head to retain qualified foreclosure trustees or auctioneers;

"(3) to pay for the costs of foreclosure, including—

"(A) reasonable and necessary advertising costs and postage incurred in giving notice pursuant to section 3406;

"(B) mileage for posting notices and for the foreclosure trustee's or auctioneer's attendance at the sale at the rate provided in section 1921 of title 28, United States Code, for mileage by the most reasonable road distance;

"(C) reasonable and necessary costs actually incurred in connection with any search of title and lien records; and

"(D) necessary costs incurred by the foreclosure trustee to file documents;

"(4) to pay valid real property tax liens or assessments, if required by the notice of foreclosure sale;

"(5) to pay any liens senior to the mortgage, if required by the notice of foreclosure sale;

"(6) to pay service charges and advancements for taxes, assessments, and property insurance premiums; and

"(7) to pay late charges and other administrative costs and the principal and interest balances secured by the mortgage, including expenditures for the necessary protection, preservation, and repair of the security property as authorized under the debt instrument or mortgage and interest thereon if provided for in the debt instrument or mortgage, pursuant to the agency's procedure.

"(b) INSUFFICIENT PROCEEDS.—In the event there are no proceeds of sale or the proceeds are insufficient to pay the costs and expenses set forth in subsection (a), the agency head shall pay such costs and expenses as authorized by applicable law.

"(c) SURPLUS MONIES.—

"(1) After making the payments required by subsection (a), the foreclosure trustee shall—

"(A) distribute any surplus to pay liens in the order of priority under Federal law or the law of the State where the security property is located; and

"(B) pay to the person who was the owner of record on the date the notice of foreclosure sale was filed the balance, if any, after any payments made pursuant to paragraph (1).

"(2) If the person to whom such surplus is to be paid cannot be located, or if the surplus available is insufficient to pay all claimants and the claimants cannot agree on the distribution of the surplus, that portion of the sale proceeds may be deposited by the foreclosure trustee with an appropriate official authorized under law to receive funds under such circumstances. If such a procedure for the deposit of disputed funds is not available, and the foreclosure trustee files a bill of interpleader or is sued as a stakeholder to determine entitlement to such funds, the foreclosure trustee's necessary costs in taking or defending such action shall be deducted first from the disputed funds.

**"§3414. Deficiency judgment**

"(a) IN GENERAL.—If after deducting the disbursements described in section 3413, the price at which the security property is sold at a foreclosure sale is insufficient to pay the unpaid balance of the debt secured by the security property, counsel for the United States may commence an action or actions

against any or all debtors to recover the deficiency, unless specifically prohibited by the mortgage. The United States is also entitled to recover any amount authorized by section 3011 and costs of the action.

"(b) LIMITATION.—Any action commenced to recover the deficiency shall be brought within 6 years of the last sale of security property.

"(c) CREDITS.—The amount payable by a private mortgage guaranty insurer shall be credited to the account of the debtor prior to the commencement of an action for any deficiency owed by the debtor. Nothing in this subsection shall curtail or limit the subrogation rights of a private mortgage guaranty insurer."

Subchapter B—Sale of Governors Island, New York

**SEC. 6021. SALE OF GOVERNORS ISLAND, NEW YORK.**

(a) IN GENERAL.—Subject to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Administrator of General Services shall dispose of by sale at fair market value all rights, title, and interests of the United States in and to the land of, and improvements to, Governors Island, New York.

(b) RIGHT OF FIRST REFUSAL.—Before a sale is made under subsection (a) to any other parties, the State of New York and the city of New York shall be given the right of first refusal to purchase all or part of Governors Island. Such right may be exercised by either the State of New York or the city of New York or by both parties acting jointly.

(c) PROCEEDS FROM SALE.—Amounts received by the Administrator from the sale shall be—

(1) made available to pay for costs associated with moving Coast Guard vessels, equipment, and facilities presently sited at Governors Island to a different site, the cost of renovation or construction of appropriate facilities at such site, and the costs of environmental clean-up activities on Governors Island undertaken by the Coast Guard; and

(2) deposited as miscellaneous receipts in the general account of the United States Treasury.

**CHAPTER 3—SPENDING DESIGNATION**

**SEC. 5501. EMERGENCY DESIGNATION.**

Congress hereby designates all amounts in this entire title as emergency requirements for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided*, That these amounts shall only be available to the extent an official budget request for a specific dollar amount 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 is transmitted by the President to Congress.

**BIDEN (AND OTHERS) AMENDMENT  
NO. 3483**

Mr. BIDEN (for himself, Mr. KERRY, Mr. WELLSTONE, Mr. DASCHLE, Mr. LAUTENBERG, Mr. LEVIN, Ms. MIKULSKI, Mr. HARKIN, and Mrs. FEINSTEIN) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, *supra*; as follows:

On page 3, line 8, add after "basis.":

**COMMUNITY ORIENTED POLICING SERVICES**

For public safety and community policing grants pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322) and related administrative costs, \$1,788,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

On page 29, line 2, strike all after "(the 1990 Act);" through "That" on page 29, line 18 and insert in lieu thereof: "\$1,217,200,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; of which".

# SANTORUM AMENDMENT NOS. 3484-3488

(Ordered to lie on the table.)

Mr. SANTORUM submitted five amendments intended to be proposed by him to the amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

## AMENDMENT No. 3484

### SEC. . SENSE OF THE SENATE REGARDING THE BUDGET TREATMENT OF FEDERAL DISASTER ASSISTANCE.

SENSE OF THE SENATE.—It is the Sense of the Senate that the Conference on S. 1594, making Omnibus Consolidated Rescissions & Appropriations for Fiscal Year ending September 30, 1996, and for other purposes, shall find sufficient funding reductions to offset the costs of providing any federal disaster assistance.

## AMENDMENT No. 3485

### SEC. . SENSE OF THE SENATE REGARDING THE BUDGET TREATMENT OF FEDERAL DISASTER ASSISTANCE.

SENSE OF THE SENATE.—It is the Sense of the Senate that the Congress and the relevant committees of the Senate shall examine the manner in which federal disaster assistance is provided and develop a long-term funding plan for the budgetary treatment of any federal assistance, providing for such funds out of existing budget allocation rather than taking the expenditures off budget and adding to the federal deficit.

## AMENDMENT No. 3486

Beginning on page 730, strike line 1 and all that follows through page 750, line 14, and insert the following:

### TITLE II—EMERGENCY SUPPLEMENTAL EXPENDITURES AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

#### CHAPTER 1

#### DEPARTMENT OF AGRICULTURE

#### NATURAL RESOURCES CONSERVATION SERVICE

#### WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for "Watershed and Flood Prevention Operations" to repair damages to waterways and watersheds resulting from flooding in the Pacific Northwest, the Northeast blizzards and floods, and other natural disasters, the Director of the Federal Emergency Management Agency shall use \$107,514,000, to the extent funds are available to the Director as of the date of enactment of this Act: *Provided*, That if the Secretary determines that the cost of land and restoration of farm structures exceeds the fair market value of certain affected cropland, the Secretary may use sufficient amounts from funds provided under this heading to accept bids from willing sellers to provide conservation easements for the cropland inundated by floods as provided for by the wetlands reserve program, authorized by subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

#### CONSOLIDATED FARM SERVICE AGENCY EMERGENCY CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 401, 402, and 404 of the Agricultural Credit Act of 1978

(16 U.S.C. 2201 et seq.) for expenses resulting from floods in the Pacific Northwest and other natural disasters, the Director of the Federal Emergency Management Agency shall use \$30,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, as authorized by section 404 of the Act (16 U.S.C. 2204).

#### RURAL HOUSING AND COMMUNITY DEVELOPMENT SERVICE

#### RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

For an additional amount for the "Rural Housing Insurance Fund Program Account" for the cost of direct loans to assist in the recovery from floods in the Pacific Northwest and other natural disasters, the Director of the Federal Emergency Management Agency shall use \$5,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, for the cost of direct loans under section 502 of the Housing Act of 1949 (42 U.S.C. 1472), and \$1,500,000 for the cost of housing repair loans under section 504 of the Housing Act of 1949 (42 U.S.C. 1474).

#### VERY LOW-INCOME HOUSING REPAIR GRANTS

For an additional amount for "Very Low-Income Housing Repair Grants" to make housing repairs needed as a result of floods and other natural disasters, pursuant to section 504 of the Housing Act of 1949 (42 U.S.C. 1474), the Director of the Federal Emergency Management Agency shall use \$1,100,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### RURAL UTILITIES SERVICE

#### RURAL UTILITIES ASSISTANCE PROGRAM

For an additional amount for the "Rural Utilities Assistance Program" for the cost of direct loans and grants to assist in the recovery from floods in the Pacific Northwest and other natural disasters, the Director of the Federal Emergency Management Agency shall use \$11,000,000, to the extent funds are available to the Director as of the date of enactment of this Act: *Provided*, That such funds may be available for emergency community water assistance grants as authorized by section 306B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926b).

#### ADMINISTRATIVE PROVISION

With the prior approval of the House and Senate Committees on Appropriations, funds made available to the Department of Agriculture under this chapter may be transferred by the Secretary of Agriculture between accounts of the Department of Agriculture included in this Act to satisfy emergency disaster funding requirements.

#### CHAPTER 2

#### DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

#### DEPARTMENT OF COMMERCE

#### ECONOMIC DEVELOPMENT ADMINISTRATION ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for emergency expenses resulting from flooding in the Pacific Northwest, the Director of the Federal Emergency Management Agency shall use \$15,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, for grants and related expenses pursuant to the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.); and, in addition, \$1,500,000 for administrative expenses which may be transferred to and merged with the appropriations for "Salaries and Expenses".

#### NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION CONSTRUCTION

For an additional amount for "Construction" for emergency expenses resulting from flooding in the Pacific Northwest and other natural disasters, the Director of the Federal Emergency Management Agency shall use \$10,000,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### RELATED AGENCY

#### SMALL BUSINESS ADMINISTRATION DISASTER LOANS PROGRAM ACCOUNT

For an additional amount for "Disaster Loans Program Account", the Director of the Federal Emergency Management Agency shall use \$69,700,000 for the cost of direct loans, to the extent funds are available to the Director as of the date of enactment of this Act: *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 (2 U.S.C. 661a); and for administrative expenses to carry out the direct loan program, \$30,300,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### CHAPTER 3

#### ENERGY AND WATER DEVELOPMENT

#### DEPARTMENT OF DEFENSE—CIVIL

#### DEPARTMENT OF THE ARMY

#### CORPS OF ENGINEERS—CIVIL

#### OPERATION AND MAINTENANCE, GENERAL

For an additional amount for "Operation and Maintenance, General", the Director of the Federal Emergency Management Agency shall use \$30,000,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies", the Director of the Federal Emergency Management Agency shall use \$135,000,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### DEPARTMENT OF THE INTERIOR

#### BUREAU OF RECLAMATION

#### CONSTRUCTION PROGRAM

For an additional amount for the "Construction Program", the Director of the Federal Emergency Management Agency shall use \$18,000,000, to the extent funds are available to the Director as of the date of enactment of this Act.

#### CHAPTER 4

#### DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

#### DEPARTMENT OF THE INTERIOR

#### BUREAU OF LAND MANAGEMENT

#### CONSTRUCTION AND ACCESS

For an additional amount for "Construction and Access", the Director of the Federal Emergency Management Agency shall use \$5,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, to repair roads, culverts, bridges, facilities, fish and wildlife protective structures, and recreation sites, damaged because of the Pacific Northwest flooding.

#### OREGON AND CALIFORNIA GRANT LANDS

For an additional amount for "Oregon and California Grant Lands", the Director of the Federal Emergency Management Agency shall use \$35,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, to repair roads, culverts, bridges, facilities, fish and wildlife protective structures, and recreation sites, damaged because of the Pacific Northwest flooding.

## UNITED STATES FISH AND WILDLIFE SERVICE

## CONSTRUCTION

For an additional amount for "Construction", the Director of the Federal Emergency Management Agency shall use \$32,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, to repair damage caused by hurricanes, floods, and other acts of nature.

## NATIONAL PARK SERVICE

## CONSTRUCTION

For an additional amount for "Construction", the Director of the Federal Emergency Management Agency shall use \$47,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, to repair damage caused by hurricanes, floods, and other acts of nature.

## UNITED STATES GEOLOGICAL SURVEY

## SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, Investigations, and Research", the Director of the Federal Emergency Management Agency shall use \$2,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, for costs related to hurricanes, floods, and other acts of nature.

## BUREAU OF INDIAN AFFAIRS

## OPERATION OF INDIAN PROGRAMS

For an additional amount for "Operation of Indian Programs", the Director of the Federal Emergency Management Agency shall use \$500,000, to the extent funds are available to the Director as of the date of enactment of this Act, for emergency operations and repairs related to winter floods.

## CONSTRUCTION

For an additional amount for "Construction", the Director of the Federal Emergency Management Agency shall use \$16,500,000, to the extent funds are available to the Director as of the date of enactment of this Act, for emergency repairs related to winter floods.

## TERRITORIAL AND INTERNATIONAL AFFAIRS

## ASSISTANCE TO TERRITORIES

For an additional amount for "Assistance to Territories", the Director of the Federal Emergency Management Agency shall use \$13,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, for recovery efforts from Hurricane Marilyn.

## DEPARTMENT OF AGRICULTURE

## NATIONAL FOREST SYSTEM

For an additional amount for "National Forest System", the Director of the Federal Emergency Management Agency shall use \$26,600,000, to the extent funds are available to the Director as of the date of enactment of this Act, to repair damage caused by hurricanes, floods, and other acts of nature, including \$300,000 for the costs associated with emergency removal and remediation, including access repairs, at the Amalgamated Mine site in the Willamette National Forest, containing sulphur-rich and other mining tailings, in order to prevent contamination of Battle Ax Creek, and the Little North Fork of the Santiam River, from which the city of Salem, Oregon, obtains its municipal water supply.

## CONSTRUCTION

For an additional amount for "Construction", the Director of the Federal Emergency Management Agency shall use \$60,800,000, to the extent funds are available to the Director as of the date of enactment of this Act.

## CHAPTER 5

## DEPARTMENT OF TRANSPORTATION

## OFFICE OF THE SECRETARY

## PAYMENTS TO AIR CARRIERS

The first proviso under the heading "PAYMENTS TO AIR CARRIERS" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1996 (Public Law 104-50; 109 Stat. 437), is amended to read as follows: "Provided, That none of the funds in this Act shall be available for the implementation or execution of programs in excess of \$22,600,000 from the Airport and Airway Trust Fund for the Payments to Air Carriers program in fiscal year 1996:"

## FEDERAL HIGHWAY ADMINISTRATION

## FEDERAL-AID HIGHWAYS

For the emergency fund authorized by section 125 of title 23, United States Code, to cover expenses arising from the January 1996 flooding in the Mid-Atlantic, Northeast, and Northwest States and other disasters, the Director of the Federal Emergency Management Agency shall use \$300,000,000, to the extent funds are available to the Director as of the date of enactment of this Act: *Provided*, That section 125(b)(1) of title 23, United States Code, shall not apply to projects relating to the January 1996 flooding in the Mid-Atlantic, Northeast, and Northwest States.

## FEDERAL RAILROAD ADMINISTRATION

## LOCAL RAIL FREIGHT ASSISTANCE

For expenses pursuant to chapter 221 of title 49, United States Code, to repair and rebuild rail lines of other than class I railroads (as defined by the Surface Transportation Board) or railroads owned or controlled by a class I railroad, having carried 5,000,000 gross ton miles or less per mile during the prior year, and damaged as a result of the floods of 1996, the Director of the Federal Emergency Management Agency shall use \$10,000,000, to the extent funds are available to the Director as of the date of enactment of this Act: *Provided*, That for the purposes of administering this emergency relief, the Secretary of Transportation shall have authority to make funds available notwithstanding subsections (a)(1), (a)(3), and (d) of section 22101, sections 22102 through 22104, section 22105(a), and subsections (a) and (b) of section 22108, of title 49, United States Code, as the Secretary considers appropriate and shall consider the extent to which the State has available unexpended local rail freight assistance funds or available repaid loan funds: *Provided further*, That, notwithstanding chapter 221 of title 49, United States Code, the Secretary may prescribe the form and time for applications for assistance made available under this heading.

## FEDERAL TRANSIT ADMINISTRATION

## MASS TRANSIT CAPITAL FUND

## (LIQUIDATION OF CONTRACT AUTHORIZATION)

For an additional amount for payment of obligations incurred in carrying out section 5338(b) of title 49, United States Code, administered by the Federal Transit Administration, the Director of the Federal Emergency Management Agency shall use \$375,000,000, to the extent funds are available to the Director as of the date of enactment of this Act.

## CHAPTER 6

## DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## COMMUNITY PLANNING AND DEVELOPMENT

## COMMUNITY DEVELOPMENT GRANTS

For an additional amount for "Community Development Grants", the Director of the

Federal Emergency Management Agency shall use \$100,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, for emergency expenses and repairs related to recent presidentially declared disaster areas, including up to \$10,000,000 which may be made available for rental subsidy contracts under the housing certificate program and the housing voucher program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), except that such amount shall be available only for temporary housing assistance, not in excess of 1 year in duration, and shall not be subject to renewal.

## FEDERAL EMERGENCY MANAGEMENT AGENCY

## DISASTER RELIEF

## (INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Disaster Relief", the Director of the Federal Emergency Management Agency shall use \$150,000,000, to the extent funds are available to the Director as of the date of enactment of this Act, which, in whole or in part, may be transferred to the Disaster Assistance Direct Loan Program Account for the cost of direct loans as authorized under section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184): *Provided*, That such transfer of funds may be made to subsidize gross obligations for the principal amount of direct loans not to exceed \$170,000,000 under that section: *Provided further*, That any such transfer of funds shall be made only on certification by the Director of the Federal Emergency Management Agency that all requirements of that section will be complied with.

On page 756, strike lines 8 through 10 and insert the following:

SEC. 1102. It is the sense of Congress that Congress should appropriate, during the period consisting of fiscal years 1997 through 2001, a total of not less than \$1,250,000,000 to the Federal Emergency Management Agency to reimburse the Agency for the expenditures required under chapters 1 through 6.

## AMENDMENT NO. 3487

At the end of title II of the committee substitute, add the following:

SEC. .(a) Notwithstanding any other provision of this title, none of the amounts provided in this title is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Each amount provided in a nonexempt discretionary spending nondefense account covered by title I is reduced by the uniform percentage necessary to offset nondefense discretionary amounts provided in this title. The reductions required by this subsection shall be implemented generally in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

## AMENDMENT NO. 3488

At the end of title II of the committee substitute, add the following:

Sec. .(a) Notwithstanding any other provision of this title, none of the amounts provided in this title is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Each amount provided for 'Salaries and Expenses' and 'Administrative Expenses' within Title I are reduced by the uniform percentage necessary to offset nondefense discretionary amounts provided in this title, except for—

(A) Amounts Provided Under the Heading:

(i) "Federal Emergency Management Agency;"

(i) "Salaries and Expenses."

The reductions required by this subsection shall be implemented generally in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

#### GORTON AMENDMENT NO. 3489

Mr. GREGG (for Mr. GORTON) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, *supra*; as follows:

Amend page 113, line 11 by striking the period at the end of the sentence and adding: "Provided further, That the FCC shall pay the travel-related expenses of the Federal-State Joint Board on Universal Service for those activities described in the Telecommunications Act of 1996 (47 U.S.C. 254(a)(1))."

#### GRAMM (AND OTHERS) AMENDMENT NO. 3490

Mr. GRAMM (for himself, Mr. SANTORUM, Mr. MCCAIN, and Mr. NICKLES) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, *supra*; as follows:

At the end of title II of the committee substitute, add the following:

SEC. . (a) Notwithstanding any other provision of this title, none of the amounts provided in this title is designated by Congress as an emergency requirement pursuant to section 25(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Each amount provided in a nonexempt discretionary spending nondefense account for fiscal year 1996 is reduced by the uniform percentage necessary to offset non-defense discretionary amounts provided in this title. The reductions required by this subsection shall be implemented generally in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

#### BIDEN AMENDMENT NO. 3491

Mr. GREGG (for Mr. BIDEN) proposed an amendment to amendment No. 2466 proposed by Mr. HATFIELD to the bill H.R. 3019, *supra*; as follows:

On page 29, line 20, after "Provided further," insert "That not less than \$20,000,000 of this amount shall be for Boys & Girls Clubs of America for the establishment of Boys & Girls Clubs in public housing facilities and other areas in cooperation with state and local law enforcement: *Provided further,*"

#### GRAMS (AND OTHERS) AMENDMENT NO. 3492

Mr. GRAMS (for himself, Mr. MCCAIN, Mr. FAIRCLOTH, Mr. INHOFE, Mrs. HUTCHISON, and Mr. HELMS) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, *supra*; as follows:

At the end of the amendment (before the short title), add the following new title:

TITLE V—DEFICIT REDUCTION LOCK-BOX  
SEC. 501. SHORT TITLE.

This title may be cited as the "Deficit Reduction Lock-box Act of 1996".

#### SEC. 502. DEFICIT REDUCTION LOCK-BOX LEDGER.

(a) ESTABLISHMENT OF LEDGER.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

##### "DEFICIT REDUCTION LOCK-BOX LEDGER

"SEC. 314. (a) ESTABLISHMENT OF LEDGER.—The Director of the Congressional Budget Of-

fice (hereafter in this section referred to as the "Director") shall maintain a ledger to be known as the "Deficit Reduction Lock-box Ledger". The Ledger shall be divided into entries corresponding to the subcommittees of the Committees on Appropriations. Each entry shall consist of three parts: the 'House Lock-box Balance'; the 'Senate Lock-box Balance'; and the 'Joint House-Senate Lock-box Balance'.

"(b) COMPONENTS OF LEDGER.—Each component in an entry shall consist only of amounts credited to it under subsection (c). No entry of a negative amount shall be made.

"(c) CREDIT OF AMOUNTS TO LEDGER.—(1) The Director shall, upon the engrossment of any appropriation bill by the House of Representatives and upon the engrossment of that bill by the Senate, credit to the applicable entry balance of that House amounts of new budget authority and outlays equal to the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by that House to that bill.

"(2) The Director shall, upon the engrossment of Senate amendments to any appropriation bill, credit to the applicable Joint House-Senate Lock-box Balance the amounts of new budget authority and outlays equal to—

—(A) an amount equal to one-half of the sum of (i) the amount of new budget authority in the House Lock-box Balance, plus (ii) the amount of new budget authority in the Senate Lock-box Balance for that bill; and

—(B) an amount equal to one-half of the sum of (i) the amount of outlays in the House Lock-box Balance, plus (ii) the amount of outlays in the Senate Lock-box Balance for that bill.

"(3) For purposes of calculating under this section the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the Senate on an appropriation bill, the amendments reported to the Senate by its Committee on Appropriations shall be considered to be part of the original text of the bill.

"(d) DEFINITION.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of a fiscal year."

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 313 the following new item:

"Sec. 314. Deficit reduction lock-box ledger."

#### SEC. 503. TALLY DURING HOUSE CONSIDERATION.

There shall be available to Members in the House of Representatives during consideration of any appropriations bill by the House a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported.

#### SEC. 504. DOWNWARD ADJUSTMENT OF 602(a) ALLOCATIONS AND SECTION 602(b) SUBALLOCATIONS.

(a) ALLOCATIONS.—Section 602(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following new paragraph:

"(5) Upon the engrossment of Senate amendments to any appropriation bill (as defined in section 314(d)) for a fiscal year, the amounts allocated under paragraph (1) or (2) to the Committee on Appropriations of each House upon the adoption of the most recent concurrent resolution on the budget for that fiscal year shall be adjusted downward by

the amounts credited to the applicable Joint House-Senate Lock-box Balance under section 314(c)(2). The revised levels of budget authority and outlays shall be submitted to each House by the chairman of the Committee on the Budget of that House and shall be printed in the Congressional Record."

(b) SUBALLOCATIONS.—Section 602(b)(1) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentence: "Whenever an adjustment is made under subsection (a)(5) to an allocation under that subsection, the chairman of the Committee on Appropriations of each House shall make downward adjustments in the most recent suballocations of new budget authority and outlays under subparagraph (A) to the appropriate subcommittees of that committee in the total amounts of those adjustments under section 314(c)(2). The revised suballocations shall be submitted to each House by the chairman of the Committee on Appropriations of that House and shall be printed in the Congressional Record."

#### SEC. 505. PERIODIC REPORTING OF LEDGER STATEMENTS.

Section 308(b)(1) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentence: "Such reports shall also include an up-to-date tabulation of the amounts contained in the ledger and each entry established by section 314(a)."

#### SEC. 506. DOWNWARD ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS.

The discretionary spending limits for new budget authority and outlays for any fiscal year set forth in section 601(a)(2) of the Congressional Budget Act of 1974, as adjusted in strict conformance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, shall be reduced by the amounts set forth in the final regular appropriation bill for that fiscal year or joint resolution making continuing appropriations through the end of that fiscal year. Those amounts shall be the sums of the Joint House-Senate Lock-box Balances for that fiscal year, as calculated under section 602(a)(5) of the Congressional Budget Act of 1974. That bill or joint resolution shall contain the following statement of law: "As required by section 6 of the Deficit Reduction Lock-box Act of 1995, for fiscal year [insert appropriate fiscal year] and each outyear, the adjusted discretionary spending limit for new budget authority shall be reduced by \$ [insert appropriate amount of reduction] and the adjusted discretionary limit for outlays shall be reduced by \$ [insert appropriate amount of reduction] for the budget year and each outyear." Notwithstanding section 904(c) of the Congressional Budget Act of 1974, section 306 of that Act as it applies to this statement shall be waived. This adjustment shall be reflected in reports under sections 254(g) and 254(h) of the Balanced Budget and Emergency Deficit Control Act of 1985.

#### SEC. 507. ADJUSTMENT FOR STIMULATIVE EFFECT OF REVENUE REDUCTIONS.

(a) AMOUNT OF ADJUSTMENT.—

(1) OMB.—Effective in 1997 and not later than October 15 of each year, the Director of OMB shall estimate the amount of the stimulative economic effect of any provisions enacted beginning with calendar year 1997 reducing revenues with respect to increasing revenues in the fiscal year ending in the year of the estimate. The Director of OMB shall calculate stimulative effect by determining the amount by which actual revenues exceed the projected level of revenues and then estimating the amount of the excess (fiscal dividend excess) attributable to enacted revenue reduction provisions.

(2) CBO CERTIFICATION.—Not later than October 20, the Director of the CBO shall certify the estimates and projections of the Director of OMB made under this subsection. If

the Director of CBO cannot certify the estimates and projections, the Director shall notify Congress and the President of the disagreement and submit revised estimates.

(b) **REDUCTION OF DEFICIT.**—If the Director of OMB determines that a fiscal dividend excess exists under subsection (a) and on November 1, the President may—

(1) direct the Secretary of the Treasury to pay an amount not to exceed the level of excess to retire debt obligations of the United States; or

(2) submit a legislative proposal to Congress for reducing taxes by the amount of excess not dedicated to deficit reduction to be considered by Congress as provided in subsection (c).

(c) **EXPEDITED PROCEDURE.**—

(1) **INTRODUCTION.**—Not later than 3 days after the President submits a legislative proposal under subsection (b)(2), the Majority Leaders of the Senate and the House of Representatives shall introduce the proposal in their respective Houses as a bill. If the bill described in the preceding sentence is not introduced as provided in the preceding sentence, then, on the 4th day after the submission of the legislative proposal by the President, any Member of that House may introduce the bill.

(2) **REFERRAL TO COMMITTEE.**—A bill described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on Ways and Means of the House of Representatives. A bill described in paragraph (1) introduced in the Senate shall be referred to the Committee on Finance of the Senate. If more than 1 bill is introduced as provided in paragraph (1), the committee shall consider and report the first bill introduced. Amendments to the bill in committee may not reduce revenues in the bill below the amount proposed by the President. Such a bill may not be reported before the 8th day after its introduction.

(3) **DISCHARGE OF COMMITTEE.**—If the committee to which is referred a bill described in paragraph (1) has not reported such bill at the end of 15 calendar days after its introduction, such committee shall be deemed to be discharged from further consideration of such bill and such bill shall be placed on the appropriate calendar of the House involved.

(4) **FLOOR CONSIDERATION.**—

(A) **IN GENERAL.**—When the committee to which a bill is referred has reported, or has been deemed to be discharged (under paragraph (3)) from further consideration of, a bill described in paragraph (1), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the bill, and all points of order against the bill (and against consideration of the bill) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the bill is agreed to, the bill shall remain the unfinished business of the respective House until disposed of.

(B) **DEBATE.**—Consideration of the bill, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the bill. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the bill is not in order. A mo-

tion to reconsider the vote by which the bill is agreed to or disagreed to is not in order. Debate on amendments to the bill shall be limited to 30 minutes equally divided. Amendments to the bill may not reduce revenues in the bill below the amount proposed by the President.

(C) **VOTE ON FINAL PASSAGE.**—Immediately following the conclusion of the debate on a bill described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the bill shall occur.

(D) **RULINGS OF THE CHAIR ON PROCEDURE.**—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a bill described in paragraph (1) shall be decided without debate.

(5) **COORDINATION WITH ACTION BY OTHER HOUSE.**—If, before the passage by one House of a bill of that House described in paragraph (1), that House receives from the other House a bill described in paragraph (1), then the following procedures shall apply:

(A) The bill of the other House shall not be referred to a committee.

(B) With respect to a bill described in paragraph (1) of the House receiving the bill—

(i) the procedure in that House shall be the same as if no bill had been received from the other House; but

(ii) the vote on final passage shall be on the bill of the other House.

(6) **RULES OF HOUSE OF REPRESENTATIVES AND SENATE.**—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a bill described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(d) **DEFICIT REDUCTION IF TAX REDUCTIONS NOT ENACTED.**—If tax reductions are not enacted by December 31 of the year of the submission of a legislative proposal under subsection (b)(2), the President shall pay an amount equal to the amount by which revenues are not reduced to deficit reduction as provided in subsection (b)(1).

(e) **DEFINITION.**—For purposes of this section, the term “stimulative economic effect of any laws reducing revenues” refers to laws that have the effect of stimulating savings, investment, job creation, and economic growth.

## NOTICE OF HEARING

SUBCOMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. STEVENS. Mr. President, I would like to announce that the Subcommittee on Post Office and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on March 18, 1996, on “USPS Reform—Conversations With Customers.”

The hearing is scheduled for 2 p.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Pat Raymond, staff director, at 224-2254.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Wednesday, March 13, 1996, in closed/open session, to receive testimony on the Department of Energy atomic energy defense programs—Nuclear stockpile stewardship and management.

The hearing will begin with the closed portion and attendance will be restricted to those with a “Q” clearance.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to receive testimony regarding S. 1605, a bill to amend and extend certain authorities in the Energy Policy and Conservation Act which either have expired or will expire June 30, 1996.

The hearing will be held on Thursday, March 21, 1996. It will begin at 2 p.m., and will take place in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call Karen Hunsicker or Betty Nevitt at (202) 224-0765.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, March 13, 1996, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

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

COMMITTEE ON ARMED SERVICES

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 2 p.m. on Wednesday, March 13, 1996, in open session, to receive testimony on the Defense authorization request for fiscal year 1997 and the future years defense plan.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 13, 1996, at 2 p.m.

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

COMMITTEE ON THE JUDICIARY

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Wednesday, March 13, 1996 at 10 a.m.



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

#### COMMITTEE ON RULES AND ADMINISTRATION

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, March 13, 1996, at 9:30 a.m., to hold a hearing on campaign finance reform.

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

#### SELECT COMMITTEE ON INTELLIGENCE

Mr. BOND. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 13, 1996 at 1 p.m. SH-219 to hold a closed hearing on intelligence matters.

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

#### SELECT COMMITTEE ON INTELLIGENCE

Mr. BOND. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 13, 1996 at 9:30 a.m. to hold an open hearing on intelligence matters.

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

#### SUBCOMMITTEE ON INVESTIGATIONS

Mr. BOND. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, March 13, 1996 to hold hearings on the Global Proliferation of Weapons of Mass Destruction, part II.

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

#### SUBCOMMITTEE ON PERSONNEL

Mr. BOND. Mr. President, I ask unanimous consent that the subcommittee on personnel of the Committee on Armed Services be authorized to meet at 10 a.m. on Wednesday, March 13, in open session, to receive testimony regarding the manpower, personnel, and compensation programs of the Department of Defense in review of the National Defense authorization request for fiscal year 1997.

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

### ADDITIONAL STATEMENTS

#### COMMENDING THE TEACHERS AND ORGANIZERS OF THE NEW HAMPSHIRE PUBLIC TELEVISION KNOWLEDGE NETWORK'S NATIONAL TEACHER TRAINING INSTITUTE

• Mr. SMITH. Mr. President, I would like to commend New Hampshire's Public Television "Knowledge Network" for organizing the April National Teacher Training Institute for Math, Science and Technology in Waterville, NH. Granite State teachers participating in the April Institute will

learn interactive methods for using television and technology in math and science instruction. Technology is a vital tool in the future of education, and this institute will prove valuable to the teachers and students in New Hampshire. The more we can use technology in the classroom and the more we can teach our students how to effectively use the information highway, the brighter and wiser our students will be.

The National Teacher Training Institute was launched in 1990 and has expanded rapidly from 10 sites in 1991 to 26 for the 1995-96 school year. Teachers attend 2 days of workshops in the interactive use of instructional video, on-line telecommunications networks, and other new technologies. Approximately 100 teachers from every grade level will attend the institute. According to a Columbia University study, 94 percent of the teachers that attend pass along the information they acquire to their colleagues. Teachers teaching teachers is a crucial facet in the educational community and is proudly supported at the Institute.

The instruction provided by the National Teacher Training Institute is outstanding. Even more notable is the fact that so much of what is taught is passed on to other teachers who were not able to attend. I am proud that the Public Television Knowledge Network has organized such a valuable educational program, and am also pleased to see so many New Hampshire teachers taking advantage of these important workshops. As a former teacher, I congratulate the participating educators for their active role in furthering the opportunities for New Hampshire students. Helping students to understand math and science through technology provides them with the tools to be very successful in the future.

I commend New Hampshire Public Television and our distinguished teachers for their outstanding contribution to our educational system in New Hampshire and the Nation.●

#### HOW FAR TO SUPPORT TAIWAN?

• Mr. SIMON. Mr. President, there are times when diplomacy should leave messages unclear.

But today the message to China ought to be crystal clear: If they invade or have missile attacks on Taiwan, the United States will intervene militarily. We do not need to spell out how we intervene. My own feeling is that it can include weapons to Taiwan, the use of air power, and other options that can be effective but do not involve United States troops.

I welcome the steps that have been taken, but I don't want any Chinese leader, during this period of leadership uncertainty, to gamble on what will take place.

An article that I call to the attention of my colleagues appeared recently and merits careful reflection. It appeared

in the New York Times, written by David Shambaugh, titled "How Far to Support Taiwan?" I ask that it be printed in the RECORD.

The article follow:

[From the New York Times, Mar. 10, 1996]

#### HOW FAR TO SUPPORT TAIWAN?

(By David Shambaugh)

By firing ballistic missiles within Taiwan's territorial waters, China is sending political and military messages to both the United States and Taiwan. Unless the Clinton Administration delivers a demonstrably tough response—both diplomatically and militarily—the exercises could escalate dangerously and Beijing will be convinced it can act with impunity.

The military exercises are but the latest in a long list of irritants, including Beijing's human rights violations and its sale of international arms. The Clinton Administration has bent over backwards to engage China constructively and help it integrate into the world order.

But Beijing's crude tactics are provocative and irresponsible for a country seeking international recognition as a great power. They also potentially force the United States into choosing between its relationship with China and its longstanding ties with Taiwan. America understandably does not want war with the largest nation on earth, but it is time to lay down markers and protect American national interests.

Washington should begin by sending clear and unambiguous warnings to Beijing about its coercive behavior toward Taiwan. The Administration's condemnation of the missile tests does not go far enough. President Clinton should publicly restate America's commitment under the Taiwan Relations Act to assist the island in defending itself. He should reiterate that America's entire relationship with China—since President Richard Nixon's visit in 1972—has been premised on the peaceful resolution of the Taiwan issue. President Clinton must clearly state that China's recent actions call the entire relationship into question.

Words are important, but China respects power and action. The United States Navy should dispatch the carrier Independence (which has been cruising north of Taiwan) through the Taiwan Strait—an international passage through which Navy ships pass regularly to insure freedom of navigation.

China's decision to fire missiles into the two "impact zones" within 20 miles of Taiwan's two largest ports, Keelung and Kaohsiung, constitutes a de facto blockade. Seventy percent of the island's trade and all of its oil imports pass through these ports. Such a partial blockade may be an act of war under international law and thus a matter for the United Nations Security Council. China must not be allowed to close Taiwan's harbors, as it will bring the island's economy to its knees.

The missiles are just the beginning. Leading up to Taiwan's first-ever free presidential election, on March 23, China will conduct the largest military maneuvers in its history. More than 150,000 troops have been mobilized. The exercises will involve mock bombing runs, simulated naval blockades and amphibious assaults on islands north of Taiwan.

The exercises may be an attempt to provoke a military response from Taiwan, which Beijing could then use as a pretext for "retaliation." Clearly the exercises are intended to intimidate the Taiwanese electorate and to quell the rising sentiment for autonomy and independence.

Most China analysts are confident that the exercises will cease soon after the elections.

Taiwanese diplomats are already putting out the word that Taiwan's President, Lee Teng-hui, who is almost certain to be re-elected, will call for a truce and seek to establish direct trade, shipping and air services.

But for China the essence of the problem is Taiwan's quest for international recognition. It is likely to continue its military harassment until Taipei officially abandons its aspirations for statehood. But Mr. Lee is unlikely to do so, giving the United States a stark choice between supporting the forces of freedom and self-determination on the island or those of suppression and belligerence on the mainland.

This is a choice America needs to avoid. By standing firm against Beijing and counseling Taipei to be cautious, America may be able to bring both sides to the negotiating table.

Given China's current hypernationalistic atmosphere and the struggle to succeed Deng Xiaoping, it is doubtful that it will show restraint on Taiwan if left unchecked. It is up to the United States, with the support of its Asian and European partners, to deter China's aggression. The alternative is escalating tension and possibly war over Taiwan.●

#### TRIBUTE TO SP4C MICHAEL FITZMAURICE—VIETNAM VETERAN FROM SOUTH DAKOTA

● Mr. PRESSLER. Mr. President, I would like to pay tribute today to Michael Fitzmaurice, a South Dakotan and fellow Vietnam veteran who went far beyond the call of duty during his service for our country. Michael is a native of Cavour, SD, and served as an Army specialist [SPC] 4th Class. Michael's singular accomplishment in Vietnam came when he singlehandedly saved the lives of three of his fellow soldiers. These reminders of his heroism couldn't be more appropriately timed given the presence of our brave troops currently stationed in and around Bosnia. Recently, the Sioux Falls Argus Leader and the Hartford Area News published articles about Michael.

Leaping onto a grenade and saving the lives of three soldiers; tossing two live grenades back at the enemy; charging North Vietnamese troops—weaponless in the midst of combat—these are all accounts of SPC Michael Fitzmaurice's courage during battle. Michael's actions fill me with a sense of respect and pride. Americans can rest easy knowing men and women such as Specialist Fitzmaurice defend the values for which our country stands. I commend Specialist Fitzmaurice's example of commitment and bravery. He is truly a worthy recipient of the prestigious Congressional Medal of Honor for bravery.

Mr. President, part of what makes a soldier fight to the finish lies in the sense of dignity and respect for humanity our parents and communities instill within us. Having grown up not far from Specialist Fitzmaurice, I can vouch for the family-oriented atmosphere in which we were raised. The Golden Rule was not just an adage, but words by which we were taught to live by each and every day. Michael's heroic actions were premised by years of being taught respect for one's country, community, and fellow man.

Courage. Bravery. Selflessness. These are the things of which heroes like SPC Michael Fitzmaurice are made. I would like to extend my deepest gratitude for the example set by Michael and the thousands of brave men and women who similarly have fought or even died so that others might experience freedom. Time and again, people like Michael Fitzmaurice demonstrate to us the interminable vigor of the human spirit. Mr. President, I ask that articles which recently appeared in the Sioux Falls Argus Leader and the Hartford Area News, be printed in the RECORD.

The articles follow:

#### HARTFORD MAN TO BE HONORED FOR HEROISM

PIERRE.—Michael John Fitzmaurice of Hartford will receive a unique honor later this year for heroism while serving in Vietnam 25 years ago.

Legislation providing the Hartford man with the state's only set of Congressional Medal of Honor license plates is nearing the end of its Statehouse journey.

The bill was approved 66-1 Tuesday in the House; it had cleared the Senate earlier but must be returned there because of changes made by the House.

Fitzmaurice received the Medal of Honor for bravery in 1971. When three North Vietnamese hand grenades were lobbed into the bunker where Fitzmaurice and four fellow soldiers hid, he pitched two of them out and dropped on the third one.

"He absorbed the blast, shielded his fellow soldiers," said Rep. Hal Wick, R-Sioux Falls, "and although suffering from serious multiple wounds and partial loss of sight, he charged out of the bunker, engaged the enemy until his rifle was damaged by the blast of an enemy hand grenade, and then while in search of another weapon, encountered an enemy in hand-to-hand combat."

#### MEDAL OF HONOR HERO

(By Pat Smith)

Michael Fitzmaurice is South Dakota's only resident Congressional Medal of Honor Hero. He lives quietly on Second Street and you will find him at church on Sunday, perhaps a basketball or volleyball game on Friday. He helps with softball, Jamboree Days, kids games, the parade (of which he was marshal this year) and many other activities in our town. A quiet man with a loving spirit. Overwhelmed by the fact that he received the Medal of Honor and will tell you that he was just in the wrong place at the wrong time . . . but he was doing the right thing.

This quiet man will be honored by the South Dakota Legislature with a distinctive license plate. Senate Bill #98 has passed the Senate and House and will be sent for the governor's signature this week.

Michael received his Congressional Medal of Honor the same day as Leo Thorsness at the White House from then president, Richard Nixon in 1973. He received it for saving the lives of his comrades during a battle in Vietnam. He threw two enemy hand grenades up in the air and fell on the remaining one to save their lives. The results were eye damage, shrapnel wounds and broken ear drums, but saved lives.

This is a story like something you might see on television. A real life hero living in a small town, going about his life, volunteering to serve his country, saving lives, then going back to living his life in a small town again. And the reason this is such a great story is, although Michael Fitzmaurice is a Congressional Medal of Honor hero, he puts on no airs. He is a hero going to work each

day, helping put up and take down chairs at meetings, supporting his town, school and church and just being a friend and neighbor. If the media didn't bring it up, you would never know. Maybe that is what a real hero is . . . doing what must be done and then just going on.●

#### INDICTING CHINA'S TERRORISM

● Mr. SIMON. Mr. President, A.M. Rosenthal has a thoughtful column on the situation regarding China in the New York Times, and I ask that it be printed in the RECORD.

I am not as certain as he is that the case should be brought to the United Nations because I'm not sure what the other countries would do. But at the very least, that possibility should be explored.

A firmness is needed in this present situation. The Rosenthal column, among other things, cites a sentence from the recent State Department human rights report: "The experience of China in the past few years demonstrates that while economic growth, trade and social mobility create an improved standard of living they cannot by themselves bring about greater respect for human rights in the absence of a willingness by political authorities to abide by the fundamental international norms."

There are times when the international situation demands clear-cut policies. This is one of them.

The column follows:

[From the New York Times, Mar. 12, 1996]

#### INDICTING CHINA'S TERRORISM—BRING THE CASE TO THE UNITED NATIONS

(By A.M. Rosenthal)

By firing missiles into the waters off Taiwan, Communist China is committing open, deliberate international terrorism of enormous danger.

Americans count on Beijing's survival instincts to stop the terrorism short of the disaster of war with the U.S. That may happen—this time.

But every day that Washington fails to bring the missile blackmail and blockade of Taiwan before the U.N. increases the chances it will happen again, or something worse, until the disaster does take place.

The Communists' rage and fear at the example of Taiwan's democracy off their shores will not let them rest unless the Taiwanese give it up.

That is not likely. If any pro-democracy majority is elected in the March 20 voting, before long there will be another round of terrorism.

That may include some Chinese military landings on Taiwan. U.S. vessels will have to move in to live up to American word and legislation that the Taiwan-China relationship will not be changed by force.

So far, the U.S. has had to act alone. The Japanese do not have the political courage to make any strong public protest against the terrorism. I have not heard our European allies warn the Chinese that if it comes to it, they will immediately line up with the U.S.

U.S. failure to bring the Chinese before the U.N. will destroy a basic purpose of the U.N. The U.N. was not created simply to end wars but to stop them before they begin. Article 34 of its charter authorizes the Security Council to take up any matter that might lead to "international friction or dispute."

Any member of the U.N.—or the Secretary General—can bring a threat to the peace before the Council. China's veto power cannot be used to prevent putting a threat to peace on the Council agenda.

Separately, the U.S. and any country that considers itself a friend both of peace and America can condemn Chinese terrorism. Together they can present a resolution speaking for the U.N.

China will veto that. But if Beijing is so out of control as to threaten more terrorism in the face of a U.N. condemnation prevented only by a veto, we should know it as soon as possible.

Meantime, President Clinton should consider one sentence that tells how his Administration got to this point.

"The experience of China in the past few years demonstrates that while economic growth, trade and social mobility create an improved standard of living they cannot by themselves bring about greater respect for human rights in the absence of a willingness by political authorities to abide by the fundamental international norms."

The sentence in itself is not remarkable. It sums up the message of human rights victims around the world: strengthening our oppressors empowers them to torture us further. But it comes from the latest report on human rights of the State Department. It took courage by those officials who wrote or agreed to it.

Since 1993, the Administration has based its China policy on a contrary vision of morality and history. It insisted that economic growth in China would create a willingness by the dictatorship to live up to those "fundamental international norms." Beijing would give Chinese more human rights. It would stick to agreements against selling nuclear weapon technology. It would allow the people of territories it claims as its own, such as Tibet and Taiwan, to live in peace and dignity.

China's economy certainly has grown, stimulated nicely by \$40 billion more that it sells to America than it buys from America.

So: Torture and political repression have increased. And so have oppression of religion, and forced abortion. The choke-leash around Tibet tightens. The chief economic beneficiary of the trade that led to economic growth has been the Communist army, which owns vast parts of the economy, including the forced-labor camps.

The new, richer China has sold nuclear technology to Pakistan and has become the missile salesman to the world's dictatorships.

President Clinton promised to struggle for human rights in China. He did not.

Now his China policy lies adrift in the Strait of Taiwan. He owes us a new one. Its moral principle and historic reality were written for him by the meaning of that sentence in the State Department report: enrichment of dictators enchains their victims.●

#### ADMINISTRATION EFFORTS TO COMBAT INTERNATIONAL BRIBERY

● Mr. FEINGOLD. Mr. President, most of us believe that a key factor in America's economic growth will be an increase of U.S. exports overseas, and accordingly, we have concentrated our efforts on overcoming obstacles which U.S. businesses face overseas. One of the real problems which has not received enough attention, though, is bribery and corruption.

Bribery as a way of doing business is widespread. But it is inefficient: it

skews international markets, it discriminates against the honest, and it taints the overall image of a company. No one benefits in the long-term from contracts based on bribery.

U.S. business is prohibited from engaging in bribery under the Foreign Corrupt Practices Act [FCPA]. I am proud of this law, and believe that it promotes good business. But, in a perverse irony, our businesses are disadvantaged in the international marketplace because they can't pay bribes. Some have suggested repealing the FCPA, which is very short-sighted. Rather, a more constructive alternative is to work for international acceptance of the principles of the FCPA. In light of the corruption scandals that have rocked Taiwan, France, and NATO, to name a few, there are serious moves afoot on the national level as well as among the grassroots to do so.

This is a sensitive topic because it involves moral, financial, and intellectual concerns with, in many cases, our friends. But that sensitivity cannot deter us from addressing the subject seriously. U.S. businesses cannot afford their Government avoiding the issue.

For these reasons, I am very pleased that the U.S. Trade Representative, Mickey Kantor, has made the countering of bribery and corruption a high priority in U.S. trade policy. Last week he gave an encouraging speech which identified bribery as the triple obstacle that it is: a barrier to U.S. exports; a burden to developed countries seeking to do business; and an obstacle to the establishment of sound governments in developing nations.

The full remarks of Ambassador Kantor are unfortunately too extensive to include in the RECORD, so alternatively, I ask to have printed in the RECORD an editorial which appeared in Sunday's Washington Post applauding Ambassador Kantor's initiative, and encouraging the administration to maintain the pressure.

The editorial follows:

[From the Washington Post, Mar. 10, 1996]

#### TRADING ON BRIBES

Ever since 1977, when the United States barred U.S. corporations from paying bribes overseas, U.S. executives have complained that enforced honesty was costing them business. European and Asian competitors were beating them out all over the world—and then going home and deducting the bribes from their taxes.

How much of this lost business was real, and how much involved sour grapes, has never been clear. Some studies have shown only marginal losses to U.S. business. Some U.S. firms have found ways around the Foreign Corrupt Practices Act, as the 1977 law is called. And many executives agree that the act has also helped them at times, by giving them an excuse not to pay costly bribes that might in any case bring small or no returns.

Still, no one denies that the act can handicap U.S. firms. And with trade now accounting for 30 percent of our total economy and a sizable number of domestic jobs, any such impediment has to be taken seriously.

U.S. Trade Representative Mickey Kantor this week identified bribery and corruption in overseas business as significant and unfair

barriers to trade. Rather than softening the U.S. law, he said, Washington will now press other nations to deal more honestly.

Fat chance, you may say. And of course corruption will never be entirely uncoupled from international business, any more than the influence of money can be entirely leached out of politics.

But in two areas a full-court press would not be entirely quixotic. The first is to press other developed countries to play more by our rules. The Organization of Economic Cooperation and Development, which includes the nations of western Europe, North America and Japan, is moving toward adoption of a policy barring tax-deductibility of overseas bribes. That policy should be encouraged as a bare minimum, with criminalization of bribery to follow.

The second goal is to persuade developing countries to adopt fair rules for government procurement contracts in telecommunications, energy and other, dollar-rich sectors. The more open such processes are, the less opportunity is provided for bribery.

Such a campaign would be as much in the interest of the developing countries themselves as it would benefit U.S. firms. Widespread corruption usually enriches a small elite while discouraging foreign investment and impoverishing the economy as a whole. Even many of our competitors would welcome a clearer set of rules, if they knew everyone was playing by the same ones.

Clinton administration officials have raised these issues before. This time they should maintain the pressure. Pushing for honest trade is not an unfair trade practice.●

#### TRIBUTE TO STU CARMICHAEL ON HIS RETIREMENT

● Mr. SMITH. Mr. President, I rise today to honor a dear friend and faithful staffer in my Portsmouth Congressional office—Stu Carmichael. Stu has worked for me since I first entered politics in 1980, over 16 years ago. He is retiring next week and we will all miss him dearly.

Stu Carmichael joined the Air Force in 1950 upon graduation from East Providence High School in Rhode Island, and served for 4 years as a radio operator in the Korean war. Occasionally, he still proudly wears his flight jacket into the office and asks the staff to take note of a special shiny pen in the left sleeve. He quickly yanks at this writing utensil and proceeds to show everyone how it was made to write upside down. "Something every astronaut cannot live without" he always notes.

We all know Stu for his delightful sense of humor and his wit. He impresses everyone he meets with a new anecdote or joke that usually leaves his friends laughing long after he has gone. Many of my staff can still recount some of his original stories and humorous incidents he concocted. We love him for that. That is Stu's legacy—one we will fondly remember for years to come.

When Stu graduated in 1958 from the University of Rhode Island with a bachelor's degree in business, he quickly went on to pursue an extensive career in the benefit management business. Several actuarial firms sent him all over the country and he ended up on

the west coast. In 1980, he returned to New England and purchased the Kingston Country Store in Kingston, NH. It was there in 1980, that I met Stu and we began to talk about politics. In fact, it was Stu Carmichael and his good friends, Louis and Lois Beaulieu and other early supporters, who encouraged me to run for Congress in 1980. That year, Stu served as my first finance manager. As our mutual friend, Lois Beaulieu, remembers, "Stu was a motivator, hard worker and loyal to Senator SMITH. He has been with BOB SMITH through the worst and the best. Our motto during that first campaign was 'Fake it until we make it' and with many thanks to Stu, our loyal grassroots people and the Good Lord, we made it."

In 1985, after I was elected on my third attempt, Stu joined my congressional staff and has served me in a variety of capacities both when I was a Congressman and now as a Senator.

Over the years, Stu has also unselfishly served the people of New Hampshire by helping countless veterans with their benefits and working on a variety of other cases for constituents who need assistance cutting through Government bureaucracy. He also was instrumental in establishing a veterans cemetery in Boscawren, NH.

I am truly indebted to such a hard working and admirable friend. Stu helped me with my start in politics, and stayed with me all these years until his retirement. Every Senator wishes for commitment like this and I am sorry to see him go.

The Granite State will feel a void with Stu's absence. New Hampshire's loss is South Carolina's gain. In fact, if Stu wanted to start another career, he could always work for STROM THURMOND for another 20 years.

Our Portsmouth, NH, staff, his other fellow coworkers, and the citizens of New Hampshire whom Stu has helped will miss this character we have come to love. My sincere appreciation to you Stu, for all the years of friendship and for your service to the people of New Hampshire, especially your fellow veterans.

As a dedicated father, husband and grandfather, Stu Carmichael will now have plenty of time to spend with his family and grandchildren. He and his wonderful wife, Priscilla, have carefully built a special new home in Pickens, SC and plan to enjoy their retirement there. As an avid golfer, Stu will undoubtedly be a constant sight on the golf courses he has yet to discover in South Carolina.

And Stu, remember, "Golf is a love affair; if you don't take it seriously its no fun; if you do take it seriously it breaks your heart."

May all your putts be swift, stable, and accurate, and may all the greens rise to meet you whether you are in New Hampshire or in South Carolina.

Stu, you are one of the very best and I wish you every happiness as you embrace retirement. •

#### SALUTING IDAHO'S NATIONAL CHAMPIONS

• Mr. KEMPTHORNE. Mr. President, I rise to offer my congratulations to Coach Marty Holly and his Albertson College of Idaho basketball team.

Last night, the Coyotes won the National Association of Intercollegiate Athletics Division II men's national basketball championship. The 'Yotes beat Whitworth College in a thrilling overtime game, 81-72.

Albertson College of Idaho was founded in Caldwell in 1891 as the College of Idaho and is the State's oldest 4-year institution of higher learning. Six hundred students attend the private liberal arts college. The school has been recognized by U.S. News and World Report as one of the best small colleges in the country.

Mr. President, this victory is more than the school's first national title. It is a testament to the outstanding talents of head coach and athletic director Marty Holly. In his 15 years as coach at Albertson College, Marty Holly has compiled a record of 345 wins and only 113 losses, for a winning percentage of 75 percent. For all his success, this year may have been his best.

Everyone expected the 'Yotes to be good this year. They were highly ranked in the polls all season. Expectations were high. And as my colleagues know, when expectations are high, the pressure to meet those expectations is great. So Marty and his team were under a tremendous amount of pressure to win it all. Despite that pressure, Albertson College turned out its best season in school history. They finished 31-3, the best winning percentage in school history. They won a record 12 games in a row. All this while maintaining their high standards in the classroom.

Last night's game was a classic. Albertson trailed by 3 at halftime before tournament Most Valuable Player Damon Archibald got hot. He scored 23 of his game-high 29 points after intermission, including 15 in an 8-minute stretch in the second half.

Still, to their credit, Whitworth fought back and forced the game to overtime. There, the Coyotes took over and seized the victory. After the game Coach Holly said every player "stepped it up." They did indeed.

Jimmy Kolyszko and Jared Klassen joined Archibald on the all-tournament team, and each did step it up in the title game. Kolyszko pulled down 19 rebounds, and Klassen scored 20 points and grabbed 12 rebounds.

Mr. President, Idaho should be proud of the student-athletes at Albertson College and their dedicated coaches, who have helped bring the community together in support of the team. In fact, all of Canyon County was able to celebrate this achievement since the NAIA National Tournament was hosted by Northwest Nazarene College in nearby Nampa.

This championship season was truly a team effort and I join all Idahoans in

saluting those involved. We are very proud of these fine young men and their coaches. I ask to have printed in the RECORD the names of the players, coaches and staff of the Albertson College of Idaho Coyotes, who have brought tremendous honor to their school and their State.

The names follow:

Nate Miller, a senior from Middleton, ID, Todd Williams, a senior from Pasadena, CA, Steve Kramer, a senior from Santa Rosa, CA, Jimmy Kolyszko, a senior from Scottsdale, AZ, Taylor Ebright, a junior from Boise, ID, Taran Hay, a sophomore from Boise, Rob Smith, a freshman from Boise, David Baker, a sophomore from Blackfoot, ID, Damon Archibald, a senior from Tempe, AZ, Rob Sheirbon, a sophomore from Woodburn, OR, Greg Blacker, a junior from Caldwell, ID, Jared Klaassen, a senior from Coeur d'Alene, ID, Head Coach Marty Holly, Assistant Coaches Mark Owen and George Scott, Trainer Linda Gibbens, Sports Information Director Dave Hahn, and Albertson College President Robert Hendren, Jr. •

#### SAVING BURUNDI

Mr. SIMON. Mr. President, two items I have read on Burundi recently suggest that continued interest and support for peacemaking endeavors and positive solutions really can be of help.

The one is an article in the New York Times by two distinguished Americans, former Secretary of State Cyrus Vance and David Hamburg, who heads the Carnegie Foundation. They co-chair the Carnegie Commission on Preventing Deadly Conflict.

The other article, written by Jonathan Frerichs, appeared in the Christian Century.

Both articles, which I ask be printed in the RECORD, suggest that anarchy and needless death can be avoided if we pay attention to this troubled land.

I urge my colleagues and their staffs to read these two articles.

The articles follow:

#### AVOIDING ANARCHY IN BURUNDI

(By Cyrus R. Vance and David A. Hamburg)

WASHINGTON.—A world grown accustomed to human disaster in the face of diplomatic failure has more to hope for in the coming days. Next Saturday, a meeting of African leaders in Tunis, brokered by former President Jimmy Carter, will test the proposition that breaking the cycle of mass violence in Central Africa may at last be possible. They need the international community's help.

Burundi is pivotal. The right mix of political pressures can sustain the balance of power in a country on the brink of repeating the slaughter that tore apart Rwanda. Maintaining that balance could spare thousands of lives. It would also reduce the risk of the United Nations being forced into another crisis without the mandate, materials and money needed to be effective.

Burundi's government, a coalition of moderate Tutsi and Hutu leaders, is fragile. Tutsi extremists have recently attempted to close down the capital, Bujumbura, with labor strikes and blockades. Attacks by Hutu guerrillas in the countryside raise fears of genocide among the Tutsi minority.

But there is some reason for hope. Moderate Tutsi and Hutu leaders are committed to a national debate, open to all political factions. The goal is to settle the terms of power-sharing and guarantees for minority rights before any further elections.

To reinforce this process we must be clear not only about the differences between Burundi and Rwanda but also about who must take primary responsibility for a peace plan.

Rwanda and Burundi are both poor, isolated countries. Their colonizers' divide-and-rule policies left seemingly insoluble conflict between the agrarian Hutu, who make up about 85 percent of each country, and the Tutsi, who predominate in business, government and the military.

The Belgians left the Tutsi elite in control of Burundi, but gave way to the Hutu majority in Rwanda. Since then demagogues in both countries have exploited ethnic fear and pride.

This spiral of hate climaxed in 1994, when Hutu and Rwanda shot or hacked to death at least 500,000 people, primarily Tutsi. When Tutsi exiles from Uganda overthrew the Hutu government, more than two million Hutu fled to nearby countries, where 1.7 million remain.

In Burundi, the core question is whether the country's citizens can avoid Rwanda's tragedy by devising a power-sharing formula that offers enough security for the Tutsi to open the way for majority democratic rule.

Outsiders can help in several ways. First, there must be diplomatic efforts to persuade extremists in both ethnic groups of the futility and dreadful consequences of violence. Killings in Bujumbura rose to more than 100 a week, and anarchy threatens. The United States and European governments should impose an arms embargo, block international financial transactions by Burundi's extremist leaders and threaten to halt trade other than humanitarian relief.

Second, African leaders should be given help in securing a power-sharing agreement in Bujumbura and the return of refugees to both Burundi and Rwanda. In November, Mr. Carter arranged a meeting of the Presidents of Burundi, Rwanda, Tanzania, Uganda and Zaire. It is these talks that resume next week.

Third, donor governments and the World Bank should draw up a "road map" linking political progress in Burundi and the other countries of Central Africa to the restoration of development assistance.

For the moment, however, everything depends on reaching an agreement to contain the cancer of ethnic conflict. What is learned from this experience can help prevent mass violence elsewhere.

[From the Christian Century, March 6, 1996]

CAUSES FOR HOPE—SAVING BURUNDI

(By Jonathan Frerichs)

If we hear anything at all about Burundi, it is that this small African country is Rwanda in slow motion. There is, indeed, justification for seeing Burundi as a catastrophe in the making. It has a vicious cycle of intergroup violence, with militias preempting politics and crowds of refugees on the move.

Approximately 800 people are dying there each month, according to a United Nations estimate. Like its neighbor, Rwanda, Burundi has a population of about 85 percent Hutu and 15 percent Tutsi. Tutsi militias operate with help from Burundi's army, an army that has usually taken its orders from ethnic leaders rather than from the moderate civilian government. The actions of Hutu guerrillas puts the majority population at risk of reprisal. The countryside, like the capital, is increasingly balkanized. A fragile

national "convention," an agreement on power-sharing, barely merits being called a government.

Yet to equate Burundi with Rwanda is inaccurate and dangerously self-defeating. In Burundi there is still scope for remedial action, for taking steps largely untried in Rwanda—as certain Burundian Christians and aid partners are demonstrating. The balance of power, the course of events and the rule of the churches in Burundi differ significantly from those in Rwanda.

There is no "final solution" underway in Burundi, as there was in Rwanda. Because they are a minority, Burundi's Tutsi extremists cannot implicate a whole population in the perpetration of genocide, as Rwanda's Hutu majority did in 1994. The 1.5 million Rwandans still encamped outside their country today fled not genocide but fear of reprisal for the slaughter they had allowed to happen in their name. In Rwanda the majority Hutus had the arms. In Burundi most of the arms are still in the hands of the minority Tutsis.

The Tutsi-dominated national army is searching for Hutu insurgents and punishing the Hutu majority for allegedly sheltering them. Tutsi militia with names like "The Undeclared" and "The Infallibles" operate in the capital, Bujumbura, and in the northern provinces. When these extremists have targeted a community for a "ville mort" (dead city) campaign, the army sometimes has stood by without intervening or has even helped. These campaigns force Hutus out of Tutsi areas.

The Hutu guerrillas opposing these tactics are not well organized, according to aid workers in Bujumbura, but they were strong enough to mount an attack on the capital in early December. One day members of one community are killed, next day members of the other. A rough balance of power and fear prevails, a legacy of a century of national and colonial political practices. As extremists within both ethnic groups undermine the convention government, the army is forced to choose between trying to re-establish Tutsi supremacy and maintaining some version of the status quo. An incident in January may indicate a shift in the army's position. When Tutsi militia declared a "ville mort" in Bujumbura, hoping to force out the Hutu president, the army actually blocked the campaign in some quarters of the city. Since then, the militia cannot count on army support, say aid officials. Two Tutsi extremist leaders were actually arrested recently. Some local observers suggest that the army may merely want to improve its image abroad while deflecting talk of international intervention. However, it may also fear that militia politics will end in collective suicide.

Burundi's government wants to do what is right for the public at large, but it is not in control, according to Susanne Riveles, Africa director of Lutheran World Relief. In contrast, in early 1994 the Rwandan government was in control but wanted to do the wrong thing. That there are moderates at the highest levels of Burundi's government makes it possible to keep humanitarian issues in focus.

A second cause for hope in Burundi is that its churches are not swept up in the conflict, as happened in Rwanda. Some church leaders are increasingly willing to oppose the violence. But they need support. In Rwanda, certain religious leaders were linked so closely to the government that, even during the genocide, they did not dissociate themselves from that government. Some even went abroad to engage in damage control. When the old regime fell and fled, such people fled with it—which eliminated all doubt about where they had stood. Some are still

not willing to return home. In contrast, the bishops and archbishops of Burundi do not sit on permanent councils of state.

"In the last four or five months, there is a feeling among the Protestant churches that they have to gather people across ethnic lines to protest and to work together," says Eliane Duthoit-Privat of Christian Aid in Bunumbura. Church programs include humanitarian and peace initiatives. One example is local peace committees of Hutu, Tutsi and Twa (who constitute about 1 percent of the population). Citizens gather to air grievances, clarify information and address the kill-or-be-killed mentality. "In these meetings, participants can say: 'I don't have to kill the person in front of me so that he won't kill me,'" notes Duthoit-Privat.

Some of the groups are moving from words to deeds. Several Tutsi and Hutu families may join hands to repair the damage done by raiding militia or soldiers—rebuilding a house for a vulnerable neighbor, for example, or a local dispensary. These pioneering "Discussion sur La Paix" are led by local Quakers with support from the Mennonite Central Committee. Other Protestants are considering them as a model for standing up to the spread of violence. Protestants number about 15 percent of the population, and include Anglicans and Pentecostals (the two largest non-Catholic groups), varieties of Methodists, plus Baptists, Quakers and Kimbanguists (an indigenous African body).

The Roman Catholic Church (84 percent of the population) is also beginning to mobilize for national reconciliation, says Annemarie Reilly, Burundi program director of Catholic Relief Services. Drawing on the church's experience in Latin America, it has brought people of different ethnic and economic backgrounds together for work and worship. A pilot phase has been completed in three dioceses and is ready to be expanded across the country.

Some prominent churchpeople are risking their lives for peace. University teacher Adrian Ntabona, who heads the reconciliation project, strongly condemned a recent killing before a student group that included members of the Tutsi militia widely assumed to be responsible. In Babanza, the northern province where foreign church and relief workers have been withdrawn because of the violence, and where some priests have been killed and others made virtual prisoners in their own compounds, Catholic Bishop Evariste Ngyagoye works as a one-person relief agency and keeper of peace. Though recently the archbishop of Gitega was ambushed and a priest in his party was killed, the incident has not stopped the archbishop from traveling in his region.

Churches are providing food and other supplies to people forced to flee from their homes. The Burundian Council of Churches purchases and distributes seeds, tools, soap and non-food items, and the Episcopal Church brings food to camps of displaced people. The Evangelical Friends Church, which formed the peace committees, also runs mobile health clinics. Christian Aid, a British agency, maintains a stockpile of emergency supplies for 10,000 families. The agency is the focus for an international, interchurch aid coalition called ACT (Action by Churches Together). All church programs are hobbled by restrictions on movement. In relatively secure areas, ACT has plans for agricultural rehabilitation, the rebuilding of houses and small income projects for women.

We can do much to help Burundi avert disaster. A colossal sin of omission was committed against Rwanda. The cost of preventing another disaster in Burundi is negligible compared to the expense of a major emergency rescue operation. "Burundi needs our eyes and ears. It needs a solid, multilateral

outside presence," says Riveles. "Burundi needs international civilians inside the country, not foreign troops at the border."

John Langan, S.J., argued in these pages (January 24) for a new rule of intervention that would involve massive and early deployment with a cautious use of force. The UN recently discussed positioning a force in Zaire for possible Burundi intervention. Massive and early civilian rather than military deployment seems the best prescription for Burundi. Human rights observers are urgently needed, as is strong support for existing Burundian peace initiatives.

Another key area for international observers and personnel is the judicial system. Riveles suggests that foreign aid and human rights workers may be able to "bring to bear insights on truth-finding and reconciliation from the apartheid experience and from the Holocaust." Through personal diplomacy, Anglican Archbishop Desmond Tutu has been making a similar point. Now head of South Africa's Truth Commission, he is also active in peace initiatives for the Great Lakes region of Africa.

In Rwanda, extremist media propaganda was used to support political and militia coercion. In Burundi, such propaganda must be stopped—whether by international political pressure or by jamming or other technical means. The UN Security Council recently called on member states to identify and dismantle any mobile stations operating outside Burundi that broadcast Hutu extremist propaganda into the country.

To regard African countries like Burundi as hopeless or to dismiss its problems as a case of unsolvable "ethnic conflict" is to trap ourselves. Rather than debate past holocausts, we can calculate how to stop a new round of death.●

#### PORTUGAL'S NEW PRESIDENT

● Mr. PELL. Mr. President, this weekend, I had the honor of leading a congressional delegation to Lisbon for the inauguration of Portugal's new president. I was pleased to participate in this event marking the passing of the torch from Mario Soares to Jorge Sampaio, which was a strong signal of Portugal's continued commitment to democracy.

The delegation's presence at the inauguration contributed to continued good relations between Portugal and the United States. Portuguese-United States relations remain solid. The new government, headed by Prime Minister Antonio Guterres, has demonstrated his continued commitment to a strong United States-Portuguese relationship. The new agreement on cooperation and defense providing for United States access to the Lajes Base in the Azores and Portuguese-United States cooperation in the implementation force in Bosnia are also important signs of the strong ties between our two countries.

President Sampaio delivered a truly inspirational inaugural speech in which he described a Portugal firmly rooted in Europe and committed to a foreign policy that places a priority on good relations with Portuguese-speaking countries throughout the world. He paid tribute to his predecessor Mario Soares as the symbol of the constant struggle for freedom and democracy both at home and abroad. President

Sampaio called on the Portuguese people to work for a more cohesive Portugal, and pledged to do his part to encourage consensus in Portuguese society. Ever aware of Portugal's past political experiences, President Sampaio underscored that he will respect the wishes of the Portuguese people and to exercise his constitutional powers with impartiality.

Mr. President, I commend President Sampaio's speech to my colleagues, and ask that it be printed in the RECORD.

The speech follows:

Mr. President of the Assembly of the Republic, Heads of State, Prime Ministers and High Representatives of Friendly States and Peoples, Prime Minister, Members of the Government and High Portuguese Authorities, His Eminence the Cardinal of Lisbon, Members of Parliament, Ladies and Gentlemen:

After twenty years of democracy and a decade of European integration, Portugal has completed a cycle in her contemporary history. The democratic regime has been consolidated. Accession to the European Community has proved to be the right choice and has provided the country with conditions for development and structural changes which would otherwise have been impossible.

Such major conditions for Portugal's modernization may seem obvious and even natural to the new generations coming of age today. It is good that it should be so. However, it required several generations to fight for Freedom and Democracy, generations whose courage and determination gave the example to be followed. The 25 of April Revolution, which I would feelingly like to remember here, represents the end of a long journey during which people paid for their dedication to the cause of democracy with their freedom and their lives.

Being elected President of the Republic represents an incomparable responsibility and honour in a politician's life. Circumstances have contrived, however, to give me the added pleasure of receiving the badge of office from that outstanding figure of Portuguese democracy; the outgoing President, Mario Soares.

Dr. Mario Soares is the symbol of the constant struggle for Freedom and Democracy both at home and abroad. A struggle which knew no vacillations or concessions.

The political cycle which coincidentally closes with the end of his term of office will forever be linked to his name. In the last decades no-one has marked Portuguese political life so persistently and profoundly.

Today, as President of the Republic, I would like to say how deeply grateful our country is to you, Dr. Mario Soares, for a lifetime dedicated to seeking the best for Portugal and the Portuguese.

Owing to the many areas in which you left your mark it is difficult to sum up your life in one word. There is one word however, which stands out above all others. You are a man of Freedom. It was essential that my first gesture as President should be to award you the Grand Collar of the Order of Freedom, at another ceremony which will take place today.

Mr. President of the Assembly of the Republic. I would like to thank you most feelingly for the warm word you addressed to me in your eloquent speech. This is the seat that represents the sovereign will of the Portuguese people. I know this house well, having survived intense years of parliamentary activity here, believe me, Mr. President, the Assembly of the Republic may always rely

on the solidarity and institutional cooperation of the President of the Republic.

I would like to say how honoured I am by the presence today at this inauguration of Heads of State, Prime Ministers and high representatives of friendly countries. I would like to welcome you all warmly and to thank you for your distinguished presence at this ceremony.

Mr. President of the Assembly of the Republic, Ladies and Gentlemen, the coming years are decisive for Portugal's future. The country faces the challenge of ensuring important modernization efforts without causing political and social breaches which may undermine national cohesion.

Our national strategy must encompass the firmness of Portugal's participation in the European Union, the achievement of a sustained effort to modernize the productive sections and constant attention to social policies.

I regard Portugal's future with confidence. We are a quasilimnary country. We are possessed of a culture which, century after century, has maintained its diversity and richness. Our language was spread by the Portuguese "to the seven corners of the world" and today is spoken by over two hundred million.

It was our people's courage and determination that created the wealth of our history, our culture and our language. It is that courage that will always give me faith in the future.

I have acquired and developed a profound knowledge of the Portuguese and this is without any doubt the heritage that I most value in a political career which began more than thirty five years ago.

I know that the Portuguese people will always be able to find the energy and means required to guarantee Portugal's future. I also know that this new political cycle goes hand in hand with the Portuguese people's more demanding attitude in their relationship with the political system, particularly with the need for greater transparency and renewed capacity to provide concrete answer to the expectations and concerns in people's day-to-day lives.

The Portuguese know how I conceive the presidential function. It is built on a concern to which I will pay the greatest attention. In a world and a time increasingly subject to massification, to violent desegregating tensions and to the loss of the collective memory, the values of identity must be reinforced. It is necessary to exercise a magistrature that will defend, guarantee and strengthen national cohesion.

I feel that there are factors nowadays in Portugal which are affecting that cohesion. There are unequivocal signs that social inequalities are on the increase. The profound regional asymmetries in national development and the phenomena of minorities' exclusion and marginalization have accumulated and increased to worrying levels. There is an increased loss of solidarity between generations. The role of the family, even its articulation with the educational system, require profound thought.

One of the indications of the loss of national cohesion is the growing signs of insecurity, increased factors of discord, accumulated inter-regional tensions, intolerance and intransigence that I see with concern to evolve.

The strengthening of national cohesion requires far-reaching reforms both to achieve policies of decentralization and to adjust educational and social policies. Also both to restore citizens' trust in the political system and to guarantee the effectiveness of the State's role.

The strengthening of national cohesion signifies that a solution must be found to



strengthen municipal and local institutions as well as organized forms of society representation. In the search for that solution the unity of the State must never be questioned.

However, the strengthening of national cohesion also means finding an institutionally stable solution of consensus for the problem of formulating the Continent's political and administrative decentralization. This problem has been awaiting a solution for far too long.

I would like to welcome the organs of the autonomous Regions and give them my assurance that I will cooperate with them wholeheartedly. The regional autonomies were decisive in transforming the lives of the populations of the Azores and Madeira archipelagos. The model of regional autonomy has given proof of its legitimacy and all our efforts must be to ensure its improvement and consolidation.

National cohesion also depends on how we respect our acquired social rights, guaranteeing some level of security for families; and their expectations for retirement, particularly for the underprivileged, outcast and jeopardized by a process of modernization which is often pursued with total disregard for the values of solidarity.

As President of the Republic I will do all I can to encourage the consensuses in Portuguese society. Only these that can pave the way for a new strategic concentration, able to meet the demands of national cohesion at a time of accelerated change and accelerated national mobilization.

The mandate I received from the Portuguese people is very clear. The President of the Republic must be a guarantor of political and institutional stability and perform his office in such a way as to ensure institutional balances.

I am, of course, aware that it is my duty to respect the democratically expressed wish of the Portuguese and to see that it is respected. Just as I will also faithfully respect the spheres of competence of the other organs of sovereignty. I shall commit myself to create the required conditions to ensure that Parliament and the Government carry out their duties and fulfill their mandates. Loyalty and institutional cooperation by contributing to political stability will also play a decisive role in allowing the Portuguese to see themselves mirrored in the institutions of the Republic.

The Government led by Mr. António Guterres, which emerged from elections which gave it the unequivocal vote of the Portuguese people, can naturally rely on my institutional cooperation.

I will exercise my constitutional powers with impartiality. It is incumbent upon me to work with all majorities and all legitimate governments.

The principle of institutional cooperation cannot be synonymous with unanimity. Normal functioning of the political institutions demands that all of us: President, Assembly and Government, must exercise their powers with rigour, and respect the manifestation of reciprocal competences.

I will remain constant to the form of my institutional cooperation with the government. I will also be firm in the exercise of the powers vested in me by the Constitution.

With the Assembly of the Republic, the centre "par excellence" of national democratic life, I will uphold a relationship of respect and solidarity and will maintain a constant dialogue with all parties. The opposition will have in me an attentive observer, responsive to the protection of its important constitutional rights as a means of preserving conditions in which the democratic alternatives can freely be chosen.

I would like here to greet the Portuguese Armed Forces, the guarantor of national

defence and security, whose institutional loyalty was decisive in consolidating the democratic regime which emerged after the 25 of April revolution.

On becoming, by reason of office, the Supreme Commander of the Armed Forces I would like to reiterate my total commitment to the success of the peace mission in Bosnia and Hercegovina, on which the stability of Europe at the end of the millennium partly depends.

Mr. President of the Assembly of the Republic, Ladies and Gentlemen, the essence of Portugal's destiny is played out in Europe. This, today, is an incontrovertible factor of the country's international position. It is not moved by apprehensive and defensive policies but rather counsels firm political policies upheld by the clear determination of our national interests.

Both the difficulties of recent years and the demands of this new phase of European construction require the reinforcement of suitable internal consensuses which can withstand the permanent demands of the Portuguese strategy for Europe.

That strategy can no longer be based on secretiveness and the "fait accompli", factors which undermined previous consensuses. Today it will invariably have to depend on, transparent policy about the options to be made and their requirements. Today it will have to be based on the enlarged participation of the social and political forces and on the citizens' opinion. Only thus will the Portuguese understand that the European Union is a community of sovereign states, from which we cannot, therefore, just merely wish to reap benefits without having to share responsibilities.

The challenges facing the European Union at the turn of the century—the intensification of economic integration within a framework of international cohesion, and the expansion of the Union's borders to embrace the new European democracies—present challenges for Portugal. The answer to these challenges lies not in hesitation but in the identification of pre-eminent objectives for the establishment of national consensuses and for a firm, determined Portuguese foreign policy.

A strong, united Europe will be a Europe which is open to the outside world, ready to guarantee a framework of regional stability. This condition is important for the continuance of the transatlantic community, namely the alliance between the United States and Europe. The North Atlantic Treaty Organization continues to be the cornerstone of our security, although present circumstances demand the emphatic development of the European pillar as sign of the European allies' real capacity to assume added responsibilities in collective defence.

Naturally, the relations with Portuguese-speaking countries have a special position in our foreign policy. Those relations represent a link with our own extensive history which is shared with the peoples of Angola, Brazil, Cape Verde, Guinea, Mozambique, Sao Tome and Principe and of course with the people of East Timor. The language, the rich variety of cultures expressed in that same language, history and the effective solidarity between the peoples of these seven states and of the territory of East Timor make it necessary to form a Community of Portuguese-Speaking States and Peoples. I shall dedicate great attention to this project.

Unfortunately, East Timor will not be able to take part in this project as a free and self determined State.

Portugal has an unalienable historical responsibility towards East Timor and the Timorese community. As the territory's administering power Portugal has a clear political duty vis-a-vis the international com-

munity: it must guarantee the completion of the decolonization process through a free and democratic referendum supervised by the United Nations in which the Timorese may, with dignity, exercise their right to self-determination. To fulfill this objective the competent organs of sovereignty must always seek the ways and means which are best suited to the evolution of international circumstances.

Portugal must continue to fight for the cause of East Timor in all international fora and to support the efforts of the UN Secretary-General in fulfilling his mandate, seeking a just and internationally accepted solution for the question of East Timor, with the participation of all the interested parties.

National commitment to this issue is, in fact, provided in consonance with an essential reference value of the Portuguese state's foreign actions: the defence of peoples freedom peoples and the defence of human rights.

The President of the Republic has particular responsibilities with Macao, I believe that there must be close agreement with the Government both for the administration of the territory and the framework of our relations with the People's Republic of China.

The Portuguese policy is very clear: guarantee the stability and prosperity of the territory of Macao as well as the protection of the rights and interests of its inhabitants, never forgetting that Portugal has an unalienable responsibility to protect the rights of all Portuguese citizens in Macao.

Mr. President of the Assembly of the Republic, Ladies and Gentleman, the modern evolution of societies and political systems implies a new perception of relations between the citizen and the political power. This relation must be based on information and on the proximity of the political decision, implying new forms for citizens' democratic participation and the enlargement of their rights.

Unless such new demands are incorporated within the political system it will not be possible to adapt representative democracy to the complexity of social relations at the end of the millennium.

The tendency in modern societies is to develop a culture of civic intervention and of salutary intransigence when protecting the citizen's legitimate rights in relation to the state.

The pressure on the Portuguese political system is already great, due to the fact that a persistent centralizing policy has postponed the natural development of institutional reforms to decentralize power.

Guaranteeing the stability of democracy signifies a constant commitment to defend the prestige of the representative institutions and the citizens' political participation. I have and assume the obligation to encourage a culture of democratic demand. But I also believe that it is essential to ensure respect for the rule of law and the defence of the prestige of the institutions which define and apply such rule of law, as a means to guarantee the trust citizens place in the institutions of the Republic. The respect for the state of law is a fundamental basis of the democratic regime. On this there can be no compromise.

As President I will be close to the people. This intention will be the mark of my term of office. I will listen carefully to the Portuguese. To all Portuguese. I will be particularly attentive, however, to those who are excluded from the system and policies and who, because of the way in which the modernization process in this country has occurred, have been relegated to the statute of expendability. There are no expendable Portuguese. The very idea is intolerable.



I will pay particular attention to the problems of Portuguese families. I am aware of the multiple issues affecting them and cannot fail here to express my concern with all forms of family violence—in which women and children are the principal victims. Within the competencies of my office I will support all efforts which contribute to finding ways for parents to invest increasingly in their children's education as well as to conciliate mothers' and fathers' careers with family life, for I am fully aware of the growing importance of affectivity in the construction of our individual lives.

Solidarity must be a fundamental value of Portuguese society. It must be present during the formulation of the policies of modernization, employment and the reform of social security. It is the only way to modernize the country whilst maintaining national cohesion and the sense of sharing a collective future. The most worrying expression of the loss of solidarity is the evolution in recent years of increasing signs of political, social and even religious intolerance.

Portugal, which is a cohesive country with no ethnic, regional, linguistic or religious issues, must know how to preserve this unique asset without which (as we have seen in many countries) everything would be at peril: civic peace, progress, solidarity, prestige and our position before the world. The Portuguese are well aware of this fact.

A strong patriotism conspicuously based on democratic values, culturally enlightened and civically assumed, is the best protection we have against aggressive nationalism, xenophobia and racism and is also the most efficient reply to insecurity and fear of the future.

I would like here and now to express with great fervour how proud I am to be Portuguese and to declare my love for Portugal which I want to serve with all my capabilities, honouring the mandate I have received from the Portuguese.

Our culture, which is both rich and varied in its popular and erudite forms and so strong in its characteristic traits, is the manifestation of a great People (accessible to others, to the universe, to all that is new, to the unknown) and of a nation that for five centuries united the human species and globalized communication; a nation which, although small, was able to travel to the ends of the seas and the Earth, where it left its marks, the greatest of which is the language and the memories which endure, and of which we constantly receive grateful signs.

Today I would like to encourage the Portuguese—and particularly the young Portuguese—to study and become acquainted with our history, our culture, our heritage, both natural and created, our geography, the roots and foundations of our identity. We must provide our new generations with an exigent education which will prepare them to face the challenges of the open market. But we must also provide them with prospects for the future, with opportunities, with the capacity to look hopefully to the start of their professional and family life. Without all this it will be difficult to solve many of the problems which affect young people in Portugal today.

It is by strengthening our identity that we can procure the energy and the trust to set off boldly on the adventure of the future, fearless and with audacity, in the firm conviction that we were great whenever we put aside the small-minded, petty issues which divide and diminish us. We performed great feats and took our place as a People and a Nation whenever we were able to unite and concentrate on the essentials, opening up to modernity, to the values of freedom and universalism, practising a culture of tolerance

towards and curiosity for all that was different, in a way, which is peculiar to us, of affection and human closeness.

It is a lesson for our times. Now, more than ever, they must assume such values. That is precisely why this is the unique contribution we can give to the construction of a Europe of solidarity and citizenship, to the edification of a World of peace and liberty.

When I stood for office I stated unequivocally: there are no presidential majorities. I will be President of all the Portuguese. Of all, without exception.

Long live Portugal. •

#### S. 1494, HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1995

• Mr. BOND. Mr. President, I applaud the Senate for passing S. 1494, the Housing Opportunity Program Extension Act of 1995. I also want to thank my cosponsors, including Senators D'AMATO, MACK, and SARBANES. This legislation provides critical authority for a number of community development and affordable housing programs and activities which are strongly supported by the American public. This bill also is an important step in reforming HUD's housing and community development programs, and is consistent with a number of significant reforms which were initiated in the VA/ HUD fiscal year 1996 appropriations bill, which was vetoed by the President.

Most importantly, this legislation adopts the reformed low-income housing preservation program which was contained in the VA/ HUD fiscal year 1996 appropriations bill vetoed by the President. There are approximately 75,000 to 100,000 low-income units in the preservation pipeline that are eligible for prepayment but also remain eligible candidates for preservation funding. These units have been in the preservation processing pipeline for some time, often years, and include a mix between equity take-out deals for owners which are financed through long-term section 8 assistance, and the financing of purchases by tenant groups and non-profits. This reform would replace the existing preservation program, with its long-term dependence on expensive project-based section 8 assistance, with a capital loan—or capital grant in the case of purchasers, that ensures low-income use at the minimum cost to the Federal Government.

S. 1494 also would provide clear statutory guidance to empower PHA's and assisted property owners with the tools to screen out and evict from public and assisted housing persons who illegally use drugs or whose abuse of alcohol is a risk to other tenants. I cannot emphasize enough the need to take responsible and meaningful action to preserve our low-income housing from criminal and destructive activities.

In addition, this legislation addresses the problem of mixed housing where the elderly and the disabled, including persons with drug and alcohol disabilities, are warehoused in the same public housing projects. This does not

work, and I am particularly troubled by some horror stories I have heard where elderly tenants have been harassed and frightened by young tenants with significant drug abuse problems. This provision would provide PHA's with clear authority to establish elderly- and disabled-only housing.

Moreover, S. 1494 would extend a number of other key housing programs which need affirmative legislation to operate: permit the renewal of expiring section 8 moderate rehabilitation contracts; permit CDBG homeownership assistance; extend the Home Equity Conversion Mortgage [HECM] Program; extend the FHA multifamily mortgage risk-sharing programs; and reauthorize the National Cities in School Program and the National Community Development initiative.

This bill also would establish a new loan guarantee program for rural multifamily housing which terminates after 1 year and is supported by a \$1-million credit subsidy under the Agriculture fiscal year 1996 appropriation bill, as enacted. This program is needed in rural areas where there is a critical need to develop affordable low-income rental housing.

Finally, the legislation would establish a new Habitat for Humanity initiative. Habitat for Humanity is one of the best models in this country for the development of affordable low-income housing through sweat equity. Since 1976, Habitat has constructed over 40,000 homes worldwide, in every U.S. State and in 45 other countries. As a consequence, some 250,000 people are living in decent, safe, and affordable housing.

Mr. President, this legislation is bipartisan, simple, straightforward and necessary. I look forward to this measure becoming law. •

• Mr. KERRY. Mr. President, I am pleased to rise in support of S. 1494, the Housing Opportunity Program Extension Act of 1996. Mr. President, this bill is important to the country and particularly important to the Commonwealth of Massachusetts. I thank the other Members of the Senate for their support of this legislation.

S. 1494 extends several housing authorizations that expired at the end of the last fiscal year. Among these are the Community Development Block Grant direct homeownership assistance provisions which have proven useful to the city of Boston and other communities in my home State, and the Federal Housing Administration's multifamily risk-sharing program in which the Massachusetts State Housing Finance Agency is an important participant. The bill also extends the Home Equity Conversion Mortgage Program, that provides elderly homeowners with the ability to use the equity in their home without having to sell the house. This bill also extends the section 515 rural rental housing program and two important set-asides within the program—a set-aside for nonprofit developers and a set-aside for underserved

areas. Mr. President, the section 515 program is one of the few Federal housing programs providing much needed affordable housing assistance in rural areas.

The passage of this bill also sends to the President provisions from an amendment that I cosponsored with Senator GRAMS in the Banking Committee. This amendment would limit access to public housing by drug abusers and alcohol abusers. We need to make sure that our federally assisted housing provides a decent, safe, and peaceful living environment for its residents. The final version of this bill addresses one of my principal concerns with earlier versions: it makes it clear that a public housing authority should look at a person's pattern of drug or alcohol abuse—rather than their history of drug or alcohol abuse—when screening candidates for admission. S. 1494 also enacts provisions that will streamline the process that public housing authorities must follow to designate a building as elderly-only or disabled-only housing. I would like to thank the managers of this legislation for also including language I recommended to authorize vouchers for people who may be adversely affected by a PHA's designation decision.

I would like to mention that this bill includes an extremely helpful provision that extends the timetables for processing and approving sales to non-profits under the low-income housing preservation program. Many residents of HUD-assisted housing around the country—and especially in Massachusetts—have been working very hard to purchase their buildings under the preservation program. Extending the deadline will ensure that these people's efforts will have time to come to fruition.

Finally, Mr. President, S. 1494 allows the HUD Secretary to transfer up to \$60 million in support of national non-profit housing and community development organizations. The bill authorizes \$25 million for Habitat for Humanity, \$15 million for other similar self-help housing programs, \$10 million for the National Community Development Initiative—which includes the Local Initiatives Support Corporation and the Enterprise Foundation—and \$10 million for National Cities in Schools. These are all excellent organizations and I am pleased to lend my support for this authorization.●

Mr. D'AMATO. Mr. President, I rise to express strong support for The Housing Opportunity Program Extension Act of 1995 (S. 1494). I wish to express my thanks to Senators MACK, BOND, SHELBY, BENNETT, and DOMENICI for their cosponsorship of this important legislation. In addition, I would like to offer thanks to Senator SARBANES, Senator KERRY, and all members of the committee for their dedication to this bill.

The Housing Opportunity Program Extension Act of 1995 represents a bipartisan effort which would: provide

short-term extensions of housing authority which have expired; preserve assisted housing; protect elderly tenants in public and assisted housing; and promote self-help housing and community development programs.

This legislation originally passed the Senate on January 24, 1996. The House of Representatives passed a House amendment in the nature of a substitute to S. 1494 on February 27, 1996. The House amendment represents a bicameral effort to gain consensus on an immediate direction for Department of Housing and Urban Development [HUD] housing programs.

To that end, the bill protects the needy recipients of various housing programs that have lapsed authority. For instance, S. 1494 extends the HUD Home Equity Conversion Mortgage Demonstration [HECM] Program through September 2000. Last November I introduced legislation, S. 1409, to provide a 5-year extension of this successful and much needed program. The HECM Program offers elderly homeowners the opportunity to borrow against the equity in their homes. Without this program, senior citizens with low incomes might be forced to sell their homes and spend their golden years elsewhere. In addition, S. 1494 extends the following programs until September 1996: the HUD community development block grant homeownership program; the Rural Housing Service section 515 multifamily loan program; and the Federal Housing Administration multifamily housing risk-sharing programs.

The legislation provides authority to the HUD Secretary to operate the preservation program as passed in title II of the fiscal year 1996 VA/HUD appropriations legislation, H.R. 2099, on December 7, 1995. This provision is needed to protect existing tenants in HUD insured projects, to preserve the existing housing stock, and to recognize the rights of owners.

Further, S. 1494 would provide greater safety and security for our Nation's elderly tenants in public and assisted housing. The bill would streamline procedures for public housing authorities to designate public housing facilities as "elderly only," "disabled only," or "elderly and disabled families only." Public housing authorities would be authorized to evict residents in these designated facilities whose pattern of drug or alcohol abuse would jeopardize the safety of elderly and disabled residents. In addition, housing authorities would be required to provide occupancy standards and an expedited grievance procedure for the eviction of tenants who have a pattern of drug or alcohol abuse.

The Housing Opportunity Program Extension Act would encourage self-help and community development programs which require little or no HUD regulation. HUD would be authorized to provide grants to capable nonprofit organizations, such as Habitat-for-Humanity. In addition, the bill would per-

mit HUD the discretion to utilize re-programmed funds for the Cities in Schools Program. The Cities in Schools Program is our country's largest and most successful student dropout prevention network. It serves as a model of how effective a public/private partnership organization can be in serving our national goals.

The legislation would also provide an authorization of commitment authority to the Government National Mortgage Association of \$110 billion for fiscal year 1996 and increase the HUD section 108 loan guarantee aggregate limit from \$3.5 billion to \$4.5 billion.

The Banking Committee and its Housing Subcommittee continue to analyze proposals for the reorganization and elimination of the Department of Housing and Urban Development. After the opportunity for further debate and hearings on existing HUD and Department of Agriculture housing programs, housing reform legislation will be introduced this Spring. Until passage of more comprehensive legislation, the Housing Opportunity Program Extension Act of 1995 is essential for the continued operation of our Nation's housing delivery system. I thank my colleagues for their support for passage of S. 1494.

Mr. MACK. Mr. President, I rise in strong support of S. 1494, which I was pleased to cosponsor with Senators D'AMATO and BOND. This legislation extends certain critical HUD and USDA housing programs whose authorizations have expired. It also makes certain other changes in housing policy to reflect priorities of the Congress as well as the administration.

When S. 1494 originally passed the Senate on January 24, 1996, it was limited in scope to only those provisions that needed affirmative legislative authority to continue to operate, such as the Home Equity Conversion Mortgage Demonstration program for the elderly (HECM), the CDBG home ownership program, the FHA multifamily risk-sharing demonstration, and the Section 515 rural rental housing program.

The other body passed S. 1494 as amended on February 27, and the House-passed version contains changes that were negotiated between the House and the Senate. The amended bill we are considering today thus contains some positive additions to the bill the Senate initially approved.

Most notably, S. 1494 now includes provisions that make it easier to evict from public housing tenants who are engaged in criminal activities or who have a pattern of alcohol or drug abuse, and it gives public housing authorities access to criminal records for the screening and eviction of public housing tenants. These provisions aid in the implementation of what the President calls a "one strike and you're out" policy for public housing, and they were part of S. 1260, the Public Housing Reform and Empowerment Act, which this body approved on January 10, and which is awaiting action in the other body.

The bill also streamlines procedures for public housing authorities to designate public housing facilities as "elderly only," "disabled only," or "elderly and disabled families only." S. 1494 provides the authority to evict from these designated facilities those whose pattern of drug or alcohol abuse would jeopardize the safety and security of the elderly and disabled residents. These provisions reflect concerns raised by advocates for the elderly about the mixing of elderly and disabled populations, but they provide a balanced policy that will help provide access to affordable housing for both of these special needs populations. Again, these provisions are similar to those contained in the Public Housing Reform and Empowerment Act.

S. 1494 also extends the Home Equity Conversion Mortgage Demonstration for the elderly through September 30, 2000, instead of the 1-year extension originally passed by the Senate.

The bill provides authority for the HUD Secretary to operate the low-income housing preservation program passed by Congress in the vetoed fiscal year 1996 VA-HUD appropriation bill. These provisions are necessary to prevent large-scale mortgage prepayments of FHA-insured mortgages and thus preserve the existing supply of affordable low-income housing.

In addition, S. 1494 creates a self-help housing program under which HUD will provide grants to capable nonprofit organizations, like Habitat for Humanity. Grand funds must be used for the payment of land acquisition and infrastructure costs. These funds will supplement donations and contributions of products, volunteer labor and sweat equity, on which groups like Habitat now depend.

Finally, S. 1494 authorizes only through September 30, 1996, the section 515 rural rental housing program administered by USDA's Rural Housing Service [RHS]. Before the program is authorized beyond the current fiscal year, oversight hearings should be held and reforms implemented to guard against waste, abuse, and misuse of funds. The RHS has taken significant steps to correct problems in the section 515 program which have been identified by the USDA IG and the GAO. However, legislative action is required to assure that program funds are allocated properly and that the program is not abused by developers, owners, or tenants. The Banking Subcommittee on Housing Opportunity and Community Development, which I chair, will hold hearings on the section 515 program early this spring.

• Mr. SARBANES. Mr. President, I rise in support of S. 1494, the Housing Opportunity Program Extension Act. This bill addresses some important and time-sensitive matters in the housing area. S. 1494 extends program authorities that have expired and makes some other needed changes in authorizing statutes. Finally, it provides HUD with the authority to support several na-

tional nonprofit organizations that are making a huge difference in America's communities. I thank the other members of the Senate for their support of this legislation.

S. 1494 extends several housing authorizations that expired October 1, 1995. Among these are the Community Development Block Grant direct homeownership assistance provisions, the Federal Housing Administration [FHA] multifamily insurance risk-sharing programs, and the Home Equity Conversion Mortgage program. Each of these programs is a valuable tool in our efforts to make sure that Americans remain the best-housed people in the world.

The program extensions on this bill also include the section 515 rural rental housing program and the set-asides within the program for nonprofit developers and for funding to underserved areas. This authorization is necessary because the Rural Housing Service at the Department of Agriculture has been unable to utilize its \$150 million appropriation until an authorization passed. Section 515 provides valuable, low-interest credit to support affordable rental housing in rural areas.

The bill also includes authority for the HUD Secretary to spend up to \$60 million supporting local nonprofit housing and community development activities. I would like to express my enthusiastic support for these provisions. The bill authorizes \$25 million for Habitat for Humanity, \$15 million for other similar self-help housing programs, \$10 million for the National Community Development Initiative, and \$10 million for National Cities in Schools. Habitat for Humanity affiliates have been operating in my State for years and creating homeowners among low-income families. The National Community Development Initiative combines Federal funds with funds from foundations to support capacity building for community-based nonprofits. Two terrific national nonprofit intermediaries—the Enterprise Foundation which is based in Columbia, MD, and the Local Initiatives Support Corporation—are key participants in the NCDI program and are factors in the NCDI program's success. The community-based nonprofit sector is an important and growing part of our delivery system of assistance to distressed communities. I am pleased with the recognition that this bill provides to these efforts.

Finally, Mr. President, I would like to highlight the language in the bill that permits HUD to renew expiring Section 8 moderate rehabilitation contracts. This provision overturns language passed on the continuing resolution that prohibited HUD from renewing moderate rehabilitation contracts. Clearly, HUD should not renew contracts on housing that is not decent, safe, and sanitary. Likewise, we are working with HUD to identify ways to reduce the cost of Section 8 contracts where rent levels are excessive. How-

ever, HUD needs to take a closer look at all of the developments assisted with project-based rental assistance and make decisions about their futures on a case-by-case basis. Before converting project-based assistance to vouchers, HUD should consider the future viability of the development, the ability of the project to support its existing financing, the availability of affordable housing for voucher holders, and the desirability of retaining long-term, affordable housing in that location.

#### ORDER OF BUSINESS

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

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

#### A BATTLE OVER THE PROMOTION OF NAVY COMMANDER ROBERT STUMP

Mr. GRASSLEY. Mr. President, I want to take a moment to speak about a battle that is raging over the promotion of Navy Comdr. Robert Stump. The battle is raging within the Senate Armed Services Committee, and it is being discussed, as well, in the press.

I have had my differences with this committee in the past, but I want to set the record straight. In this particular case, I think the committee is getting a bum rap. I think the Senate Armed Services Committee is doing the right thing.

Commander Stump's promotion to the rank of captain has been denied by the Senate Armed Services Committee. It was denied because of his suspected involvement in the inappropriate behavior at the Tailhook convention.

I support the committee's decision to deny the promotion, and I support it 100 percent.

Unfortunately, Commander Stump believes that promotion is an inalienable right. Sadly, he believes that the Senate should not sit in judgment of his character, or even make judgments about his character. So he has hired a lawyer and has been conducting a very ugly lobbying campaign.

The committee is getting hammered with bad publicity. His supporters argue that Commander Stump has been cleared of criminal wrongdoing. They argue that he is an innocent man, and they argue that he has been treated unfairly and that the flagging procedure should be abolished.

Being cleared of criminal charges does not tell me that Commander Stump is ready for promotion. Mr. President, this is a negative standard of judgment. A negative standard of judgment will not help to nurture the kind of topnotch leadership that the Navy so badly needs.

To decide whether he is ready for promotion to captain, we need unambiguous answers to at least 5 questions:

No. 1, has he demonstrated excellence in the performance of his duties?

Two, has he demonstrated excellence in leadership and discipline?

Three, does he always set a good example?

Four, does he care for and respect the men and women who serve under him in the Navy?

Five, and above all, is he a man of integrity?

In my mind, Mr. President, Commander Stump's activities at Tailhook raise questions about his ability to exert moral leadership. I personally like the controversial "flagging" procedures. This procedure was instituted by the Armed Services Committee. It is a procedure for identifying the files of promotion candidates suspected of inappropriate behavior at Tailhook.

There is a good reason for doing this. The committee does not want to get bushwhacked on the floor by Senators like me, and other Senators, who may be waiting for an inappropriate person to be advanced to the floor for confirmation when they should not be that far along in the process anyway.

If we discover that a prospective nominee has engaged in misconduct at Tailhook, or anywhere else, they know that certain Senators on this floor, including myself, will raise questions and maybe hold it up.

Too many Navy nominees have slipped through the Senate confirmation net when damaging information about them lay hidden in Government files. It usually leaks out to the press after the fact. If that information had been exposed to public debate, some of the nominations would have died. "Flagging" helps to fix this problem.

Mr. President, the only way to solve the Navy's leadership problem is to promote men and women who measure up to a standard of excellence.

I think it is clear that the Senate Armed Services Committee has done the right thing in this particular nomination.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### TELECOMMUNICATIONS

Mr. PRESSLER. Mr. President, the Telecommunications Act of 1996, which passed on February 1 and was signed into law February 8, is only the first step in my reform agenda for national telecommunications policy. As comprehensive as the new Telecommunications Act is, there are a number of profile and policy issues we were not able to adequately address, which need our attention.

Over the coming months, the Commerce Committee will be examining

the Federal Communication Commission's regulatory structure. The key issue is whether the FCC, a regulatory agency devised in the 1930's, based on the ICC model from the turn of the last century, makes sense today as we prepare for the 21st century. We also need to ensure that Federal regulation does not become a roadblock to the deregulatory policy changes engineered by the Congress with enactment of the Telecommunications Act of 1996.

We also will move forward with national spectrum policy reform. I plan to chair four Commerce Committee hearings on spectrum policy reform, covering a broad range of issues concerning the management of the electromagnetic radio frequency spectrum. Although the issue of the broadcast advanced television spectrum captured headlines, there are a number of spectrum policy reform issues we need to address that are far more important. I intend to move the spectrum policy debate firmly back on the ground to the communications policy rather than the budgetary process which, to date, unfortunately, has dictated the terms of the spectrum reform debate.

Mr. President, the electromagnetic radio frequency spectrum is an important physical phenomenon—a natural, national resource. An increasing number of telecommunications enterprises depend on access to this resource. These enterprises include radio and television broadcasting, communications satellites, the complex air-to-ground systems needed to manage aviation, the wireless systems upon which law enforcement and public safety depend, and the burgeoning mobile radio telephone business—cellular phones and personal communications services [PCS].

Simply put, the spectrum is to the information age what oil and steel were to the industrial age.

Today, there is a limited supply of available spectrum and an almost limitless demand for its use. In other words, the spectrum is an enormously valuable yet finite natural resource. This is the crux of the problem with our current spectrum policy structure. Unless a reformation plan is developed that will create a more effective and efficient use of the spectrum, as well as a more stable supply of spectrum for private sector use, a vast array of new spectrum-based products, services, and technologies will go unrealized for the American people.

This is particularly disheartening when one considers the benefits that are derived from current spectrum-based technology. For example, direct broadcast satellite [DBS] has become a viable competitor to cable. High powered DBS satellites have the ability to process and transmit as many as 216 video and audio channels simultaneously.

Cellular is another spectrum-based technology that is worth mentioning. In 1962, AT&T was operating its first experimental cellular telephone sys-

tem. It was not until 20 years later that the first cellular licenses were handed out. Today, the cellular industry generates about \$14.2 billion in revenues a year and provides service to nearly 35 million customers.

From its very beginning, wireless communication has played a vital role in protecting lives and property and, subsequently, through the development of radio and television broadcasting, in delivering information and entertainment programming to the public at large. More recently, wireless, spectrum-based telecommunications services, products and technologies have proven to be indispensable enablers and drivers of productivity and economic growth, as well as international competitiveness.

Wireless technology can deliver telecommunications and information services directly: First, to individuals on the move, away from the office desk or factory floor, thereby increasing their personal productivity; and second, to fixed locations that cannot be served economically by wireless facilities because of physical infeasibility or prohibitively high costs. Wireless services are also critically important in bringing competition to the wireline telephone network, one of the key goals of the Telecommunications Act.

The use of this economic resource is largely determined through administrative licensing procedures first developed in the 1920's. Compared to that of most other countries, the U.S. spectrum management system allows for a broad degree of private sector involvement in spectrum. Yet, the system still involves a large degree of central government planning by federal regulators.

To a large extent, it is electromagnetic industrial policy.

The FCC must determine which services should be provided, the frequencies on which they will be provided, the conditions under which they will be provided, and often the specific technology to be used.

As with other systems of central planning, the spectrum management system currently utilized in the U.S. tends to result in inefficient use of the spectrum resource. Federal regulators—rather than consumers—decide whether taxis, telephone service, broadcasters, or foresters are in greatest need of spectrum. It is a highly politicized process. Most importantly, new services, products and technologies are delayed or, worse yet, denied. This obviously harms consumers.

It typically takes years to get a new service approved by the FCC. The lengthy delay in making cellular telephone service available, noted earlier, imposed tremendous cost on the economy. One study estimated that the delay cost the economy \$86 billion. As important, American consumers were denied a new productivity and security tool for many years.

Equally troubling, the system constrains competition. One of the most

important determinants of a competitive industry is the ability of new firms to enter the business. The bureaucratic allocation process typically provides for a set number of licenses for each service, precluding additional competitors. Only two cellular franchises, for instance, are allowed in each market.

These problems have long been the focus of criticisms by economists and other expert analysts. Changes in new communications technologies, especially the digitization phenomenon, are making the system even more unworkable. New wireless communications technologies, services and products are being developed at an accelerated rate. Even if the FCC were able to weigh accurately the needs and merits of the relatively few spectrum-based services that existed in the 1930's, it is simply not able to do so today. Even if it could, the lengthy delays associated with the allocation and assignment processes, while perhaps acceptable in a slow changing world, are seriously out of step with the fast-changing world of today.

Pressures on the traditional radio frequency management structure are increasing. This is because demand for channels is outstripping supply. Some of the major issues which have arisen in recent years include:

#### GOVERNMENT USE

Many believe the Federal Government occupies too much of the radio spectrum resource today. They argue for reducing the government spectrum inventory in order to get this resource into the hands of the private sector where they believe it will be used more effectively and efficiently. Some also contend the traditional division of responsibilities between the FCC and NTIA is obsolete. Establishing a single radio spectrum manager for the United States, they argue, would be a significant improvement. Still others see the Government spectrum inventory as a potential source of revenues. They argue that the Government should be required to relinquish frequencies which could then be auctioned. They believe spectrum auctions would return billions of dollars to the Treasury.

#### SPECTRUM FLEXIBILITY

Many contend the Government should liberalize rules governing use of the spectrum. The prevailing radio frequency management system limits the uses that can be made of particular bands and channels. The channels allocated to broadcasting and assigned to broadcast stations thus cannot legally be used for cellular phone service today. Many of these frequency use limitations are grounded on traditional analog radio transmission technology. Many engineers and technical experts contend that the trend toward digital transmission renders these traditional limitations on channel use obsolete. Organizations including the Progress & Freedom Foundation have argued in favor of according frequency users broad flexibility to use their channels as they choose, subject to a no-inter-

ference requirement. Such a change would greatly empower individual licensees. It would also eliminate the scarcity of radio channels upon which much government regulation is now based.

#### SELF-MANAGED REGULATION

At present, the FCC controls which entities receive licenses and what they can do with them. Much of the radio frequency engineering associated with this regulatory system is conducted by the FCC in-house.

In some instances, the FCC has delegated some of its engineering and routine licensing functions to user co-operatives called frequency coordinator groups. Legislation passed by Congress in 1981 authorized this approach. Some believe the FCC should expand this approach to encompass virtually all radio-based communications. This would reduce the administrative burden on the agency, they maintain, while speeding up the overall process. Some have suggested that the FCC should make block grants of the spectrum to the States. Governors could then apportion channels among various State law enforcement, public service, and other users. This also would significantly reduce FCC costs, they argue, and could ensure more responsive frequency management.

The radio frequency management and use reforms outlined above hold significant promise. None represent a truly fundamental change in Federal policy. All would reduce regulatory burdens while fostering important public policies including advances in technology and innovation, greater choice and more customer options, and more effective, efficient, and responsive use of this resource.

#### A SPECTRUM POLICY REFORM PROPOSAL— GOVERNMENT USE

Several approaches have been advanced which, if adopted, would significantly improve the effectiveness and efficiency of Federal use of the radio frequency spectrum, and with no discernible adverse impact on the performance of the many Federal programs that now rely heavily on radiocommunications.

First, legislation should build on the 1993 Omnibus Budget Reconciliation law, which directed the Government within a specified period of time to relinquish control over a predetermined amount of radio frequency spectrum. This spectrum has been retroceded, in part, and should prove the basis for a variety of new private sector communications offerings.

Now, legislation requiring the Government to privatize a set percentage of its spectrum—20 to 25 percent—makes sense. A special temporary congressional commission could be established to carry out this task much like the Base Realignment and Closures Commission [BRAC]. Congress also has created special or temporary commissions in the past to examine problems like the 1981 temporary Commission on Alternative Financing for Public Telecommunications.

Mr. President, the proposal here is that there would be either the Base Closure Commission or something like it to look at the spectrum that the Defense Department and the CIA has to see if that could not be released in part or shared in part as new technology develops. Indeed, one of our hearings that we are going to hold in the Commerce Committee will be an off-the-record hearing on that subject. We certainly want our national defense to meet its requirements with spectrum, but we need to take a look at it. It may well take an extension of the Base Realignment and Closure Commission to look at the spectrum that the military has.

If enacted, this initiative would have several positive consequences. To begin with, it would give Federal agencies a powerful incentive to modernize their communications facilities—to derive more communications capacity from the same or less channel bandwidth. Reducing the amount of spectrum used by Government would also create a powerful economic engine that could help drive the deployment of common user wireless communications systems generally.

At present, there are a number of private sector alternatives to the Government providing its own radio communications. These include cellular radiotelephones as well as the new PCS services which are developing nationwide. As cellular radio moves from the conventional analog to more advanced digital transmission techniques, the number of cellular channels—system capacity—may increase by five- or six-fold.

That is important to repeat. As cellular radio moves from the conventional analog to more advanced digital transmission techniques, the number of cellular channels—system capacity—may increase by five- or six-fold. In other words, we may have five or six times as much capacity on some of the same spectrum. Do not let me overstate this matter because that is only true of certain types of spectrum. But we may have five or six times as much use of that same band of beachfront spectrum in some instances.

That large-capacity increase, plus the proliferation of additional wireless systems, hold the promise of significantly lower customer costs. Such costs could be even lower, if the volume of communications handled by these wireless systems grows. Here, as in other cases, cost per message, and thus price to users, is highly dependent upon volume.

Not all Government radio communications requirements can necessarily be fully satisfied by private-sector commercial mobile service [CMS] providers. Through the standard Government procurement process, however, agencies could negotiate with CMS providers for special services and capabilities. There is little reason to assume, at this time, that an effectively competitive wireless communications business could not adequately meet

many Government radio communications requirements. In the final analysis, the cost to the Government of relying on private sector supplies would be lower than the posted price because of the private sector's tax liabilities.

Second, legislation should be passed to consolidate U.S. frequency management responsibilities under the FCC. The current practice of splitting functions between the FCC and NTIA is a historical anachronism. The frequency management functions of NTIA, together with the IRAC Secretariat and associated support activities—including NTIA's electromagnetic compatibility analysis operations—should be transferred to the FCC. In order to take into account critical national defense, law enforcement, and security concerns, the law should provide for limited review of FCC decisions on Federal frequency management by the President or his designee. At present, NTIA frequency allocation decisions are reviewable by the Director of the Office of Management and Budget, acting pursuant to delegation from the President. No appeal from an NTIA frequency decision apparently has ever been taken.

Such a consolidation makes sense. The FCC's engineering and routine radio frequency management chores can, for the most part, be assumed by private sector frequency coordinator groups. As Government users increasingly rely on the private sector to meet communications needs, and the dimensions of the Government change as well, the NTIA workload is likely to shrink as well. It makes little sense for taxpayers to fund two separate, Federal agencies both responsible for the effective and efficient use of the same resource.

#### SPECTRUM FLEXIBILITY

Radio frequency management traditionally has limited the permissible uses of allocated bands and assigned channels. This, in part, has been a function of technology, as well as the technical characteristics associated with particular frequencies.

For example, channels allocated to the Forest Products Service have traditionally been quite low frequencies, because those frequencies have been shown to have the greatest ability to penetrate underbrush, leaves, etc. In general, the higher the frequency range, the more the transmission resembles visible light in terms of the phenomena that cause interference. Hence, at very high frequency ranges, fog, air pollution, and rain cause interference which would not arise if lower frequencies were used. New digital communications technologies, however, lessen this challenge. This is because digital technology includes error correction and other features which lessen interference.

"Spread spectrum" and "digital overlay" techniques make it possible for multiple communications pathways to be established within the same radio frequency channel. Using this tech-

nology, broadcasters could transmit other communications in addition to video and sound signals. Radio broadcast channels today already are providing local links for paging operations.

Government policy should encourage multiple, more intensive use of radio frequency resources where there is no perceptible adverse technical impact. Among other things, allowing radio frequency licensees greater flexibility could facilitate equipment and systems modernization and upgrading. For example, many public safety communications systems today are in need of modernization, to meet the demand for more cost-effective and responsive law enforcement, fire safety, and emergency medical services. The financial resources available to many public safety communications organizations are limited today, however, as a consequence of the fiscal austerity imperatives arising at virtually all levels of government.

If local police forces were permitted greater flexibility in use of their channels, however, this challenge would be less severe. Switching to new digital communications techniques typically achieves a significant increase in the total number of channels available—in some cases, by a factor of four or more. A local police department, therefore, could increase the number of channels available to support its operations and, at the same time, have capacity available which it could lease or barter with private communications organizations. Such arrangements could generate the funds needed to finance modernization. Greater flexibility is a public interest win-win situation—an option that benefits all involved and affords the general public both better service and more communications options.

The FCC and NTIA have already taken steps to allow some radio licensees more flexible use. The FCC's cellular radiotelephone rules, for example, place few constraints on permissible communications. The same is true in the case of the new PCS services. What is needed, however, is far greater application of this fundamental principle of flexible spectrum use.

#### SELF-MANAGED REGULATION

One of the more promising options for radio frequency management reform is expanded use of self-managed regulation—the use of private sector radio frequency coordinator groups to handle routine engineering, frequency coordination, and other functions which, in the past, had typically been undertaken by FCC staff.

At present, the FCC relies on frequency coordinators to handle many of the routine chores associated with private mobile radio systems. Organizations such as the National Association of Business & Educational Radio [NABER], the Associated Public-Safety Communications Officers [APCO], and the Special Industrial Radio Service Association [SIRSA] process applications, conduct engineering surveys, and otherwise facilitate licensing and chan-

nel usage in these specific private radio services. The FCC does not generally rely on frequency coordinators, however, with regard to broadcast services, satellite communications, and other large frequency-using services.

The task of being a frequency coordinator depends, in large part, upon access to computerized data bases, and having some radio frequency engineering expertise. Access to data bases today, of course, is routine. The number of individuals with substantial radio frequency management expertise is growing, moreover, in part because of Federal Government, and Defense Agency, downsizing. There is, in short, no good reason to assume that multiple frequency coordinators could not be sanctioned by the FCC. This would have the effect of broadening user's options. Competition among and between frequency coordinator groups, moreover, should have the effect of ensuring efficient charges and effective, responsive operations. That has been true in virtually every market where competition has been introduced, and should prove true in this case as well. The FCC should be directed to expand substantially the Agency's use of private sector frequency coordinator groups.

Let me say something about the public safety spectrum and begin to conclude by saying, at this time, the FCC should be directed to assess the feasibility and desirability of making some spectrum block grants to States. In lieu of processing, issuing, and renewing tens of thousands of public safety communications licenses—at significant cost to licensees, as well as the FCC—the agency would issue 55 block grants to the chief executive officer of each State, including Guam, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia. It would then be the responsibility of State Governors to determine eligibility, to ensure compliance with standard FCC—and other—operating rules, and to resolve disputes among public safety licensees within the jurisdiction.

This would reduce delays and heighten responsiveness to actual user requirements, while also lessening substantially the burdens of traditional regulation now borne by the FCC. Most importantly, it would tend to ensure more and better public safety communications for State residents. Again, while States today have substantial radio frequency engineering expertise, such expertise is readily available in the competitive marketplace.

In conclusion, the radio frequency management and use reforms outlined above hold significant promise. All would reduce regulatory burdens while fostering important public policies including advances in technology and innovation, greater choice and more customer options, and more effective, efficient, and responsive use of this valuable national resource. I look forward to receiving comment on these and other spectrum reform proposals as part of our comprehensive hearing process in the Commerce Committee.

Mr. President, as I look about the Chamber and in the galleries, I feel as I did some months ago. I addressed our State Chamber of Commerce. I was our last speaker after a whole series of speakers. Toward the end of my speech I noticed everyone was nodding their heads. Either they agreed with me or they were falling asleep.

I thank my colleagues for letting me make this speech on spectrum management policy. Some of my basic thinking is we need to take a new look at this spectrum. It is a national natural resource. We need to look at what the Government has and what private areas have. We need to look at what the broadcasters have; if they are going to migrate, if we are sure we are going to auction what they migrate from.

We have to look at giving authority to the States. If we find that there is more spectrum to use, we need to consider the possibility of auctioning it or, if it is used for public use, letting some of the State Governors decide how to

allocate it rather than have it be allocated here within the beltway.

Those are some things we need to think about.

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#### ORDERS FOR THURSDAY, MARCH 14, 1996

Mr. PRESSLER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Thursday, March 14; that immediately following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved, and the Senate then resume the omnibus appropriations bill.

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

Mr. PRESSLER. Mr. President, I further ask unanimous consent that, at the hour of 1:30 p.m. on Thursday, the Senate lay aside the pending business and there be 30 minutes for debate prior to the Whitewater cloture vote, to be equally divided in the usual form.

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

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#### PROGRAM

Mr. PRESSLER. For the information of all Senators, the Senate will resume the pending omnibus appropriations bill at 9:30 a.m. Thursday. A number of amendments are remaining, therefore votes will occur. Also, a cloture vote will occur at 2 p.m. with respect to the Special Committee To Investigate Whitewater.

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#### RECESS UNTIL 9:30 A.M. TOMORROW

Mr. PRESSLER. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:45 p.m., recessed until Thursday, March 14, 1996, at 9:30 a.m.