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House of Representatives

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us to remember, O gracious God, that we communicate our messages through what we say or do or think and that how we say or do or think colors our perceptions and the attitude of those who hear us. Remind us of the words of the Book of Proverbs where it is written: ''To get wisdom is better than gold; to get understanding is to be chosen rather than silver.'' May we use the gifts of communication that You have given us, O God, so that in the application of our ideas and thoughts we will gain wisdom and understanding and so speak and listen using the good gifts that are Your blessing to us. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. KNOLLENBERG. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. KNOLLENBERG. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Pursuant to clause 5, rule I, further proceedings on this vote will be taken later today.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania [Mr. HOLDEN] come forward and lead the House in the Pledge of Allegiance.

Mr. HOLDEN led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1114. An act to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into balers and compacters that meet appropriate American National Standards Institute design safety standards; and

H.R. 3107. An act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3107) ''An Act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes,'' requests a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and appoints from the Committee on Banking, Housing, and Urban Affairs: Mr. D'AMATO, Mr. MACK, and Mr. SARBANES; and from the Committee on Finance: Mr. ROTH and Mr. MOYNIHAN, to be the conferees on the part of the Senate.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize ten 1-minute speeches on each side.

OLYMPIC LACK OF LEADERSHIP EMANATING FROM WHITE HOUSE ON CUBA POLICY

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, in the week of the Olympic games it is fitting that the President rendered a decision filled with Olympic-size doublespeak essentially waiving the right of American citizens to sue foreign investors who traffic in their stolen property in Cuba. With the agility of a gymnast, President Clinton found a way to jump around the law to deny American citizens their day in court while scoring points with foreign investors who enrich themselves from stolen goods.

Once again we have a lack of leadership emanating from the White House in Cuba policy.

It is clear from yesterday's nondecision decision that a definite change in White House leadership and character is necessary if our foreign policy is to be based on principle and not on the next election.

Mr. Speaker, the President deserves a gold medal for his sorry performance in caving in to foreign interests, while lamentably he falls out of the medal count in standing up for freedom and

democracy in Cuba and in defending American interests.

INTRODUCTION OF THE SOCIAL SECURITY BENEFITS FAIRNESS ACT OF 1996

(Mr. HOLDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLDEN. Mr. Speaker, I rise today to ask my colleagues to cosponsor a bill I am introducing today, the Social Security Benefits Fairness Act of 1996.

Under current law, no Social Security benefits are paid for the month of a death. When a person dies, their family is not entitled to the benefits and must send back the Social Security check, even if they lived to the end of the month. This happened to a family in my district.

Phyllis Strunk's husband, Royden, died on May 31, 1996, at 7:04 p.m. almost living the entire month and incurring living expenses. His wife was told she would not receive her husband's benefits for May because he did not live 4 hours and 56 minutes longer.

This is unfair and absurd.

My bill will put fairness and security back into Social Security. Under my bill, if a person dies before the 15th day of a month, the family will receive ½ of the month's benefits. If a person dies after the 15th, the family would receive the entire amount of the benefits.

It is simple and fair. Please join me in this effort and cosponsor the Social Security Benefits Fairness Act of 1996.

CONGRATULATIONS TO RADIO STATION WBHF FOR 50 YEARS OF SERVICE

(Mr. BARR of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARR of Georgia. Mr. Speaker, in 1946, World War II had ended. Thousands of young men were returning to their hometowns all across America, establishing families and seeking new opportunities. With their eyes on the future, they welcomed change and sought progress. On July 17, 1946, in Cartersville, GA, they first heard the voice that would champion the future of Bartow County: radio station WBHF went on the air, to begin its continuing commitment of service that has lasted for 50 years.

WBHF has become a valuable resource to its many listeners. As a news source, it has chronicled the years of change from the small southern town in 1946, to the thriving city Cartersville is today, recognized as one of the best communities in all of Georgia. In times of National disasters or local victories, the people of Cartersville can count on WBHF to be there, often as their only information source.

I am proud to extend congratulations today to radio station WBHF, and to Herschel Weisbram and Lee Burger who run this fine radio station, for 50 years of service to Cartersville and Bartow County, GA.

SWEATSHOP PRODUCT BAN ACT

(Mr. UNDERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, today I plan on introducing the Sweatshop Product Ban Act, which I have dubbed the ''No Sweatshops Where GI's Shop Act.''

Through defense commissary and exchange stores, the Department of Defense exercises a purchasing power of well over $9 billion. However, there is nothing in law that prohibits one of the largest retailers in the Nation from purchasing goods manufactured under inhumane conditions. This bill would specifically prevent the commissary and exchange stores from inadvertently supporting child labor, prison labor, or goods produced under human rights violations. It would also come closer to insuring that our GI's around the world do not sport any products produced by children who work under deplorable conditions, 14 hours a day.

Congress can encourage private industry to police themselves by allowing companies to have access to these minimum labor standards. Corporations such as J.C. Penny and Levi Strauss have already agreed to monitor their contractors as publication of potential violations by these retailers pose a threat to sales. My bill would take it a step further: As consumers, the Defense commissary and exchange stores can take the lead and influence corporations to adopt better labor practices through the power of their purse.

I urge my colleagues to cosponsor the Sweatshop Product Ban Act.

DO WE REALLY NEED A SURGEON GENERAL?

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, all of us fondly recall President Clinton's first Surgeon General, Jocelyn Elders. She is the one whose valuable contribution to medicine was to suggest, and let me put this delicately, that schoolchildren quit playing with each other and—well, never mind. Now, for that bold contribution, which many of my colleagues remember, and I am not going to allude to it any more than that, but she was run out of office. So now the new Surgeon General has come out with a study, but she is playing it safe, daringly sticking right in the middle of the road. She has come out with a study paid for by thousands of tax dollars that comes out with this revelation:

''Exercise is good for you.''

Yes, I promise, that is her study: Exercise is good for us. Imaging the possibilities. Next thing we know, the private sector will be coming out with health spa chains.

Next the Surgeon General plans to study does the sun cause suntan? Does the rain get things wet? Does climbing stairs get you higher?

I ask my colleagues this:

Do we really need a Surgeon General? Is this the way we should be spending tax dollars instead of pursuing real goals?

□ 1015

THE CIA AND THE FBI: BILLIONS OF DOLLARS FOR INEPTNESS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the CIA and the FBI never found out who killed those two CIA employees outside of CIA headquarters 3 years ago. They did not find out who was responsible for the bombing of Pan American 1034. They never found out who carried out the recent Saudi Arabia bombings. But lo and behold, the Washington Post has uncovered that the anonymous author of the book, ''Primary Colors,'' is Newsweek writer Joe Klein.

Let us check this out. The CIA and the FBI get billions of dollars from Congress every year and they cannot seem to find the restroom around here. I say something is drastically wrong when a newspaper can solve a national mystery and a TV network has to notify America that there is a military invasion in Kuwait, but the CIA and the FBI cannot even tell us who hired Craig Livingstone. Beam me up, Mr. Speaker. I yield back all the deceit, coverup, and lies in this FBI Filegate matter.

SUPPORT THE BONILLA DISCHARGE PETITION AND REFORM THE ENDANGERED SPECIES ACT

(Mr. BONILLA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONILLA. Mr. Speaker, the time is now for reform of the Endangered Species Act. Our people have waited long enough. Private property owners are sick and tired of the Federal Government taking their land because it cares more about bugs than people.

Today I am submitting a discharge petition to bring the Endangered Species Management and Conservation Act to a vote. The current ESA has failed the people and it has failed species.

This ESA reform bill works by providing incentives to encourage private property owners to conserve species. ESA reform establishes a cooperative framework for these landowners to work together with the Government to protect species.

The people of Texas want to conserve species and protect the environment. They also want to be able to live their lives and enjoy their property without the threat of Government seizure. Texans have been patient in waiting for ESA reform. The time for patience has passed and the time for action is now. Please join me and support the Bonilla discharge petition.

INTRODUCING THE HEALTHY FAMILIES ACT

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, today I am introducing the Healthy Families Act, a bill to help prevent child abuse. A 1994 survey of child welfare agencies reported more than 3 million cases of child abuse. Three children a day died.

My bill will make Justice Department funding available for local programs following the principles of the healthy families initiative, a pioneering child abuse prevention program. Communities adopting the healthy families model use their existing social service network to provide voluntary, culturally appropriate, intensive in-home visits to new mothers and their families by professional counselors to teach them how to avoid child abuse. The counseling which healthy families provides those families who want help with the training and discipline needed to prevent child abuse are important for our children.

Because of the success of this program in Hawaii, Mr. Speaker, the healthy families approach has been adopted by communities across the country. Earlier this year I visited a program site in the Washington State district, which I represent. The effort to prevent child abuse that I saw during my visit encouraged me to introduce this legislation.

A BRIGHTER FUTURE FOR WELFARE RECIPIENTS IN THE REPUBLICAN PLAN FOR WELFARE REFORM

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, the Republican plan for welfare reform has five pillars: Welfare reform should not be a way of life; we should have work, not welfare; we should not pay welfare to noncitizens and felons; we should return power and money to the States; and we should restore personal responsibility.

Unfortunately, the President's plan has no time limit as far as how long you can get welfare, no real work requirement. It continues to pay noncitizens and felons, and it has maximum Federal control, not States' rights.

Mr. Speaker, what we need to do is be concerned about the welfare recipient. Pass a good welfare reform bill that restores respect, increases initiative, and provides a brighter future for welfare recipients.

THE REPUBLICAN PRESCRIPTION FOR CAMPAIGN FINANCE REFORM: MORE MONEY, MORE MONEY, MORE MONEY

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, with its candidate for President on the ropes, the Republican majority is trying to find another divisive wedge issue. Last week it was same-sex marriage. This week it is welfare. Next week it will probably be abortion. There are rumors that the Republican majority is about to abandon a bipartisan welfare reform. Is this indicative of a new strategy to resurrect the Willy Horton issues?

Mr. Speaker, let us talk about the Republican prescription for campaign finance reform: more money, more money, and more money. They see the control that they have of the Congress in jeopardy, and want their special interest buddies to rescue them. I cannot wait to hear what is next.

ENOUGH DOUBLETALK FROM THE PRESIDENT—WELFARE REFORM IS NEEDED NOW

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, just this week, and in connection with what the previous speaker was talking about, where are we on this whole thing, where really is the President on all of this? He changed his mind about welfare again. He said in a speech to the Nation's Governors just 2 days ago that he is going to sign welfare reform. He also said he is committed to supporting Wisconsin's welfare reform plan. I can hear the White House spinmeisters now spinning their wheels and saying, ''how do we explain this to the public?''

Who knows where the President is? Maybe he will sign the very same welfare reform he has vetoed twice. Perhaps he will okay Wisconsin's welfare waiver. Who knows?

My Democrat friends in the Congress have said if you do not like where the President stands, just wait a while. Enough of the doubletalk, I would say. Enough of the flips. It is time the President lived up to the 1992 promise to change welfare as we know it.

Our current welfare system has failed miserably over the last 30 years. It is time to get under the hood and fix the problem.

REPUBLICAN CAMPAIGN FINANCE BILL WILL BRING MASSIVE INFUSION OF MONEY TO FINANCE MEMBERS' CAMPAIGNS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I am outraged that tomorrow the Republican leadership is going to bring up a campaign finance bill that will essentially allow a massive infusion of money from wealthy individuals and special interests to finance our congressional campaigns.

Speaker GINGRICH has said over and over again that there should be more money in politics, not less. He is quoted as saying that one of the greatest myths of modern politics is that ''Campaigns are too expensive. The political process in fact is underfunded. It is not overfunded. I would emphasize far more money in the political process.''

That is where we are. Under the guise of campaign finance reform, we are going to get a bill that allows the wealthy and the special interests to contribute even more. The public interest groups unanimously have come out opposed to this campaign finance bill tomorrow. The New York Times today says it is obscene, essentially, in their editorial.

Even my fellow Republicans, rational in some cases, have come forward with a Dear Colleague letter they sent to their other Republican colleagues saying this is a travesty, and that this campaign finance bill should not pass.

I hope we listen to that on both sides of the aisle.

HYPOCRITICAL CRITICISM OF SPEAKER GINGRICH BY THE WHITE HOUSE AND DEMOCRATS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I want to read something. President Clinton and Vice President GORE said this in their book, ''Putting People First'': ''We will scrap the Health Care Financing Administration and replace it with a health standard board made up of consumers, providers, business, labor, and government.'' No cry from the press about that.

But let us see what the Speaker is being criticized for when he talked about ''wither on the vine.'' This is what he really said. The Democrats have taken it out of context. What did he say? ''Okay, what do you think the Health Care Financing Administration is? It is a centralized bureaucracy. It's everything we are telling Boris Yeltsin to get rid of. Now, we don't want to get rid of it in round one * * * we want it to wither on the vine.''

Speaker GINGRICH was not referring to the Medicare Program, but he was referring to the big government bureaucratic machine that processes it.

That is the same thing President Clinton and AL GORE said in their book, ''Putting People First.''

So all this criticism on the Speaker, on his ''withering on the vine,'' comment, is hypocritical. President Clinton said the same thing about the Health Care Financing Administration. In both cases, no one was talking about Medicare. Think about it.

SUPPORT THE CASTLE-TANNER WELFARE REFORM BILL

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, some in Congress have demonized the poor, that they have become the poster children for all that is wrong in America. They have convinced the American people that the welfare mothers and their children have caused a great debt that our Nation has acquired. They have now made the new Joan of Arc out of the teenaged mothers.

Just last week, what do they want to do when they say teenaged children are having children? The President asks for $30 million, and they did not give one cent. They would rather spend $6.4 billion after the child has a child. Yet, this week, what do we do for children? If you have a child, we are going to make sure we take your children off of welfare. We will teach the teenaged mother you must not do this, but when we have a chance to make a difference in their lives we do absolutely nothing.

H.R. 3734 is a mean way to reform. Yes, we need reform, and certainly the Castle-Tanner bill is a better way to reform, not the bill that is going to be introduced. This is antichildren, anti the poor. We should do better in this Nation, rather than to demonize the most vulnerable of our Nation.

PRESIDENT SUCCUMBS TO INTERNATIONAL PRESSURE

(Mr. DIAZ-BALART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIAZ-BALART. Mr. Speaker, President Clinton yesterday once again succumbed to international pressure, this time by suspending part of the important sanctions on the Castro dictatorship that 80 percent of this Congress voted for just a few months ago after Castro killed four Americans over international waters. Incredibly, the President who vetoed tort reform, citing the rights of Americans to sue Americans, yesterday took away the right of Americans to sue foreigners who traffic in property stolen by those foreigners from Americans.

President Clinton showed once again what pressure can get you during this American presidency if you are an enemy of the United States. The North Koreans got billions of United States taxpayer dollars by saying that they would otherwise build nuclear powerplants. Iraq was allowed to sell billions of dollars of oil again. Iran was invited into Bosnia. Mr. Speaker, despite the collapse of the Soviet Union, a weak, indecisive White House such as the current one is hazardous to the safety of the Nation.

REPUBLICAN CAMPAIGN FINANCE REFORM MEASURE WILL WORSEN OUT-OF-CONTROL CAMPAIGN SPENDING

(Mr. OLVER asked and was given permission to address the House for 1 minute.)

Mr. OLVER. Mr. Speaker, this week has been trumpeted as the great Republican reform week. But now, as we begin debate on these so-called reforms, what is the Republican leadership really thrusting on us this week?

The only bill the Republican leadership is offering is a so-called campaign finance bill—a measure designed to make out-of-control campaign spending even worse.

The Republican bill nearly triples the limits on both individual contributions and PAC contributions. And under the Republican plan, a wealthy family of four would now be able to contribute millions and millions of dollars during a 2-year election cycle.

Mr. Speaker, this is not reform. Instead of putting the brakes on this campaign spending train, the Republicans are finding new ways to add fuel to the fire.

The Republican leadership once again has ignored the pleas of the people and is focused on helping the fat cats and the special interests that own them.

The Republican leadership has once again gone too far. Extremism, not accomplishment, is the name of their game.

PRESIDENT MUST HONOR HIS COMMITMENT AND SIGN WELFARE REFORM MEASURE

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEATRAND. Mr. Speaker, on May 18 during his weekly radio address, President Bill Clinton said the following: ''There are bipartisan welfare reform plans sitting in the House and the Senate. They require welfare recipients to work, they limit the time people can stay on welfare, they toughen child support enforcement, and they protect our children. So I say to Congress, send me a bill that honors these fundamental principles. I will sign it right away.''

Mr. Speaker, the time has come for President Clinton to keep the commitments he makes to this institution. He has repeatedly misled this body into believing he wants to reform welfare. The time has come to either put up or shut up. This week the House will consider the very same welfare reform measure President Clinton said he would sign. For the future of this country, for all the young men and women caught in the endless cycle of poverty and dependency, for all the children who need strong families and safe neighborhoods, I hope that the President honors his word.

URGING BIPARTISAN SUPPORT OF CASTLE-TANNER WELFARE REFORM BILL

(Ms. MCCARTHY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MCCARTHY. Mr. Speaker, the Speaker has proclaimed this week reform week, and primary among those reforms for all of us will be welfare reform. I urge my colleagues this morning to join in a bipartisan effort, and support the Castle-Tanner bill.

This is legislation that will successfully put people to work, will protect our children, and in particular, provide health care for those low-income children who are essential to our future growth. This bill will provide State flexibility. It will require maintenance of effort, but it will encourage and reward States that achieve that. In times of economic downturn, it will allow flexibility for States to meet those needs. Most important, Castle-Tanner does not raise taxes on low-income working people.

Mr. Speaker, I urge us to continue to work together to produce a bill the President can sign. I am proud to have worked on the Castle-Tanner bill. It does achieve needed reforms, and I urge my colleagues, all of them, to support this effort.

□ 1030

REFORM WEEK

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, for months the Republican leadership has been heralding their upcoming reform week. Well—reform week is here but it's looking a lot more like weak reform. What was once a big buildup has become a quiet shutdown.

Not much talk about reform this week. Mostly because the Republican campaign finance reform legislation doesn't actually reform the system but makes it worse. But don't take my word for it—take the words of 10 of my Republican colleagues whose ''Dear Colleague'' letter reads—and I quote—''Instead of leveling the playing field in elections, this bill will result in greater incumbent protection. The bill actually increases the amounts that wealthy individuals can contribute in Federal elections.''

That's right. Under current law an individual can give $25,000. Under the

Republican campaign finance reform bill an individual will be able to give up to $3.1 million. As my Republican colleagues also said, ''The average American will be left even further behind in the Washington money chase as they are frozen out of the political process.'' I urge my Republican colleagues to listen to their own caucus members and vote against this weak reform legislation.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. LIGHTFOOT. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: Committee on Agriculture, Committee on Commerce, Committee on Government Reform and Oversight, Committee on International Relations, Committee on the Judiciary, Committee on National Security, Committee on Resources, Committee on Small Business, Committee on Transportation and Infrastructure, and Permanent Select Committee on Intelligence.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. NEY). Is there objection to the request of the gentleman from Iowa?

There was no objection.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 475 and rule XXIII the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3756.

□ 1033

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3756) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, July 16, 1996, amendment No. 3 printed in part 2 of House Report 104–671 offered by the gentleman from Minnesota [Mr. GUTKNECHT] had been disposed of.

Pursuant to the order of the House of that day, the bill is considered as read.

The text of the remainder of the bill is as follows:

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $85,080,000: *Provided,* That mail for overseas voting and mail for the blind shall continue to be free: *Provided further,* That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further,* That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further,* That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1997.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102, $250,000: *Provided,* That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further,* That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $40,193,000: *Provided,* That $420,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $7,827,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109–110, 112–114.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,280,000: *Provided,* That $150,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

OPERATING EXPENSES

For the care, operation, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $324,000: *Provided,* That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities: *Provided further,* That $8,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted for approval to the Committees on Appropriations of the House and Senate a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,439,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; $3,867,000: *Provided,* That $45,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,648,000: *Provided,* That $3,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all

projects included in the systems investment plan, and a systems architecture plan.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, $26,100,000, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles: *Provided,* That $340,700 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, $55,573,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of 44 U.S.C. chapter 35: *Provided,* That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further,* That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further,* That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs or their subcommittees: *Provided further,* That this proviso shall not apply to printed hearings released by the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100–690; not to exceed $8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $34,838,000, of which $18,000,000 shall remain available until expended, consisting of $1,000,000 for policy research and evaluation and $17,000,000 for the Counter-Drug Technology Assessment Center for counternarcotics research and development projects, and of which $1,268,000 shall be obligated for drug prevention public service announcements, and of which $1,000,000 shall be obligated for State conferences on model State drug laws: *Provided,* That the $17,000,000 for the Counter-Drug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: *Provided further,* That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office: *Provided further,* That the Secretary of the Treasury is authorized to receive all unavailable collections transferred from the Special Forfeiture Fund established by section 6073 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1509) by the Director of the Office of Drug Control Policy as a deposit into the Treasury Forfeiture Fund (31 U.S.C. 9703(a)).

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $113,000,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $3,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area in Lake County, Indiana; of which $2,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area for the Gulf Coast States of Louisiana, Alabama, and Mississippi; of which $5,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area dedicated to combating methamphetamine use, production and trafficking in a five State area including Iowa, Missouri, Nebraska, South Dakota, and Kansas; of which no less than $59,000,000 shall be transferred to State and local entities for drug control activities; and of which up to $54,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided,* That the funds made available under this head shall be obligated within 90 days of the date of enactment of this Act.

This title may be cited as the ''Executive Office Appropriations Act, 1997''.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28; $1,800,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $27,524,000, of which no less than $2,500,000 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; $21,588,000: *Provided,* That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further,* That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

For additional expenses necessary to carry out the purpose of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), $209,193,000, to be deposited into said Fund. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of Federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of Federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by installment purchase and purchase contract, in the aggregate amount of $5,364,392,000, of which (1) not to exceed $540,000,000 shall remain available until expended for construction of additional projects at locations as follows: Fresno, California, Federal Building and U.S. Courthouse; Denver, Colorado, U.S. Courthouse; District of Columbia, U.S. Courthouse Annex; Miami, Florida, U.S. Courthouse; Orlando, Florida, U.S. Courthouse; Covington, Kentucky, U.S. Courthouse; London, Kentucky, U.S. Courthouse; Babb, Montana, Piegan Border Station; Sweetgrass, Montana, Border Station; Las Vegas, Nevada, U.S. Courthouse; Brooklyn, New York, U.S. Courthouse; Cleveland, Ohio, U.S. Courthouse; Youngstown, Ohio, U.S. Courthouse; Portland, Oregon, Consolidated Law Enforcement Federal Office Building; Erie, Pennsylvania, U.S. Courthouse; Philadelphia, Pennsylvania, Department of Veterans Affairs—Federal Complex, phase II; Columbia, South Carolina, U.S. Courthouse; Corpus Christi, Texas, U.S. Courthouse; Salt Lake City, Utah, Moss Courthouse Annex and Alteration; Blaine, Washington, U.S. Border Station; Oroville, Washington, U.S. Border Station; Seattle, Washington, U.S. Courthouse; and, Sumas, Washington, U.S. Border Station, (Claim): *Provided,* That the total cost of the immediately foregoing United States Courthouse or United States Courthouse annex construction projects shall be reduced by no less than 10 percent from the prospectus level estimate by improving design efficiencies, curtailing planned interior finishes requiring more efficient use of courtroom and library space, and by otherwise limiting space requirements: *Provided further,* That each of the immediately foregoing construction projects may not exceed the original authorized level for site acquisition, design, or construction, unless advanced approval is obtained from the House and Senate Committees on Appropriations: *Provided further,* That from funds available in the Federal Buildings Fund, $20,000,000 shall be available until expended for environmental clean up activities at the Southeast

Federal Center in the District of Columbia: *Provided further,* That all funds for direct construction projects shall expire on September 30, 1999, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That claims against the Government of less than $250,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92–313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed $635,000,000 shall remain available until expended, for repairs and alterations which includes associated design and construction services, as follows: District of Columbia, Ariel Rios Building; District of Columbia, Department of Justice Building (Main), phase, 1; District of Columbia, Layfayette Building; District of Columbia, State Department Building; Honolulu, Hawaii, Prince Jonah Kuhio Kalanianaole Federal Building and U.S. Courthouse; Chicago, Illinois, Everett M. Dirksen Federal Building; Chicago, Illinois, John C. Kluczynski, Jr. Federal Building (IRS); Andover, Massachusetts, IRS Regional Service Center; Concord, New Hampshire, J.C. Cleveland Federal Building; Camden, New Jersey, U.S. Post Office-Courthouse; Albany, New York, James T. Foley Post Office-Courthouse; Brookhaven, New York, IRS Service Center; New York, New York, Jacob K. Javits Federal Building; Scranton, Pennsylvania, Federal Building-U.S. Courthouse; Providence, Rhode Island, Federal Building-U.S. Courthouse; Fort Worth, Texas, Federal Center; Nationwide repairs and alterations: Security Upgrades; Chlorofluorocarbons Program; Elevator Program; and, Energy Program: *Provided further,* That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That the amounts provided in this or any prior Act for Repairs and Alterations may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further,* That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the originally authorized amount, except each project may be increased by an amount not to exceed 10 percent when advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount: *Provided further,* That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading ''Repairs and Alterations'', may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further,* That such sums as may be necessary shall be made available for ongoing renovation and consolidation efforts at the National Veterinary Services Laboratory and a biocontainment facility at the National Animal Disease Center, as directed in Public Law 104–52: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 1999, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading ''Repairs and Alterations'' or used to fund authorized increases in prospectus projects: *Provided further,* That $5,700,000 of the funds provided under this heading in Public Law 103–329, for the IRS Service Center, Holtsville, New York, shall be available until September 30, 1998; (3) not to exceed $173,075,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) not to exceed $3,903,205,000, to remain available until expended, for building operations, leasing activities, and rental of space, of which up to $205,000,000 shall be available for security enhancements; and (5) not to exceed $4,800,000 for the development and acquisition of automatic data processing equipment, software, and services for the Public Buildings Service which shall remain available until September 30, 1999 for transfer to accounts and in amounts as necessary to satisfy the requiremens of the Public Buildings Service: *Provided further,* That funds available to the General Services Administration shall not be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further,* That the Administrator is authorized in fiscal year 1997 and thereafter, to enter into and perform such leases, contracts, or other transactions with any agency or instrumentality of the United States, the several States, or the District of Columbia, or with any person, firm, association, or corporation, as may be necessary to implement the trade center plan at the Federal Triangle Project and is hereby granted all the rights and authorities of the former Pennsylvania Avenue Development Corporation (PADC) with regards to property transferred from PADC to the General Services Administration in fiscal year 1996: *Provided further,* That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further,* That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further,* That revenues and collections and any other sums accruing to this Fund during fiscal year 1997, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $5,364,392,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation management activities; procurement and supply management activities; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $109,091,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $33,274,000: *Provided,* That not to exceed $5,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further,* That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,180,000: *Provided,* That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

EXPENSES, PRESIDENTIAL TRANSITION

For expenses necessary to carry out the Presidential Transition Act of 1963, as amended (3 U.S.C. 102 note), $5,600,000.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SECTION 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 1997 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided,* That any proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 404. Section 10 of the General Services Administration General Provisions, Public Law 100–440, dated September 22, 1988, is hereby repealed.

SEC. 405. No funds made available by this Act shall be used to transmit a fiscal year 1998 request for United States Courthouse construction that does not meet the design guide standards for construction as established by the General Services Administration, the Judicial Conference of the United

States, and the Office of Management and Budget and does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the request must be accompanied by a standardized courtroom utilization study of each facility to be replaced or expanded.

SEC. 406. (a) Section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490) is amended by adding at the end the following new subsection:

''(l)(1) The Administrator may establish, acquire space for, and equip flexiplace work telecommuting centers (in this subsection referred to as 'telecommuting centers') for use by employees of Federal agencies, State and local governments, and the private sector in accordance with this subsection.

''(2) The Administrator may make any telecommuting center available for use by individuals who are not Federal employees to the extent the center is not being fully utilized by Federal employees. The Administrator shall give Federal employees priority in using the telecommuting centers.

''(3)(A) The Administrator shall charge user fees for the use of any telecommuting center. The amount of the user fee shall approximate commercial charges for comparable space and services except that in no instance shall such fee be less than that necessary to pay the cost of establishing and operating the center, including the reasonable cost of renovation and replacement of furniture, fixtures, and equipment.

''(B) Amounts received by the Administrator after September 30, 1993, as user fees for use of any telecommuting center may be deposited into the Fund established under subsection (f) of this section and may be used by the Administrator to pay costs incurred in the establishment and operation of the center.

''(4) The Administrator may provide guidance, assistance, and oversight to any person regarding establishment and operation of alternative workplace arrangements, such as telecommuting, hoteling, virtual offices, and other distributive work arrangements.

''(5) In considering whether to acquire any space, quarters, buildings, or other facilities for use by employees of any executive agency, the head of that agency shall consider whether the need for the facilities can be met using alternative workplace arrangements referred to in paragraph (4).

(b) Section 13 of the Public Building Act of 1959, as amended, (107 Stat. 438; 40 U.S.C. 612) is amended—

(1) by striking ''(xi)'' and inserting in lieu thereof ''(xii)''; and

(2) by striking ''and (x)'' and inserting in lieu thereof ''(x) telecommuting centers and (xi)''.

SEC. 407. None of the funds provided in this Act may be used to implement a plan for the Ronald Reagan Building (International Trade Center, Washington, D.C.) which would permit the Woodrow Wilson Center to pay the General Services Administration less than the rate per square foot assessment for space and services which is paid by other Federal entities.

SEC. 408. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the requested rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 409. The Administrator of the General Services is directed to ensure that the materials used for the facade on the United States Courthouse Annex, Savannah, Georgia project are compatible with the existing Savannah Federal Building-U.S. Courthouse fascade, in order to ensure compatibility of this new facility with the Savannah historic district and to ensure that the Annex will not endanger the National Landmark status of the Savannah historic district.

SEC. 410. Notwithstanding any other provision of this or any other Act, during the fiscal year ending September 30, 1997, and thereafter, the Administrator of General Services may sell or exchange real property, related assets or interests therein under the custody and control of the General Services Administration, whether or not such property or interests therein are excess to its needs, when the Administrator determines that such sale or exchange is consistent with economical management of the Federal real property portfolio, as such portfolio may be defined by the Administrator: *Provided*, That any proceeds from such sale or exchange remaining after reimbursing the Administrator for the costs of such sales or changes, including the costs of relocating Federal agencies occupying the property, shall be deposited in the Federal Buildings Fund and shall remain available until expended.

JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

For necessary expenses to carry out the John F. Kennedy Assassination Records Collection Act of 1992, $2,150,000.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $23,297,000, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $195,109,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to move into the facility.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

(RESCISSION)

Of the funds made available under this heading in Public Law 104–52, $4,500,000 are rescinded.

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities and presidential libraries, $9,500,000 to remain available until expended.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, $4,000,000 to remain available until expended.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100–598, and the Ethics Reform Act of 1989, Public Law 101–194, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; $8,078,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty; $86,576,000; and in addition $93,486,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printing materials for annuitants, for the retirement and insurance programs, of which $2,250,000 shall be transferred at such times as the Office of Personnel Management deems appropriate, and shall remain available until expended for the costs of automating the retirement recordkeeping systems, together with remaining amounts authorized in previous Acts for the recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: *Provided further*, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7–1320a–7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during

the fiscal year ending September 30, 1997, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

GENERAL PROVISIONS—OFFICE OF PERSONNEL MANAGEMENT

SEC. 421. The first sentence of section 1304(e)(1) of title 5, United States Code, is amended by inserting after ''basis'' the following '', including personnel management services performed at the request of individual agencies (which would otherwise be the responsibility of such agencies), or at the request of nonappropriated fund instrumentalities''.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $8,645,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

REVOLVING FUND

For reducing any accumulated deficit in the accounts of the revolving fund established under 5 U.S.C. 1304(e), $4,755,000.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $7,840,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $33,269,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the ''Independent Agencies Appropriations Act, 1997''.

TITLE V—GENERAL PROVISIONS

THIS ACT

SECTION 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any guard, elevator operator, messenger or custodial services if any permanent veterans preference employee of the General Services Administration at said date, would be terminated as a result of the procurement of such services, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92–28. Only if such workshops decline to contract for the provision of the covered services may the General Services Administration procure the services by competitive contract, for a period not to exceed 5 years. At such time as such competitive contract expires or is terminated for any reason, the General Services Administration shall again offer to contract for the services from a sheltered workshop prior to offering such services for competitive procurement.

SEC. 504. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 505. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Treasury Department.

SEC. 506. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 507. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1).

SEC. 508. The Office of Personnel Management may, during the fiscal year ending September 30, 1997, accept donations of supplies, services, land, and equipment for the Federal Executive Institute and Management Development Centers to assist in enhancing the quality of Federal management.

SEC. 509. The United States Secret Service may, during the fiscal year ending September 30, 1997, and hereafter, accept donations of money to off-set costs incurred while protecting former Presidents and spouses of former Presidents when the former President or spouse travels for the purpose of making an appearance or speech for a payment of money or any thing of value.

SEC. 510. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 511. None of the funds made available in this Act may be used to provide any nonpublic information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the House and Senate Committees on Appropriations.

SEC. 512. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the ''Buy American Act'').

SEC. 513. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 514. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made

in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 515. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1997 from appropriations made available for salaries and expenses for fiscal year 1997 in this Act, shall remain available through September 30, 1998, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the House and Senate Committees on Appropriations for approval prior to the expenditure of such funds.

SEC. 516. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth in the budget estimates submitted for appropriations without the advance approval of the House and Senate Committees on Appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards in the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools separately set forth in the budget schedules.

SEC. 517. Notwithstanding any other provision of law or regulation during the fiscal year ending September 30, 1997, and thereafter:

(1) The authority of the special police officers of the Bureau of Engraving and Printing, in the Washington, DC Metropolitan area, extends to buildings and land under the custody and control of the Bureau; to buildings and land acquired by or for the Bureau through lease, unless otherwise provided by the acquisition agency; to the streets, sidewalks and open areas immediately adjacent to the Bureau along Wallenberg Place (15th Street) and 14th Street between Independence and Maine Avenues and C and D Streets between 12th and 14th Streets; to areas which include surrounding parking facilities used by Bureau employees, including the lots at 12th and C Streets, SW, Maine Avenue and Water Streets, SW, Maiden Lane, the Tidal Basin and East Potomac Park; to the protection in transit of United States securities, plates and dies used in the production of United States securities, or other products or implements of the Bureau of Engraving and Printing which the Director of that agency so designates.

(2) The authority of the special police officers of the United States Mint extends to the buildings and land under the custody and control of the Mint; to the streets, sidewalks and open areas in the vicinity to such facilities; to surrounding parking facilities used by Mint employees; and to the protection in transit of bullion, coins, dies, and other property and assets of, or in the custody of, the Mint.

(3) The exercise of police authority by Bureau or Mint officers, with the exception of the exercise of authority upon property under the custody and control of the Bureau or the Mint, respectively, shall be deemed supplementary to the Federal police force with primary jurisdictional responsibility. This authority shall be in addition to any other law enforcement authority which has been provided to these officers under other provisions of law or regulations.

SEC. 518. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 519. The provision of section 518 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 520. No part of any appropriation made available in this Act shall be used to implement Bureau of Alcohol, Tobacco and Firearms Ruling TD ATF–360; Re: Notice Nos. 782, 780, 91F009P.

SEC. 521. Notwithstanding title 5, United States Code, Personal Service Contractors (PSC) employed by the Department of the Treasury for assignment in a country other than the United States, shall be considered as Federal Government employees for purposes of making available Federal employee health and life insurance.

SEC. 522. Section 5131 of title 31, United States Code, is amended by striking subsection (c); and by redesignating subsection (d) as subsection (c).

SEC. 523. Section 5112(i)(4) of title 31, United States Code, is amended by adding at the end the following new subparagraph:

''(C) The Secretary may continue to mint and issue coins in accordance with the specifications contained in paragraphs (7), (8), (9), and (10) of subsection (a) and paragraph (1)(A) of this subsection at the same time the Secretary in minting and issuing other bullion and proof gold coins under this subsection in accordance with such program procedures and coin specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.'': *Provided*, That profits generated from the sale of gold to the United States Mint for this program shall be considered as a receipt to be deposited into the General Fund of the Treasury.

SEC. 524. Section 5112 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(k) The Secretary may mint and issue bullion and proof platinum coins in accordance with such specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.'': *Provided*, That the Secretary is authorized to use Government platinum reserves stockpiled at the United States Mint as working inventory and shall ensure that reserves utilized are replaced by the Mint.

SEC. 525. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF CERTAIN FEDERAL AGENCIES.—(a) DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means the Internal Revenue Service, the Bureau of Alcohol, Tobacco and Firearms, and the United States Customs Service;

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by an agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 12 months, but does not include—

(A) any employee who, upon separation and application, would then be eligible for an immediate annuity under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(C) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(D) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(E) an employee who, upon completing an additional period of service is referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(F) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(G) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(H) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowable under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of each agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before February 1, 1997;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

SEC. 526. That provisions of law governing procurement or public contracts shall not be applicable to the procurement of goods or services necessary for carrying out Bureau of Engraving and Printing program and operation: *Provided*, That the authority contained in this provision shall expire on September 30, 1999.

SEC. 527. The United States Mint is hereby authorized to establish a demonstration project under the authorities of title V, U.S.C., chapter 47: *Provided*, That the Director of the United States Mint shall be appointed by the President, by and with the advice and consent of the Senate; the Director shall serve on the basis of a six-year contract, which may be renewed, so long as the Director's performance, as set forth in an annual performance agreement with the Secretary of the Treasury, is satisfactory; and the Director shall receive as basic compensation for a calendar year an amount equal to the annual rate of basic pay for level I of the Executive Schedule under section 5312 of title 5 and, in addition, may receive an annual bonus awarded by the Secretary, based upon the Secretary's evaluation of the Director's performance in accordance with the performance agreement.

SEC. 528. (a) REIMBURSEMENT OF CERTAIN ATTORNEY FEES AND COSTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay from amounts appropriated in title I of this Act under the heading, ''Departmental Offices, Salaries and Expenses'', up to $500,000 to reimburse former employees of the White House Travel Office whose employment in that Office was terminated on May 19, 1993, for any attorney fees and costs they incurred with respect to that termination.

(2) VERIFICATION REQUIRED.—The Secretary shall pay an individual in full under paragraph (1) upon submission by the individual of documentation verifying the attorney fees and costs.

(3) NO INFERENCE OF LIABILITY.—Liability of the United States shall not be inferred from enactment of or payment under this subsection.

(b) LIMITATION ON FILING OF CLAIMS.—The Secretary of the Treasury shall not pay any claim filed under this section that is filed later than 120 days after the date of the enactment of this Act.

(c) REDUCTION.—The amount paid pursuant to this section to an individual for attorney fees and costs described in subsection (a) shall be reduced by any amount received before the date of the enactment of this Act, without obligation for repayment by the individual, for payment of such attorney fees and costs (including any amount received from the funds appropriated for the individual in the matter relating to the ''Office of the General Counsel'' under the heading ''Office of the Secretary'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1994).

(d) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Payment under this section, when accepted by an individual described in subsection (a), shall be in full satisfaction of all claims of, or on behalf of, the individual against the United States that arose out of the termination of the White House Travel Office employment of that individual on May 19, 1993.

SEC. 529. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1997 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–24.

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence, (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975, or (6) is a national of the People's Republic of China who qualifys for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the

above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in the current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive Order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 611. For the fiscal year ending September 30, 1997, and thereafter, any department or agency to which the Administrator of General Services has delegated the authority to operate, maintain or repair any building or facility pursuant to section 205(d) of the Federal Property and Administrative Services Act of 1949, as amended, shall retain that portion of the GSA rental payment available for operation, maintenance or repair of the building or facility, as determined by the Administrator, and expend such funds directly for the operation, maintenance or repair of the building or facility. Any funds retained under this section shall remain available until expended for such purposes.

SEC. 612. (a) IN GENERAL.—Section 1306 of title 31, United States Code, is amended to read as follows:

"§ 1306. Use of foreign credits

"(a) IN GENERAL.—Foreign credits (including currencies) owed to or owned by the United States may be used by any agency for any purpose for which appropriations are made for the agency for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), but only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency.

"(b) EXCEPTION TO REIMBURSEMENT REQUIREMENT.—Credits described in subsection (a) that are received as exchanged allowances, or as the proceeds of the sale of personal property, may be used in whole or partial payment for the acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.".

(b) APPLICABILITY.—The amendment made by this section shall take effect on the date of the enactment of this Act and shall apply thereafter.

SEC. 613. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 614. Funds made available by this or any other Act to the "Postal Service Fund" (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 615. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 616. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal year ending on September 30, 1997, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 616 of the Treasury, Postal Service and General Government Appropriations Act, 1996, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1997, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616; and

(2) during the period consisting of the remainder of fiscal year 1997, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1997 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1997 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1996 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1996, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1996, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1996.

(f) For the purpose of administering any provision of law (including section 8431 of title 5, United States Code, and any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 617. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations of the House and Senate. For the purposes of this section, the word "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 618. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous

to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

SEC. 619. Notwithstanding section 1346 of title 31, United States Code, or section 613 of this Act, funds made available for fiscal year 1997 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

SEC. 620. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 621. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1997 shall obligate or expend any such funds, unless such department, agency or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 622. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided,* That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 623. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 624. (a) None of the funds made available in this Act or any other Act may be obligated or expended for any employee training when it is made known to the Federal official having authority to obligate or expend such funds that such employee training—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or ''new age'' belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988;

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or

(6) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 625. No funds appropriated in this or any other Act for fiscal year 1997 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: ''These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. section 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive Order and listed statutes are incorporated into this agreement and are controlling.'': *Provided,* That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 626. (a) None of the funds appropriated by this or any other Act may be expended by any Federal Agency to procure any product or service subject to section 5124 of Public Law 104–106 and that will be available under the procurement by the Administrator of General Services known as ''FTS2000'' unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as ''FTS2000''; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) that agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as ''FTS2000''; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

(b) After July 31, 1997, subsection (a) shall apply only if the Administrator of General Services has reported that the FTS2000 procurement is producing prices that allow the Government to satisfy its requirements for such procurement in the most cost-effective manner.

SEC. 627. Subsection (f) of section 403 of Public Law 103–356 is amended by deleting ''October 1, 1999'' and inserting ''October 1, 2001''.

SEC. 628. (a) IN GENERAL.—Notwithstanding any other provision of law, none of the funds made available by this Act for the Department of the Treasury shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would permit the Secretary of the Treasury to make any loan or extension of credit under section 5302 of title 31, United States Code, with respect to a single foreign entity or government of a foreign country (including agencies or other entities of that government)—

(1) with respect to a loan or extension of credit for more than 60 days, unless the President certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives that—

(A) there is no projected cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the United States from the proposed loan or extension of credit; and

(B) any proposed obligation or expenditure of United States funds to or on behalf of the foreign government is adequately backed by an assured source of repayment to ensure that all United States funds will be repaid; and

(2) other than as provided by an Act of Congress, if that loan or extension of credit would result in expenditures and obligations, including contingent obligations, aggregating more than $1,000,000,000 with respect to that foreign country for more than 180 days during the 12-month period beginning on the date on which the first such action is taken.

(b) WAIVER OF LIMITATIONS.—The President may exceed the dollar and time limitations in subsection (a)(2) if he certifies in writing to the Congress that a financial crisis in that foreign country poses a threat to vital United States economic interests or to the stability of the international financial system.

(c) EXPEDITED PROCEDURES IN THE SENATE FOR A RESOLUTION OF DISAPPROVAL.—A presidential certification pursuant to subsection

(b) shall not take effect, if the Congress, within 30 calendar days after receiving such certification, enacts a joint resolution of disapproval, as described in paragraph (5) of this subsection.

(1) REFERENCE TO COMMITTEES.—All joint resolutions introduced in the Senate to disapprove the certification shall be referred to the Committee on Banking, Housing, and Urban Affairs.

(2) DISCHARGE OF COMMITTEES.—(A) If the committee of the Senate to which a joint resolution has been referred has not reported it at the end of 15 days after its introduction, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same matter, except no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same matter.

(B) In the Senate a motion to discharge may be made only by an individual favoring the joint resolution, and is privileged; and debate thereon shall be limited to not more than 1 hour, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees.

(3) FLOOR CONSIDERATION.—(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order.

(4) If prior to the passage by the Senate of a resolution, the Senate receives a joint resolution with respect to the same matter from the House of Representatives, then—

(A) the procedure in the Seante shall be the same as if no resolution had been received from the House; but

(B) the vote on final passage shall be on the resolution of the House.

(5) For purposes of this subsection, the term ''joint resolution'' means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: ''That the Congress disapproves the action of the President under section 628(c) of the Treasury, Postal Service, and General Government Appropriations Act, 1997, notice of which was submitted to the Congress on _____.'', with the blank space being filled with the appropriate date.

(d) APPLICABILITY.—This section—

(1) shall not apply to any action taken as part of the program of assistance to Mexico announced by the President on January 31, 1995; and

(2) shall remain in effect through fiscal year 1997.

SEC. 629. (a) TECHNICAL AMENDMENT.—Section 640 of Public Law 104–52 (109 Stat. 513) is amended by striking ''Service performed'' and inserting ''Hereafter, service performed''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in Public Law 104–52 on the date of its enactment.

SEC. 630. Notwithstanding any other provision of law, no part of any appropriation contained in this Act for any fiscal year shall be available for paying Sunday premium or differential pay to any employee unless such employee actually performed work during the time corresponding to such premium or differential pay.

SEC. 631. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 632. (a) FEDERAL EMPLOYEE REPRESENTATION IMPROVEMENT.—Subsection (d) of section 205 of title 18, United States Code, is amended to read as follows:

''(d)(1) Nothing in subsection (a) or (b) prevents an officer or employee, if not inconsistent with the faithful performance of that officer's or employee's duties, from acting without compensation as agent or attorney for, or otherwise representing—

''(A) any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings; or

''(B) except as provided in paragraph (2), any cooperative, voluntary, professional, recreational, or similar organization or group not established or operated for profit, if a majority of the organization's or group's members are current officers or employees of the United States or of the District of Columbia, or their spouses or dependent children.

''(2) Paragraph (1)(B) does not apply with respect to a covered matter that—

''(A) is a claim under subsection (a)(1) or (b)(1);

''(B) is a judicial or administrative proceeding where the organization or group is a party; or

''(C) involves a grant, contract, or other agreement (including a request for any such grant, contract, or agreement) providing for the disbursement of Federal funds to the organization or group.''.

(b) APPLICATION TO LABOR-MANAGEMENT RELATIONS.—Section 205 of title 18, United States Code, is amended by adding at the end the following:

''(i) Nothing in this section prevents an employee from acting pursuant to—

''(1) chapter 71 of title 5;

''(2) section 1004 or chapter 12 of title 39;

''(3) section 3 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831b);

''(4) chapter 10 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4104 et seq.); or

''(5) any provision of any other Federal or District of Columbia law that authorizes labor-management relations between an agency or instrumentality of the United States or the District of Columbia and any labor organization that represents its employees.''.

(c) APPLICABILITY.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply thereafter.

SEC. 633. SURVIVOR ANNUITY RESUMPTION UPON TERMINATION OF MARRIAGE.—(a) AMENDMENTS.—

(1) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8341(e) of title 5, United States Code, is amended by adding at the end the following:

''(4) If the annuity of a child under this subchapter terminates under paragraph (3)(E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if—

''(A) any lump sum paid is returned to the Fund; and

''(B) that individual is not otherwise ineligible for such annuity.''.

(2) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8443(b) of such title is amended by adding at the end the following: ''If the annuity of a child under this subchapter terminates under subparagraph (E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if any lump sum paid is returned to the Fund, and that individual is not otherwise ineligible for such annuity.''.

(b) APPLICABILITY.—The amendments made by section 1 shall apply with respect to any termination of marriage taking effect on or after November 1, 1993, except that any recomputation of benefits shall be payable only with respect to amounts accruing for periods beginning on or after the date of the enactment of this Act.

SEC. 634. AVAILABILITY OF ANNUAL LEAVE TO MEET MINIMUM AGE AND SERVICE REQUIREMENTS FOR TITLE TO AN IMMEDIATE ANNUITY.—(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8336 of title 5, United States Code, is amended by adding at the end the following:

''(o)(1) An employee involuntarily separated from service due to a reduction in force shall, upon written election, be given credit for days of unused annual leave standing to such employee's credit under a formal leave system as of the date of separation, if and to the extent necessary in order to meet the minimum age and service requirements for title to an annuity under this section.

''(2) The Office shall prescribe any regulations which may be necessary to carry out this subsection, including regulations under which contributions to the Fund shall, with respect to the days of leave for which credit is given under this subsection, be made—

''(A) by the employee, equal to the employee contributions which would have been required for those days if separation had not occurred; and

''(B) by the agency from which separated, equal to the Government contributions which would have been required if separation had not occurred.

Contributions under the preceding sentence shall be determined based on the rate of basic pay last in effect before separation.

''(3) Nothing in this subsection shall be considered—

''(A) to allow credit to be given for any leave standing to the credit of the employee (other than by restoration) pursuant to subchapter III or IV of chapter 63 or other similar authority;

''(B) to permit or require the making of any contributions to the Thrift Savings Fund with respect to any period after the date of separation; or

''(C) to make any days of annual leave creditable for purposes of section 8333, any determination of average pay, or any computation of annuity.

''(4)(A) The taking of a lump-sum payment under section 5551 or other similar authority shall not make any of the leave to which such payment relates unavailable for purposes of this subsection.

''(B) The use of any leave for purposes of this subsection shall not reduce the amount

of leave for which a lump-sum payment is payable under section 5551 or other similar authority.

''(5) This subsection shall apply with respect to separations occurring on or after the date of the enactment of this subsection and before July 1, 2002.''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8412 of title 5, United States Code, is amended by adding at the end the following:

''(i)(1) An employee involuntarily separated from service due to a reduction in force shall, upon written election, be given credit for days of unused annual leave standing to such employee's credit under a formal leave system as of the date of separation, if and to the extent necessary in order to meet the minimum age and service requirements for title to an annuity under this section or section 8414.

''(2) The Office shall prescribe any regulations which may be necessary to carry out this subsection, including regulations under which contributions to the Fund shall, with respect to the days of leave for which credit is given under this subsection, be made—

''(A) by the employee, equal to the employee contributions which would have been required for those days if separation had not occurred; and

''(B) by the agency from which separated, equal to the Government contributions which would have been required if separation had not occurred.

Contributions under the preceding sentence shall be determined based on the rate of basic pay last in effect before separation.

''(3) Nothing in this subsection shall be considered—

''(A) to allow credit to be given for any leave standing to the credit of the employee (other than by restoration) pursuant to subchapter III or IV of chapter 63 or other similar authority;

''(B) to permit or require the making of any contributions to the Thrift Savings Fund with respect to any period after the date of separation; or

''(C) to make any days of annual leave creditable for purposes of section 8410, any determination of average pay, or any computation of annuity.

''(4)(A) The taking of a lump-sum payment under section 5551 or other similar authority shall not make any of the leave to which such payment relates unavailable for purposes of this subsection.

''(B) The use of any leave for purposes of this subsection shall not reduce the amount of leave for which a lump-sum payment is payable under section 5551 or other similar authority.

''(5) This subsection shall apply with respect to separations occurring on or after the date of the enactment of this subsection and before July 1, 2002.''.

SEC. 635. Section 207(e)(6)(B) of title 18, United States Code, is amended by striking ''level V of the Executive Schedule'' and inserting ''level 5 of the Senior Executive Service''.

SEC. 636. REIMBURSEMENTS RELATING TO PROFESSIONAL LIABILITY INSURANCE.—(a) AUTHORITY.—Notwithstanding any other provision of law, amounts appropriated by this Act (or any other Act for fiscal year 1997 or any fiscal year thereafter) for salaries and expenses may be used to reimburse any qualified employee for not to exceed one-half the costs incurred by such employee for professional liability insurance. A payment under this section shall be contingent upon the submission of such information or documentation as the employing agency may require.

(b) QUALIFIED EMPLOYEE.—For purposes of this section, the term ''qualified employee'' means an agency employee whose position is that of—

(1) a law enforcement officer; or

(2) a supervisor or management official.

(c) DEFINITIONS.—For purposes of this section—

(1) the term ''agency'' means an Executive agency, as defined by section 105 of title 5, United States Code;

(2) the term ''law enforcement officer'' means an employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including any law enforcement officer under section 8331(20) or 8401(17) of such title 5;

(3) the terms ''supervisor'' and ''management official'' have the respective meanings given them by section 7103(a) of such title 5, and

(4) the term ''professional liability insurance'' means insurance which provides coverage for—

(A) legal liability for damages due to injuries to other persons, damage to their property, or other damage or loss to such other persons (including the expenses of litigation and settlement) resulting from or arising out of any tortious act, error, or omission of the covered individual (whether common law, statutory, or constitutional) while in the performance of such individual's official duties as a qualified employee; and

(B) the cost of legal representation for the covered individual in connection with any administrative or judicial proceeding (including any investigation or disciplinary proceeding) relating to any act, error, or omission of the covered individual while in the performance of such individual's official duties as a qualified employee, and other legal costs and fees relating to any such administrative or judicial proceeding.

(d) APPLICABILITY.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply thereafter.

TITLE VII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'' to be used in connection with investigations of arson at religious institutions, $12,011,000, available upon enactment of this Act and to remain available until expended.

INTERNAL REVENUE SERVICE

INFORMATION SYSTEMS

(RESCISSION)

Of the funds made available under this heading for Tax Systems Modernization in Public Law 104–52, $12,011,000 are rescinded.

This Act may be cited as the ''Treasury, Postal Service, and General Government Appropriations Act, 1997''.

The CHAIRMAN. Are there any points of order against provisions in the bill?

POINT OF ORDER

Mrs. SEASTRAND. Mr. Chairman, I make a point of order against section 406 beginning on page 53, line 15 through page 55, line 12, which authorizes the establishment of telecommuting centers, on the ground that it is legislation on an appropriation bill in violation of rule XXI, clause 2(b) of the rules of the House.

The CHAIRMAN. Are there any Members who wish to be heard on the point of order?

If not, for the reasons stated by the gentlewoman from California, the point of order is sustained. The section is stricken. Are there any other points of order?

POINT OF ORDER

Mrs. SEASTRAND. Mr. Chairman, I make a point of order against section 410 beginning on page 56, line 13 through page 57, line 3, which authorizes the administrator of GSA to sell or exchange real property whether or not it is excess to the needs of the United States, on the ground that it is legislation on an appropriation bill in violation of rule XXI, clause 2(b) of the rules of the House.

The CHAIRMAN. Are there any Members who wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, on the point of order, is it appropriate for me from a parliamentary standpoint to ask the chairman of the subcommittee for a clarification of the facts while I make my point of order?

The CHAIRMAN. The chairman of the subcommittee can also be heard on the point of order, and if the gentleman from Maryland wishes to defer to the gentleman from Iowa, he certainly may.

Mr. HOYER. Mr. Chairman, is it my understanding that the rule does not protect this provision but does protect all other provisions in the bill which would have been subject to a similar point of order, that that is why this is in order; is that correct?

Mr. LIGHTFOOT. Mr. Chairman, the gentleman is correct, with the exception of section 406 which she has already raised a point of order against.

Mr. HOYER. Mr. Chairman, in light of the fact that the Ways and Means Committee, as I understand it, did not contact the Rules Committee but that the committee which the gentlewoman from California is representing now did, my understanding is the Rules Committee did not protect it, I will not contest the point of order.

The CHAIRMAN. The point of order is sustained for the reasons stated by the gentlewoman from California. The section is stricken.

Pursuant to the order of the House of Tuesday, July 16, 1996, no further amendments shall be in order except the following amendments, not necessarily in any prescribed order, which shall be considered read, shall not be subject to amendment or to a demand for division of the question, and shall be debatable for the time specified, equally divided and controlled by the proponent and a member opposed: An amendment by the gentleman from Massachusetts [Mr. KENNEDY] regarding the Customs Service, for 10 minutes.

Mr. HOYER. Mr. Chairman, is unanimous consent in order so that I might have a colloquy prior to the consideration of the amendments with the chairman of the subcommittee?

The CHAIRMAN. The gentleman can, of course, move to strike the last word

by unanimous consent. The Chair would like to proceed with outlining the agreement that was struck yesterday.

Mr. HOYER. Mr. Chairman, as a practical matter, we have some Members that are just getting word that we are going forward. We need to do this colloquy. I thought it might be helpful to do this colloquy first while Members are coming to the floor.

The CHAIRMAN. To encourage Members to come to the floor, the 3-page statement which the Chair is about to proceed with would help in the shared goal.

An amendment by the gentleman from Massachusetts [Mr. KENNEDY] regarding the Customs Service, for 10 minutes; an amendment by the gentleman from Illinois [Mr. DURBIN] regarding firearms disabilities, for 30 minutes; an amendment by the gentlewoman from Connecticut [Mrs. JOHNSON] regarding IRS funding, for 10 minutes; an amendment by the gentleman from Ohio [Mr. TRAFICANT], for 10 minutes; an amendment by the gentleman from Maryland [Mr. HOYER] or the gentlewoman from New York [Mrs. LOWEY] to strike sections 518 and 519, for 30 minutes; an amendment by the gentleman from Maryland [Mr. HOYER] regarding buyouts, for 10 minutes; an amendment by the gentleman from Virginia [Mr. WOLF] regarding buyouts, for 10 minutes; an amendment by the gentleman from Georgia [Mr. KINGSTON] regarding customs ports of entry, for 9 minutes; an amendment by the gentleman from Minnesota [Mr. GUTKNECHT] regarding an across-the-board cut, for 20 minutes; an amendment by the gentleman from Vermont [Mr. SANDERS] regarding health maintenance organizations, for 20 minutes; an amendment by the gentlewoman from Ohio [Mr. KAPTUR] regarding China tariffs, for 10 minutes; an amendment by the gentleman from New York [Mr. SOLOMON] regarding a limitation on the comptroller of the currency, for 10 minutes; an amendment by the gentleman from Arizona [Mr. SALMON] regarding the White House travel office, for 10 minutes; an amendment by the gentleman from Maryland [Mr. HOYER], for 10 minutes; and an amendment by the gentleman from Pennsylvania [Mr. GEKAS], for 10 minutes .

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offered an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: Page 16, line 19, strike the second semicolon and insert the following: ''(increased by $500,000) (reduced by $500,000);''.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Massachusetts [Mr. KENNEDY] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I offer this amendment with the gentleman from New Jersey [Mr. SMITH], and I appreciate the willingness of the chairman of the committee to work with us in supporting this amendment as he indicated last evening.

I think the chairman of this committee ought to be commended for the initiatives that he has established in terms of trying to make certain that unfair labor practices that go on in countries that we regularly trade with, specifically China and other countries, have made it a course of their nation's national policy to utilize terribly, terribly, not only unfair but really despicable practices in terms of the kinds of labor use that takes place in these countries.

In China, we know of people who are forced into labor in terms of the kinds of actions that take place in the prison systems. In other countries, such as Pakistan and India, we are all too cruelly aware of the fact that there are millions of soccer balls, for instance, that come from Pakistan; 25 percent of the world's soccer balls come from Pakistan where child labor is utilized. Children are forced to work 8 or 10 hours a day at the ages of as young as 3 and 4 and 5 years old. They work for 15, 16, 17 cents an hour.

Mr. Chairman, we are about to establish the Olympics right down the street at RFK Stadium, and the soccer balls used by the Olympics this year in many cases will be balls that were made with child slave labor. Kids all over America are playing with soccer balls that are made with child labor. Kids that are forced into labor without any of their personal consent, working in dark, dingy conditions, 8 or 10 hours a day, no proper food or nutrition, no proper health care or any kind of reasonable hourly wage.

In Pakistan, we also know of kids, like Iqbal Masih, who are chained to rug looms and forced over and over each and every day to work 10, 12, 15 hours a day, and are sold by their families to individuals that then have whole factories of kids that are making products which we then import into the United States. It not only is unconscionable, and millions of American consumers that buy these goods on a regular basis have no idea that these kinds of conditions are actually taking place in terms of the work force that are making the goods.

Mr. Chairman, we sometimes wonder why we can buy goods these days at such cheap prices. I remember CHRIS SMITH telling me that his family ran a sporting goods store in New Jersey and that 15 years ago or so a soccer ball used to cost $35. Today it costs $15 or $18. He says the reason why the price has dropped so significantly is because the cost of labor in terms of the child slave wages that are being paid has dropped so significantly.

What this amendment will do is take a few dollars out of the general fund that is appropriated and use those moneys specifically for the purposes of hiring an individual who will work for the Department of Commerce to inspect the goods that are made in both India and Pakistan, one employee per country, to make sure that child slave labor is not involved in the manufacture of those products that we import from those countries.

I just want to thank the gentleman from New Jersey [Mr. SMITH], and I want to thank in particular the gentleman from Iowa [Mr. LIGHTFOOT]. I know in talking with his staff that there have been difficulties in the past in terms of working out these arrangements with the Department of State, but I think we have put enough funds into this legislation to make certain that we have the necessary wherewithal to reimburse the State Department.

Mr. Chairman, I also want to thank the gentleman from Maryland [Mr. HOYER], my good friend, who has been a very outspoken critic of the kinds of unfair labor practices that take place in so many foreign countries and who has been a great supporter of this legislation.

Mr. Chairman, I have an amendment at the desk, and I ask unanimous consent that it be considered as read. I appreciate the willingness of Chairman LIGHTFOOT and Mr. HOYER to accept this amendment, and I would like to thank Mr. SMITH for his strong support on behalf of this amendment.

I think the chairman of this committee should be commended for the initiatives that he has established trying to end unfair labor practices in all countries—especially countries which utilize forced labor and child labor, and I thank him again for his support of my amendment.

The purpose of my amendment is to fund two additional overseas positions for customs service investigators. The bill already funds three overseas positions—in Singapore, Hong Kong, and Beijing. My amendment will fund a criminal investigator in New Delhi, India, and in the Sialkot region of Pakistan.

These are two areas in the world where child labor is a particularly significant problem.

We know that there are factories where children, who were sold into slavery by their families, are making products which then are imported into the United States. This is unconscionable. Millions of American consumers who buy these goods on a regular basis have no idea that these goods are being produced using child labor.

These children are forced into labor, without their consent, working in dark, dingy conditions, without proper food or nutrition, without proper health care, without any kind of reasonable hourly wage.

In Pakistan and in India children are chained to rug looms for 10 to 12 hours at a time, being forced to tie tiny knots with their small fingers.

Children in Pakistan help produce 35m soccer balls annually—25 percent of these balls are stitched by children being paid only 5

cents an hour. Each child earns an average of $.70 per ball—and an average daily wage of $1.20. These children work 80 hours a week in near total darkness and total silence.

I have long fought to end the forced labor of children. I have heard the sad testimony of children like Iqbal Masih, enslaved in a rug making factory in Pakistan for 6 long years, only to be killed a year after he managed to escape and after he had started to fight for the rights of children in forced labor.

I have heard the stories of the children of Broadmeadow School in Quincy, MA, who raised over $100,000 to build a school in Iqbal's home town, because the children there didn't have access to a basic education.

And I have heard firsthand the stories of witnesses who have observed children as young as 3 and 4 struggling to stitch soccer balls to be exported around the world. In some instances the needles being used to stitch the balls are longer than the fingers of the children doing the stitching. One 3-year-old was able to manage the needle but couldn't handle the scissors, and had to have another small coworker help her.

Mr. Chairman, Washington DC, will soon be hosting Olympic soccer games just down the street from the U.S. Capitol, and the soccer balls being used by the Olympics this year in many cases will be balls stitched with child slave labor.

We sometimes wonder why we can buy goods these days at such cheap prices. I remember Chris Smith telling me that his family ran a sporting goods store in New Jersey and that 15 years ago a soccer ball used to cost $35. Today it costs $15 or $18. He says the reason why the price has dropped so significantly is because the cost of labor has dropped significantly. Why? Because child labor is being employed.

Adding these two overseas investigator positions will also be an important step in executing the FoulBall Campaign. The FoulBall Campaign is a coordinated international effort using both the power of legislation and consumer action to end the use of child labor in the soccer ball industry.

Lauched on June 28 by Representative KENNEDY, Labor Secretary Robert Reich, and others, the Campaign strives to increase awareness of the widespread use of child workers by soccer ball manufacturers and to encourage the public and soccer organizations in every city and town across America to reject balls stitched by child workers.

I hope we all see the day where child slavery no longer exists, and I applaud initiatives such as Rugmark, which seeks to educate consumers about the exploitation of children, and to mobilize consumers to support products not made with child labor.

Consumers have a right to know that the products they are purchasing were not made with child slave labor. They have a right to know that their children are not learning to walk on rugs knotted by young children, and that their sons and daughters are not playing with a soccer ball that was stitched by little hands.

By adding two inspectors positions overseas, we will be better able to identify the goods being manufactured with child labor, and keep those items from being shipped to the United States and from being placed on the shelves of stores across this country.

Mr. Chairman, I reserve the balance of my time.

□ 1045

Mr. LIGHTFOOT. Mr. Chairman, I ask unanimous consent to control the other 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am willing to accept the amendment of the gentleman from Massachusetts and would like to briefly address some concerns we have with it. I think it is something we can work on. We obviously need to very carefully target our overseas personnel, where we put them, why we put them there. The concern with the amendment is we are putting people in the locations where we have not passed any legislation yet here in the House that addresses that.

As the gentleman knows, the bill includes additional Customs people to go into China. That was not done in a vacuum. We did not include that provision without first talking with Commissioner Weise and the Secretary of State, Mr. Christopher, as well, to get sign-off on it.

If the gentleman is willing to work with me as we go to conference with the Senate on my concern as well as any that the administration may have to be sure that everyone is signed off on this, I really do not see why they should not be, I would be very happy, pleased, to accept the amendment because I think he is trying to do the right thing.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I rise in strong support of this amendment and am very pleased that the chairman saw fit to accept it. I am one of those who believes that our policy, whether it deals with trade or any other facet of international relations, ought to reflect our commitment to human rights. Of course our commitment to human rights ought to be particularly keen when it comes to the most vulnerable people in our world, and that is our children.

America itself suffered and from time to time still suffers from the abuse of children. We talk about child abuse, this is child abuse. This is the utilization of children for economic gain, while substantially damaging their health and robbing them of their childhood and ruining their lives. America, among the nations, ought to stand tallest and most strongly raise the issue that we will not be complicit in this treatment or maltreatment of children.

I congratulate the gentleman from Massachusetts. No voice has been stronger in this Congress or in this country on behalf of the rights of those who have been disenfranchised and discriminated against and undermined in this health and in their quality of living than has the voice of the gentleman from Massachusetts, JOE KENNEDY, and I am pleased to be allied with him in this amendment and thank him for his leadership and offering of this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I very much appreciate the gentleman's cautions with regard to the State Department's willingness to work some of these issues out in terms of the local countries. I do believe that it is important, and I appreciate your willingness to accept this amendment because I think that it is important for the Congress of the United States to let the executive branch know and particularly the State Department know that we are very interested in human rights, as the gentleman from Maryland [Mr. HOYER] indicated, being a major portion of this country's foreign policy.

I do not think we should stand for having other countries export into the United States when they are being abusive of their own citizens, particularly of young children that they are forcing into these kinds of labor situations.

So I think that we ought to take the stand, and I appreciate the gentleman's willingness to fight for it when we get into conference. I would hope that the administration would be supportive. They have given us indications of their support, but I know that with the gentleman out there leading the fight, Mr. Chairman, that we will fare well.

Mr. LIGHTFOOT. Reclaiming my time, Mr. Chairman, let me quickly respond to my friend, the gentleman from Massachusetts [Mr. KENNEDY]. I appreciate the kind words and I think, as I said earlier, I think this is the right thing to do.

A lot of things we cannot settle around here legislatively, but this is one I think we can. It would be very important that we do get the sign-off, I think, from the administration and obviously the gentleman can help us a great deal in that measure. So I appreciate his bringing this amendment forward. I think it is timely and hopefully it will solve a problem we are all very concerned with.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT: Page 24, after line 3, insert the following new section:

SEC. 105. The Internal Revenue Service shall contract with an independent accounting firm to determine the revenue losses (if

any) which would result from implementing H.R. 2450, as introduced in the 104th Congress.

The CHAIRMAN. The gentleman from Ohio [Mr. TRAFICANT] will be recognized for 5 minutes in support of his amendment, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is straightforward. It says that there shall be an outside objective study performed on H.R. 2450, which would in fact change the burden of proof in a civil tax case and require judicial consent before the Internal Revenue Service can lien on our property or take our assets.

To all the members of this committee, right now in a civil tax case proceeding, a taxpayer is deemed guilty in the eyes of the law and must prove themselves innocent. Now, the IRS keeps telling us that this is going to break the bank if we treat taxpayers like anybody else in our country, subject to the basic judicial tenet that you are innocent until proven guilty. I guess that works everywhere except for the taxpayer who pays the freight on this train coming down the track.

The Traficant amendment simply says let us get an outside group. It is not that I do not trust anybody. Contract with an outside group, tell us what the cost is going to be and, by God, let us get the facts on it and see if we can bring the taxpayer under the realm of protection the Constitution affords in the Bill of Rights for everybody.

Finally, Mr. Chairman, this business about cost in the first place. Could you see the Founders in Philadelphia debating the Bill of Rights, saying this is great, Mr. Chairman, but my God, what is it going to cost? I am asking for an affirmative vote.

Mr. Chairman, with that, I yield to the distinguished chairman of the committee.

Mr. LIGHTFOOT. I thank the gentleman for yielding.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Chairman, it may be too late to reserve a parliamentary objection.

Mr. TRAFICANT. Parliamentary procedure, Mr. Chairman.

Mr. HOYER. Mr. Chairman, it is my understanding the Ways and Means Committee, I am just informed, was going to raise a point of order.

Mr. TRAFICANT. Parliamentary procedure, Mr. Chairman.

The CHAIRMAN. The Chair will state that that opportunity was posed when the gentleman from Ohio offered the amendment and no Member chose to raise a point of order at that time.

Mr. HOYER. I thank the Chair for his advice.

The CHAIRMAN. The gentleman from Ohio [Mr. TRAFICANT] has yielded to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. Mr. Chairman, I thank the gentleman for yielding to me.

I would like to say the gentleman from Ohio [Mr. TRAFICANT] has done a tremendous job in protecting U.S. taxpayers from overaggressive IRS auditors and inspectors. I think H.R. 2450, which was introduced by the gentleman from Ohio [Mr. TRAFICANT], changes the burden of proof from the taxpayer to the IRS, it is just that simple. In other words, it requires the IRS to prove that the taxpayer is wrong, rather than the taxpayer having to prove that they are right. I think with tax collection, it is the only thing in our country where we have upset the judicial system which has the idea that you are innocent until proven guilty. On taxpaying matters, you are considered guilty until you can prove yourself innocent. In essence, this just brings us into step with what everyone else does in the country.

As the gentleman from Ohio [Mr. TRAFICANT] has mentioned, the Committee on Ways and Means has said that it is going to reduce the amount of revenue generated by the IRS. However, there are no specific estimates of that total cost of lost revenue. Basically the amendment requires the IRS to contract with an independent accounting firm to determine the level of revenue loss that would result from his bill, H.R. 2450.

Therefore, I would be more than willing to work with the Committee on Ways and Means, work in conference to find whatever small amount of money it might take to do or pay for this particular study because, in essence as I understand it, the amendment calls for a study of this process. I think that it is a timely thing to do and support the gentleman's initiative and would do what I could to help him forward it.

Mr. TRAFICANT. Mr. Chairman, I want to thank the gentleman with the little bit of time I have.

Mr. Chairman, I also want to say I want to commend my good friend, the gentleman from Iowa [Mr. LIGHTFOOT], on the distinguished career he has had here in the House. I want to wish him the very best in the future.

Let me also say in closing that I do not rule out as assessment, and objective review by the Joint Taxation Committee, but it does require an outside objective review, as well.

With that, I urge an ''aye'' vote and yield back the balance of my time.

The CHAIRMAN. Is there any Member who seeks time in opposition to the amendment?

If not, the question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DURBIN: Page 15, beginning on line 10, strike ''for felons convicted of a violent crime, firearms violations, or drug-related crimes''.

POINT OF ORDER

Mr. PARKER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order against the amendment.

Mr. PARKER. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill and therefore violates clause 2 of rule XXI.

The rule states in pertinent part: ''No amendment to a general appropriation bill shall be in order if changing existing law.''

The amendment gives affirmative direction in effect, modifies existing powers and duties, and does not apply solely to the appropriations under consideration.

Mr. DURBIN. Mr. Chairman, may I be heard?

The CHAIRMAN. Does the gentleman from Illinois wish to be heard in opposition to the point of order?

Mr. DURBIN. Yes, I do.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. DURBIN. Mr. Chairman, I oppose the position of the gentleman from Mississippi and I would like to make it clear to the Chair what is at issue here with this amendment.

Several years ago, this Congress adopted legislation which allows people who have been convicted of a felony, once released from prison, to apply to the Department of the Treasury, the Bureau of Alcohol, Tobacco and Firearms, for permission to be rearmed. People across America remember the bumper sticker which said: ''firearms do not commit crimes, criminals commit crimes.'' But this provision in law currently existing allows convicted felons to be rearmed with firearms.

It is a provision pushed for and supported by the National Rifle Association. It defies logic and good sense. What I am attempting to do is to make it abundantly clear that once a person is convicted of a felony, that person is disqualified from owning a firearm in America.

We have ample evidence that convicted felons have applied to the Federal Government, have cost the taxpayers $10,000 per application to be rearmed with a firearm. If I might be allowed to continue.

The CHAIRMAN. The gentleman must address the point of order.

Mr. DURBIN. I am about to address it.

What this amendment addresses is a provision in the appropriations bill which says that no court can overcome what we have done by the appropriation language, which basically eliminates the right of the bureau to grant these new applications to give convicted felons firearms. With my motion

to strike, we will in fact say to the courts, you can consider no applications from convicted felons. It is in fact lessening the responsibility of the courts that is presently in the bill. It does not broaden the scope or jurisdiction of the bill.

Now those on the other side, my friend, the gentleman from Mississippi, frankly believe that some convicted felons ought to have firearms. I do not think any should. My language will make it clear that a court cannot give a convicted felon a firearm. I think it is not only sensible, it is parliamentarily acceptable and I think the gentleman's point of order should be ruled down.

The CHAIRMAN. The Chair is prepared to rule. Are there other Members who wish to be heard on the point of order?

Mr. OBEY. Mr. Chairman, I wish to be heard on the point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I had not known that this point of order was going to be raised, and I think that it is on sound grounds for the gentleman to raise the point of order.

I would simply say that I do not think the point of order should be determined on the basis of a judgment that the Durbin amendment would in fact narrow the scope of what is happening here. In fact, the language in the committee bill would keep us closer to the court decision which was produced some time ago. It makes some exceptions for felons who are not convicted of a violent crime, who were not convicted of firearms violations or drug-related crimes.

□ 1100

And it seems to me, therefore, that the Durbin amendment would go further than the language in the bill in overturning existing law.

I would simply state that if any Member of this House feels that there are no people in this society who committed a nonviolent crime 20 years ago, who have lived an exemplary life since that time, that they are not entitled to have the slate eventually wiped clean, I think most people would happen to disagree with. that And I think that the grounds the gentleman has cited for the point of order are correct.

Mr. PARKER. Mr. Chairman, I ask for a ruling of the Chair.

The CHAIRMAN. The Chair is prepared to rule based on the arguments propounded by the gentleman from Wisconsin and the gentleman from Mississippi.

The pending portion of the bill includes several provisions relating to applications for relief from firearms disabilities under the Federal criminal code. Among those provisions is the proviso that begins on page 15 at line 5. That proviso includes two features. The first is a limitation prohibiting the use of funds in the bill to investigator act upon disabilities relief applications. The second is a legislative prescription that the inability of the Bureau of Alcohol, Tobacco and Firearms to process or act upon specified subsets of all disability-relief applications shall not be subject to judicial review.

The amendment offered by the gentleman from Illinois proposes to strike from the second feature of the proviso the language specifying subsets.

Under settled precedent, where legislative language is permitted to remain in a general appropriation bill, a germane amendment merely perfecting that language and not adding further legislation is in order, but an amendment affecting further legislation is not in order even in the form of a motion to strike.

The precedent of November 15, 1989, recorded on page 641 of the House Rules and Manual is pertinent. In that situation, a legislative provision applicable to Federal funds was permitted to remain in the general appropriation bill for the District of Columbia. An amendment striking the word Federal was held to broaden the provision to address District of Columbia funds as well.

The amendment offered by the gentleman from Illinois would expand the sweep of a legislative prescription in the bill from some disability-relief applications to all disability-relief applications. Rather than merely perfecting the legislation in the bill, the amendment affects further legislation.

The point of order is sustained.

Are there further amendments to the bill?

PARLIAMENTARY INQUIRY

Mr. DURBIN. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DURBIN. Mr. Chairman, I would like a clarification on that, because under the existing language of the bill, the courts are only restricted in granting these applications for rearming felons for three specific categories. With my amendment we would eliminate all convicted felons in their right to be rearmed; their right to have another firearm.

I would say to the gentleman, from the Chair's ruling, that that gives to the courts a much clearer mandate to eliminate the Al Capone's and John Gotti's and those who did not commit those three specific crimes.

Mr. PARKER. Regular order, Mr. Chairman.

Mr. DURBIN. And I would say that the Chair's ruling suggesting that I am broadening——

Mr. PARKER. Mr. Chairman, regular order.

The CHAIRMAN. The gentleman may be correct in his statement, but the Chair has ruled that the amendment of the gentleman does go further in broadening the legislative intent here, and so that is the ruling of the Chair.

Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOYER. Page 73, strike lines 1 through 9 (sections 518 and 519).

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Maryland [Mr. HOYER] will be recognized for 15 minutes in support of the amendment, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, for some years we carried language which said that the Federal employee health benefit plan purchased by Federal employees with both their own funds and the part of the pay package which they received from the Federal Government would be restricted in terms of what coverage could be purchased. Mr. Chairman, this language was reincluded last year and in this year's bill. I rise to strike the restrictive language.

This issue has been a contentious one, and I understand there are strong feelings on all sides. It is my belief and contention, Mr. Chairman, that as is the case in the private sector, in the public sector, with respect to Federal employees, their compensation package is composed of three elements: their pay, which they are getting in their paycheck less deductions on a biweekly or monthly basis; their health benefits, reflected by a partial deduction from their paychecks and a contribution by the Federal Government which is 72 percent of the average cost of health insurance for Federal employees; and their retirement benefit. They also get a life insurance benefit as well.

Those four items compose their compensation package. It is my contention that that is their compensation. They own it. Just as this Congress would not deem it appropriate to pass an amendment which said that you may not spend your salary on X, Y, or Z, nobody in the House would contend that that was an appropriate action for the House of Representatives to take.

It is my belief and contention and suggestion to the House that we ought not to do that with respect to what kind of health insurance they deem it appropriate to purchase, not Big Brother telling them what to purchase but what they choose to purchase.

Now, with respect to the Federal employee health benefit plan, in this area there are some 25 to 35 plans available to Federal employees. They have a great choice. The Federal Government, as the employer, does not make a determination that we will spend X, if you buy this policy; or Y, if you buy this policy. They contribute 72 percent of the average premium cost to whatever purchase the employee decides to make.

In that context, therefore, it is inappropriate because it is not our money.

It is the employee's money that they are applying. It is the employee's compensation, some in salary, some in benefit payments, but their compensation package. It has been historically my contention, and it is today, that we ought not to interject our judgment in place of our employees' judgment for what policies they themselves, individually, want to purchase.

That is what this amendment is all about. It is not whether we can condone abortion, whether we believe that it ought to be precluded altogether. The fact of the matter is the employees in the private sector and the public sector ought to be able to choose what policies they want to buy.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member who rises in opposition to the amendment offered by the gentleman from Maryland [Mr. HOYER]?

Mr. SMITH of New Jersey. Mr. Chairman, I rise in opposition to the amendment, and I reserve the balance of my time.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] is recognized for 15 minutes in opposition to the amendment and reserves the balance of his time.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY], the cosponsor of this amendment.

Mrs. LOWEY. Mr. Chairman, as my colleague made it very clear, last year the anti-choice majority included a ban in this bill that prevents the FEHBP from offering insurance that covers abortion services.

The ban does not make any sense. What it does is relegate Federal employees to second class status. American women should not have their constitutional right taken away by Congress simply because they work for the Federal Government.

The issue before us today is very simple. Should women be allowed the freedom to choose a private health insurance plan that includes coverage of abortion, or should Congress dictate their choices to them? Federal employees, like other American workers, should be able to choose a health plan that covers the full range of reproductive health services, including abortion. Like other workers, Federal employees pay for their insurance with their own funds. It is simply not right that the Congress would bar women from purchasing the reproductive services they need with their own money.

Before this ban was put in place, Federal employees had many options. Of the 345 plans, just about half, 178, covered abortion. If women wanted to participate in the plan that covered abortions, they could. If they found abortion objectionable, they could belong to a plan that did not cover abortion. The choice was theirs, not mine, not this institution's.

When we passed the bill last year, we took health care choices away from Federal employees. There are 1.2 million women of reproductive age who rely on FEHBP for their medical care, 1.2 million American women who lost the right to choose when this bill was enacted.

The bill was wrong last year, it is still wrong, and I urge my colleagues to support this amendment. Let us return the choice to the people that deserve it, the women who work for this Government.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

First of all, I want to thank the gentleman from Iowa, Chairman LIGHTFOOT, for his humane and courageous leadership in ensuring in this legislation that taxpayers are not forced to subsidize the killing of unborn baby boys and girls by abortion.

Let me make it very clear that the taxpayers pay into this program approximately more than 70 percent of the total funding. The premium payers, all of us who are part of the Federal employees health benefits program, pick up the remaining 30 percent of the cost of our health insurance, but the taxpayers of the United States of America are paying for 70 percent of the cost associated with this program. So this is very much akin to the Hyde amendment because the taxpayers are indeed paying for abortion on demand if the Hoyer amendment is enacted into law.

Let me just say, Mr. Chairman, that I have always been struck by the considerable lengths some people will go to sanitize and to deny realities that are unflattering to their cause, inconvenient and messy to face. The plain fact of the matter is that abortion methods either dismember an unborn child's fragile body or burn her alive in a poison solution, while some babies are killed by the partial birth abortion method. Those victim babies are stabbed in the back of the neck with scissors and have their brains sucked out. Yet all of this cruelty is euphemistically referred to as choice and vigorously defended as an expression of freedom rather than the child abuse that it is.

Whole societies, Mr. Chairman, have at times bought into gross evils dressed up as legitimate and good. The abomination of slavery was vigorously defended by the best and the brightest of its day. Just read Roger Taney's Dred Scott decision—an apologetic that looks and sounds remarkably like Roe versus Wade.

□ 1115

The subjugation of whole nations, bride burning, female genital mutilation, and even human sacrifice have had their sincere and sophisticated apologists. Of course, they were and are dead wrong, but these human rights abuses have their apologists. In the past three decades, the abortion rights movement, a multimillion-dollar industry, takes the prize for intellectual dishonesty, the art of the skillful dodge, and the clever manipulation of euphemisms designed to conceal an utterly gruesome reality.

All of the arguments marched out to justify the slaughter of unborn babies used in today's debate and used in other debates that we have had on this floor were first conceived, tested, and marketed by public opinion specialists, pollsters, and focus groups. Those talking points that routinely find their way into our offices from NARAL and Planned Parenthood are the best that market research can buy.

Still, it is amazing to me that in 1996, with all of the breathtaking advances in fetology, the use of the ultrasound technology and microsurgery for the baby in the womb, that some can still stand here with straight faces and argue that the taxpayers and the premium payers should pay millions of dollars to dismember and to poison these precious little kids. The sanitizing of these child killings has so insulated some from the cruelty of abortion that they somehow believe that they are enlightened to take that point of view.

Way back in 1976, Mr. Chairman, I asked my predecessor, then Congressman Frank Thompson, who swore he was personally opposed to abortion, and I kept saying to him, why are you personally opposed? He just came back and said, well, I am personally opposed. Well, I asked him if he thought that a baby was involved in abortion. Was a baby killed? He said, and I quote, ''You can't have an abortion unless there is a baby involved.'' Then he became a little bit red-faced, after he saw what he had just admitted. And a reporter who was on the scene at the time, and my wife, were frankly shocked, but pleased with his candor. He at least admitted that a human baby was killed as a result of abortion.

Recently I read in the Weekly Standard an article by Tucker Carlson entitled, ''What Pro-choice Republicans Believe.'' I frankly was absolutely amazed by the answers given by some of my good friends and colleagues on our side of the aisle, and it was a kind of deja vu of the conversation that I had some 20 years ago with my predecessor, then Congressman Frank Thompson. One prominent lawmaker was asked why he was personally opposed to abortion. The article described it this way. Senator SPECTER stopped cold. Eighteen seconds of uncomfortable silence pass. The Senator has spent much of the past year talking incessantly about abortion, and yet he seems baffled by the question, as if it has never been asked before or even imagined that it could be asked.

When Senator SPECTER finally replies, his tone has changed. He speaks through clenched teeth: ''Well, it is something I would not choose to do, and I would just leave it at that.'' And Senator SPECTER does leave it at that.

Asked to elaborate on his views, he angrily refuses. ''I think it says all

there is to say that I'm opposed to it. Now, do you have another question?''

Mr. Chairman, I would like to ask that question of the Members that are arguing for abortion funding today. I especially want to ask this of my colleague from Illinois [Mr. DURBIN]. And again let me remind you, 70 percent of the funding used for the Federal Employees Health Benefits Program is taxpayers' dollars. So Mr. LIGHTFOOT'S language is very much a parallel to the Hyde amendment. Yes, there is some money that you and I and others kick in. It is only 30 percent in terms of premium payers, and even many of those, like myself, a premium payer, do not want that money as well to be bundled and used to pay for abortions on demand. That is what the Hoyer amendment would do.

It is abortion on demand, abortion for birth control reasons. And if the Hoyer amendment is passed, if his amendment becomes law, the U.S. Government will subsidize the slaying of children. Back in 1983, before the prolife rider was in effect, some 17,000 babies were killed each year, facilitated and subsidized by the Federal Employees Health Benefits Program and by the taxpayers.

I would like to ask my friend from Illinois, Mr. DURBIN, who is standing here waiting to speak, do you believe that an unborn child is a human being? Perhaps you would like to answer. On your time, I hope you will.

Mr. Chairman, I reserve the balance of my time. I do hope the gentleman will answer that when he takes the podium, whether or not there is a human life destroyed by abortion.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the Lowey-Hoyer-Morella amendment. Please do not be misled by the highly charged emotional rhetoric, because this amendment is not about that. This amendment is to avert discrimination against Federal employees.

Last year, Congress voted to deny Federal employees coverage for abortions that had been provided to most of the rest of this country's workforce through their health insurance plans. This decision was discriminatory and is just another example of Congress chipping away at the benefits of Federal employees and their opportunity to choose an insurance plan that best meets their own health care needs.

The coverage of abortion services in Federal health plans would not mean that abortions are being subsidized by the Federal Government. Currently, the Government simply contributes to the premiums of Federal employees in order to allow them to purchase private health insurance. The many participating plans in the FEHBP may or may not choose to include coverage for abortion services—and, prior to last year's decision, about half of the participating plans provided this coverage. Thus, an employee who did not wish to choose a plan with abortion coverage could do just that.

Unfortunately, Congress denied Federal employees their access to abortion coverage, thereby discriminating against them and treating them differently than the vast majority of private sector employees. Currently, two-thirds of private fee-for-service plans and 70 percent of HMO's provide abortion coverage. It is insulting to Federal employees that they are being told that part of their own compensation package is not under their control.

Thousands of Federal employees struggle to make ends meet. Many Federal employees are single parents or the sole wage earners in their families. For these workers, the cost of an abortion would be a significant hardship, interfering with a woman's constitutionally protected right to choose. For these women, the lack of this health coverage could result in delayed abortions occurring later in the pregnancy, an outcome no one here wants to see.

Mr. Chairman, this amendment simply restores the rights of Federal employees to the same health care services covered by most private sector health plans. I urge my colleagues to support this amendment and to reverse last year's unwise decision.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. STEARNS].

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Chairman, I rise in opposition to the Hoyer amendment, which would allow, as brought out here before, abortion on demand under the Federal employee health insurance plan. The question I pose to my colleagues is, should the American taxpayers have an interest in the health care coverage of Federal employees? Of course, they should. Why not. They pay for it.

They are the employers of the Federal workers. OK, so if the people who pay for it have an interest, why do we not ask them?

Well, we have done that. The CBS news poll done this year, the end of March, 72 percent of the people who are polled say they do not want their tax dollars going toward abortion on demand. Another poll was done by the Journal of American Medical Association; 69 percent said the same thing. The American taxpayers do not want their tax dollars going for abortion on demand.

This amendment goes way beyond the bounds of the pro-life/pro-choice debate. This issue involves providing abortions for anyone enrolled in the Federal Employee Health Benefits Program, regardless of income level. The concept of the anyone subsidizing abortion is difficult enough, but asking the American taxpayers to pay for abortions for Federal employees under this plan is wrong, realizing that this is abortion on demands, even into the third trimester.

Supporters of this amendment claim that the Federal benefits health program should pay for all the medical procedures. However, in agreement with a 1980 Supreme Court decision, I say that an abortion cannot be considered as part of these procedures. It is, in fact, the termination of a life we are talking about here, Mr. Chairman, not a simple health care procedure. So when the Members on this side, perhaps some on this side of the aisle, would say this is a simple health care procedure, we just have to go to the 1980 Supreme Court decision. It clearly says this is not a simple health care procedure we are talking about. So do not be confused.

So I ask my colleagues to think about what the majority of American taxpayers, roughly 70 percent in two separate polls have said. They do not want to pay for abortion on demand for Federal employees. So, truly, let us defeat the Hoyer amendment, regardless of your stance on abortion on this debate. You must recognize what this amendment does. I ask all of my colleagues to defeat this amendment today.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to my friend, the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, over a million women rely on the Federal Employee Health Benefit Program for their health insurance. These women work for the American people, for us. They are not children. They are perfectly capable of making decisions about their own health insurance.

By what right does this House make it more difficult and dangerous for these citizens to exercise their constitutional rights about abortion?

By what right does this House limit the medical procedures available in what are the most difficult and trying circumstances anyone woman can face?

Treat these public servants like other American workers. They should be allowed to choose health care insurance without the interference of the heavy ideological hands of Congress. Vote ''yes'' on the Hoyer amendment.

Mr. Chairman, I rise in support of the gentleman from Maryland's amendment and in opposition to the continuing efforts of many on the majority side to interfere with a woman's privacy rights and freedom of choice about abortion.

In this bill as written, the compensation of Federal employees is manipulated to serve the ideological purposes of those who disagree with the U.S. Supreme Court about a woman's right to choose. Simply because they happen to work for the Federal Government, Federal employees are prohibited from selecting a health insurance carrier through their employer health plan that provides coverage for abortion services in most cases.

Over a million American women rely on the Federal Employee Health Benefit Program for their health insurance. These women work for the American people; they work for you. Look

around you, look around your offices. These women aren't children. They are adults capable of making their own health care decisions. By what right does this House make it more difficult and dangerous for these women to exercise their constitutional right to choose about abortion? By what right does this House limit the medical procedures available in what is one of the most difficult and trying circumstances a woman can encounter? The answer is simple. It suits some Members' political ideology—never mind the rights and needs of the women who work for the Government.

The U.S. Constitution guarantees women a right to privacy and choice about abortion. Without the Hoyer amendment, the bill before us diminishes that right for those who work for this country, for us.

Treat these public servants like other American workers. They should be allowed to choose health care insurance without interference from the heavy ideological hand of Congress.

Vote ''yes'' on the Hoyer amendment.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. STEARNS) assumed the chair.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding me the time.

I rise in opposition to the Hoyer amendment. I want to say right up front that I appreciate, as always, the very gracious style of the gentleman who is offering the amendment and his attempts to keep this debate squarely on the merits and not let it get personal. I want to proceed in that vein as well. Let me speak from the heart about why I am opposing his amendment.

Mr. Chairman, when I look at abortion, I cannot get past looking first and foremost at what the status of an unborn child really is. The scientific facts, and these are scientific facts, is that we are dealing with a life, no question, an unborn child is alive. It is a member of the human species. Not anything else. Has a genetic code, is completely separate from its parents. It seems to me that makes the unborn child a person, a human being. To say otherwise is to make personhood turn on standards of development, how developed a person is, which is a dangerous principle going into the law.

I know the argument on the other side, an argument based on choice. It is a good argument when you are dealing with one person. But it just seems to me it is very circular, when you have to address the question how many people are involved in here. How many people's choices should be taken into account.

That is why I am opposed to abortion and why I believe that as time goes on and as we present these facts to the American people, we will persuade them, and that is what we have to do, we have to persuade them. We cannot now, the Supreme Court has said, we cannot now prohibit this procedure, but we can still try and persuade. One of the ways that we can persuade is say, look, we do not want taxpayers funding the programs to have anything to do with this procedure. Whatever people can or cannot do under the Supreme Court decision is for themselves. We do not want to participate in this with Federal taxpayer dollars. That is all that the bill says, and I do not want the Hoyer amendment to take that out.

You can argue fine questions about whose money this is. I would just say, Mr. Chairman, with the greatest respect to my friend, the gentleman from Maryland, when you get down to fine questions, let us err on the side of life. Let us err on the side of saying, we do not want to have anything to do with this procedure and continue persuading the American people.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman. I rise in strong support of the Hoyer amendment to strike the language that prohibits Federal employees from choosing health care plans that include abortion services.

Let's be perfectly clear: the issue here is not Federal funding for abortions. It's about this Congress forcing its social agenda on the American people, and in this case a specific group of individuals: Federal workers. What's at stake here is the right of Federal employees to use their own money, compensation they have earned, to purchase the health plan of their choice. Congress has no business obstructing private insurance companies from offering services that are necessary for women's health. At least two-thirds of private health insurance plans currently include coverage for abortions. Those private sector employees who object to abortion have the freedom to purchase plans that do not cover such procedures. Federal employees should have the same right to make these personal decisions, and until Congress imposed this policy last year, they did.

Mr. Chairman, this unreasonable restriction of the rights of Federal employees is just one more example of this Congress' fixation on divisive social issues. There are a host of real problems facing America today, from the threat of terrorism to the deteriorating quality of our public schools, which Congress can and should address immediately. Instead, we have met time and again to clash over the right of women to obtain legal abortions with their own funds.

Mr. Chairman, this mother of four urges strong support for the Hoyer amendment to restore the freedom of Federal workers to purchase the health care policy of their choice. Let's shift the focus away from divisive social issues and onto the real problems facing our Nation.

☐ 1130

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 15 seconds just to respond briefly, just to say to my good friend and just to point out that this is indeed a Federal funding, U.S. taxpayer funding issue. I am dismayed at attempts to suggest otherwise.

In 1995, 73 percent of the money that was expended toward the purchase of health insurance for the Federal employees came directly from the U.S. taxpayers. The remainder was picked up by the premium payers.

Mr. HOYER. Mr. Chairman, what is the time remaining?

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] has 6¼ minutes remaining, and the gentleman from New Jersey has 3¾ minutes remaining.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I predict that historians will write books on this Congress. They will do that by writing about the majority's assault on reproductive choice. Twenty-one votes to compromise a woman's right to choose in just 1 year, that is why passage of this amendment is so important.

Women in the Federal Government work very hard every day for our constituents. Indeed, they are our constituents. But they have had their reproductive health care options taken away from them for political posturing. That is wrong, that is unfair, and it undermines the fundamental protections of Roe versus Wade.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. HOSTETTLER].

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

Mr. HOSTETTLER. Mr. Chairman, I rise in opposition to this amendment.

Aruments are routinely raised on this floor that the so-called right to choose is infringed any time the Government refuses to facilitate the practice of abortion on demand—even

when, like today—we are only talking about the Government's refusing to: fund, pay for, provide, however you want to say it—the practice of abortion on demand.

At stake today is whether a Government-funded health care plan—that is health insurance for Government employees—must provide coverage for abortion when the life of the mother, rape, or incest are not at issue.

Roe versus Wade extra-constitutionally prohibits the complete prohibition of abortion. I contend, however, that neither Roe versus Wade, nor its erroneous progeny, require Americans to use taxpayer-provided funds for this terrible procedure.

This is not health care and it does not have to be funded I urge my colleagues to oppose this amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Massachusetts [Mr. OLVER].

(Mr. OLVER asked and was given permission to revise and extend his remarks.)

Mr. OLVER. Mr. Chairman, I rise in strong support of the Hoyer-Lowey amendment. The right to choose is constitutionally protected and has been so protected for over 23 years.

Last year, Congress singled out one group of women, those who worked for the Federal Government, and denied them access to a health insurance plan that implements their constitutional right to choose. So what the majority is accomplishing in denying such health insurance coverage is to relegate a particular group of women, women who work for American, to a second-class status.

That is discrimination, pure and simple. I urge my colleague to support the amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, women serving the Federal Government deserve the same civil rights as all American women, but with this bill the extreme antichoice Members of Congress want to deny the more than 1 million women the right to comprehensive insurance coverage.

I urge the House: Reverse this sad and unfair decision. This is a decision in this bill which harms women. I urge the support of the Hoyer amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself just 10 seconds to respond.

Cheap shots like calling us extreme just do not have any place on this floor. If opposition to taxpayer funding of abortion is extreme then 72 percent of the American public, according to the CBS poll who are against Federal funding for abortion, our extremists. Virtually every poll where it is asked, people overwhelmingly say they do not want their tax dollars used to kill unborn babies.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from New York [Mrs. MALONEY].

(Mrs. MALONEY asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY. Mr. Chairman, last winter I received a notice in the mail that my health insurance coverage, by law, would no longer cover abortion. It was one small notice in the mail but a giant step backwards for a woman's right to choose.

As a Member of the other side of the aisle has said repeatedly, ''We intend to repeal choice procedure by procedure, little by little,'' and they are doing it. In this Congress they have passed 23 antichoice bills.

With the Hoyer amendment, we are attempting to correct one. Support the Hoyer amendment.

As a member of the new majority said, "We intend to outlaw choice procedure by procedure.'' And they are doing it—so far, they've passed 16 antichoice measures.

We are trying, with the Hoyer amendment, to correct one tonight.

Last winter, I received a notice in the mail that my health insurance coverage, by law, would no longer cover abortion. It was one small notice in the mail, but one giant step backward for a woman's right to choose.

Federal employees can no longer purchase, with their own money, insurance coverage for abortion services.

The Hoyer amendment, the Supreme Court, and the majority of the American people support choice—and they support Federal employees' right to choose—with their own money.

Defeat this assault on personal freedom, Support the Hoyer amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1¾ minutes to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I think what is important is we clarify what is being talked about. We have had the issue of conscience on this floor before from civil rights to war protesting. Choices are not being challenged here. Every woman still has a choice.

But we take away the choice of the taxpayers when we make them pay for abortions. That is the issue: Should taxpayers subsidize abortions?

The Supreme Court has said that government can distinguish amongst health care procedures, especially abortion because it is different. Other procedures protect life. Abortion terminates life.

This bill does not challenge a woman's right to an abortion. It just says if she makes that choice, if I choose to terminate my child's life, that I have to pay for that and not those that do not agree with that choice pay for it.

Mr. SMITH of New Jersey. Mr. Chairman, we reserve the balance of our time. We only have one speaker remaining.

The CHAIRMAN. The Chair will inform the Committee that the gentleman from Maryland [Mr. HOYER] is entitled to close debate as the gentleman from the New Jersey is not on the committee.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I rise in support of the Hoyer amendment striking provisions which restrict funding for abortion coverage for the Federal employee health benefit plan. This language in the bill makes second class citizens of our Federal employees.

I am going to submit my original statement for the record and address a couple of the points made by our colleagues in the course of the debate.

This debate is not about abortion on demand. I do not know one Member of this body who supports abortion on demand.

Second, when our colleagues on the other side say that this is about stopping a taxpayer subsidy of abortion because of the contribution that the Federal Government makes to the health care plan, I want to remind our colleagues that the Federal Government subsidizes every employer basic health care plan in America because it is a business expense for private employers.

What is next? Do we move next from preventing Federal employees from having a right to full reproductive freedoms in their health care plan to preventing every working woman in America from having access to reproductive freedom because the argument will be made that the Federal Government is subsidizing it by giving a tax deduction to her employer.

I urge my colleagues to support the Hoyer amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, Members on both sides have strongly held feelings about this issue, but consider this simple fact situation: A Federal employee who is a woman works late, goes to her car at night, is attacked and brutally raped. She goes home to her family and learns to her dismay several weeks later that she is pregnant. She, here doctor, her husband, and her family decide that terminating that pregnancy from that rape is the right thing to do.

Because she is a Federal employee, the gentleman from New Jersey [Mr. SMITH] would deny her hospitalization insurance coverage for that abortion service.

What the gentleman goes on to say is that virtually every other incident involved in abortion, rape, incest, he wants to make the decision. He wants to make the decision. He says this is about respect.

I say to the gentleman from New Jersey, I do not believe that he is respecting the rights of these families to make the right decisions for their families. This is a decision that should be made by Federal employees, by their families and their doctors, not by their government.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 10 seconds.

The gentleman from Illinois [Mr. DURBIN] has not obviously read the bill. On page 73, section 519, the text stipulates exceptions for the life of the

mother, or the pregnancy is the result of an act of ''rape or incest.''

So the argument Mr. DURBIN is making isn't at issue and misses the mark by a mile. Please, next time read the bill.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I just want to follow up on the previous exchange.

Why should this women who is a Federal employee have to document that the pregnancy was a product of a rape?

This is an invasion of the privacy of women; it is an attempt to limit a woman's access to reproductive freedom. That is the issue that is before the House today. Anything else is just a diversion. Reducing a woman's right to choose is the reality: Cutting back on a woman's right to choose. A women should not have to document the cause of the pregnancy.

Mr. Chairman, our colleagues have never really caught on to that point as an invasion of privacy.

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield the remainder of our time to the gentleman from California [Mr. DORNAN].

The CHAIRMAN. The gentleman from California [Mr. DORNAN] is recognized for 1 minute and 20 seconds.

Mr. DORNAN. Mr. Chairman, my friend, the hero of freedom in China, the gentlewoman from California [Ms. PELOSI], has just contradicted herself inadvertently. She just described abortion on demand, and although we say there is no Member in this House that believes in abortion on demand, they all defend abortion on demand and want other people to pay for it.

I can be dispassionate today because the vote on this last year without rape, incest was 188 to 235. So we will win today. But what amazes me is a simple little quote from scripture: ''What does it profit a man or a woman to gain the whole world or political power and suffer the loss of their soul?''

I am looking at a list of 17 Catholics, at least in their bios, who called the Pope and Mother Teresa extremists, who call Billy Graham, who got our Congressional Gold Medal, who said we are a nation on the brink of self-destruction, they will vote for sodomy marriage and infanticide abortion and still put the word ''Catholic'' in their bio. Seventeen. And on this issue, it expands to about 30. Thank God, no Republicans.

It is unbelievable the way we twist this issue on this debate. This Nation is opposed to most abortions, and they do not want Federal dollars to pay for something that although it has been constitutional on a phony decision based on a gang rape that never happened, most Americans see this as 32 million dead Americans in their mother's wombs.

□ 1145

Mr. HOYER. Mr. Chairman, I yield 15 seconds to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, since the gentleman from California accused me of contradicting myself, I want to make the point that he did not clarify. That point is, yes, abortion on demand is not something we support in this House. Abortion on demand is not what is before the body today. Abortion on demand is abortion up until the ninth month. We are not talking about or supporting that. The gentleman knows it.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] is recognized for 1¾ minutes.

Mr. HOYER. Mr. Chairman, clearly the issue that has been the focus of the debate is one of the most wrenching confronting America. Contrary to a representation made by the gentleman from California just now, the majority of Americans, as everybody on this floor knows, support the right to choose, even though they do not choose abortion themselves. The bottom line is they do not want the Government to interject itself in this issue between a woman and her doctor.

Furthermore, everybody knows that almost every State does in fact control abortion on demand, as the Supreme Court allowed, and says in the second trimester and third trimester there will be constraints to protect both the life of the mother and the prospective child who is born. I support that.

But the fact of the matter is, which the opponents of this amendment have not responded to and cannot respond to, that the salaries we pay to Federal employees are 100 percent Federal dollars, as is the 72 percent, which is 100 percent of our contribution to the Federal Employee Health Benefit Plan.

There is no difference between those dollars, except the opponents to my amendment try to make the point that somehow these are Federal dollars, while the salary dollars somehow are converted. I believe they are converted, but the next step clearly is to tell you you cannot spend your Federal salary, which, after all, comes 100 percent from the taxpayer, on the items that you choose. That is wrong. That is Big Brother. Support this amendment.

Ms. DELAURO. Mr. Chairman, I rise to urge all my colleagues to support the Hoyer Lowey Morella amendment to strike this bill's provision that bans abortion services under Federal Employee Health Plans.

Federal workers—like private sector employees—share the cost of health insurance coverage with their employer. It is an earned benefit—compensation for service delivered through hard work. By denying the full range of reproductive health care services, Federal workers and their dependents, are subjected to second-rate health care—inferior health care that could place the health of women in jeopardy.

The bill before us represents the continuation of the majority's outrageous attack on women in this country.

I say to opponents of this amendment, ''women are not the enemy''. I urge my colleagues to protect the health of the 1.2 million women who are covered under Federal health plans. Vote for the Hoyer-Lowey-Morella amendment.

Mr. NADLER. Mr. Chairman, I rise in support of this amendment which would remove from this bill dangerous language that once again strikes out at women. The language we are seeking to remove today says that women who work for the Federal Government—women who have made a commitment to public service—should not have the same rights afforded to women working elsewhere.

Mr. Chairman, women in this Nation have a constitutionally protected right to choose whether to have an abortion. This is the law of the land.

But some members of this House realizing that the vast majority of the American people support a woman's constitutionally protected right to choose, are trying to do away with this fundamental right bit by bit, woman by woman.

We must not allow this to happen.

Because abortion is a legal medical procedure, most major health plans provide coverage for women who choose to have an abortion. Private insurance companies recognize that their female customers are perfectly capable of making this deeply personal choice without interference.

Do we think that our moral judgement is superior to that of the thousands of women serving our communities and our Nation? What do we know that major insurance companies, U.S. corporations, and the majority of our constituents don't know?

It's time to get off the high horse, to quit playing games with the rights of women and to respect the moral judgement of the women we represent. I urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the provisions of House Resolution 475, further proceedings on the amendment offered by the gentleman from Maryland [Mr. HOYER] will be postponed.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: Page 119, after line 8, insert the following:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to pay, draw, or transfer amounts out of accounts numbered 20X8413, 20X6822.56, 20X6822.57, and 20X1099 at the Financial Management Service, or pay the salary or expenses of any officer or employee of the Department of the Treasury approving or processing any such payment,

drawing, or transfer when it is made known to the Federal officer having authority to obligate or expend such fund that—

(1) the amounts are being paid, transferred, or otherwise disbursed, directly or indirectly, to or for the benefit of the Comptroller of the Currency or any officer or employee of the Office of the Comptroller of the Currency or to meet expenses of the Office of the Comptroller of the Currency; and

(2) revisions to part V of title 12 of the Code of Federal Regulations, pursuant to the notice of proposed rulemaking published by the Comptroller of the Currency in the Federal Register or November 29, 1994, have, directly or indirectly, taken affect or the Comptroller of the Currency is otherwise permitting national banks or operating subsidiaries of national banks to engage in activities in which national banks are not permitted to engage as of July 16, 1996.

Mr. HOYER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes in support of his amendment, and a Member in opposition to the amendment will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. That is a fiscally responsible amendment, Mr. Chairman, to limit the funds of the Department of the Treasury's Financial Management Service for the purposes of processing funds through certain accounts. The Financial Management Service is the U.S. financial manager, central disburser, and collection agent.

Many agencies process funds through accounts at the Treasury in this manner. The amount seeks to limit the ability of the controller of the currency to implement a rule for which there is no basis in current law. The amendment would limit funds in the bill from being used to draw further from the OCC's account at the Treasury if the OCC implements this proposed rule, which drastically exceeds its authority in the law. That is what this is all about.

The 104th Congress has taken several important steps to curb the abuses of Federal regulators in Washington. That is really what this 104th Congress has been all about. Our efforts have empowered the private sector and lessened the bureaucratic chokehold that unelected regulators have held over business for years.

The amendment is in keeping with our efforts to curb overzealous regulators from abusing their powers. It stands to reason that the financial services sector of our vast economy deserves relief from such regulators as well. The amendment I offered would halt a proposed rule which financial experts on a bipartisan basis agree could potentially be disastrous for the health and safety of the Nation's financial services sector. Members better keep that in mind.

Need I remind my colleagues on both sides of the aisle of the enormous costs associated with the S&L debacle, which we are still grappling with today? Do we want to get ourselves back in another situation like that and have it bailed out by the taxpayer? The answer is no, no, no.

No agency of the Government, through promulgating creative regulations, can eviscerate Congress' responsibility to act. The law in this area has, unfortunately, been written by the courts and by the regulators. This amendment represents a serious legislative solution to a complicated problem that the Congress has a responsibility to act on.

This amendment, Mr. Chairman, is supported by the NFIB, the National Federation of Independent Businesses, by the American Farm Bureau, by the National Homebuilders, and a whole slew of small businessmen across this country who do not want to be intimidated by banks, no matter how fairminded they are. That is what this debate is all about. It is no cost to the taxpayer. I would urge my colleagues to support this amendment when it comes to a vote.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member who seeks to control time in opposition?

Mr. HOYER. Mr. Chairman, I do.

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HOYER. Mr. Chairman, I rise on a point of order that the amendment offered here is in violation of rule XXI, clause C of the rules, in that it is legislation on an appropriation bill. I would like to be heard on that.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. HOYER] to speak on his point of order.

Mr. HOYER. Mr. Chairman, this amendment I will substantively oppose as well, but on the rule itself, this is what is referred to as a ''made known'' amendment. I suggest to the Chair that an amendment that changes legislation requiring a public officer to take some action is in fact legislation on an appropriation bill.

There has been a ruling in 1809 on a similar amendment referencing ''made known'' that that was in order because it was a simple limitation; that is, that none of the funds could be expended. But that ruling is that once it is made known to the Secretary, the simplistic, frankly, determination, in my opinion, is that the Secretary or the Comptroller of the Currency or any other official to whom such a limitation is directed will then have to make no judgment.

The premise underlying the ruling is that irrespective of the truth or falsity of the fact being made known, which is, of course, the premise of the amendment, which says if something is the fact and is made known, that clearly is what this means, because to rule otherwise is to rule that no matter how specious the representation to the public official, that they will be therefore bound not to expend the funds because of having it made known, however irresponsible the source of the information might be.

Therefore, I suggest to the Chair that this amendment and other amendments like it which seek to overcome the rule which precludes the legislation on an appropriations bill by I believe the specious representation, not in this amendment alone, I tell my friend, the gentleman from New York, and I am talking here to the process, not the substance of the gentleman's amendment, the specious representation that any responsible public official will not have to take any action subsequent to that fact being made known to them, is to adopt a premise which is untrue, and if true, would not be supported by anybody in this House or the Senate, or by the taxpayers of America.

The reason I say the premise underlying the initial 1809 judgment is incorrect is that because of the 1809 judgment, any competitor could have called up the Secretary of the Treasury and lied flat out and said ''I make it known to you that the facts included in this amendment are true.''

Unless we are all crazy and want to simply devolve the responsibility to any citizen who may want to make known to somebody, the Director of FBI or the Attorney General or whoever, unless we want to adopt that premise, then this ruling should not be supported. I raise it on this issue simply because this is one of the famous ''made known'' amendments, not because of the substance.

Mr. Chairman, I would urge the chairman and those with whom he counsels to adopt the much more reasonable premise that if you make known something to an elected official, or an appointed official who has responsibility for policy and responsibility for the administration of the public's money, that that official has it incumbent upon them, underlying the premise of this amendment, to determine the veracity, the substance, of that which is made known to them.

As a result, it is an inevitable conclusion that that public official must take further action as a result of this amendment or they will act totally irresponsibility, which I suggest to the Members is a conclusion we ought not to draw.

Therefore, once having adopted the premise that they do have to take some action to determine whether or not there is veracity in the fact being made known to them, that this amendment and others like it would fail as legislation on an appropriation bill, contrary to rule XXI.

The CHAIRMAN. Does the gentleman from New York [Mr. SOLOMON] wish to be heard in opposition to the point of order?

Mr. SOLOMON. Yes, indeed, Mr. Chairman.

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] is recognized on the point of order.

Mr. SOLOMON. Mr. Chairman, let me say to my very good friend, and he is a very good friend, he and I have stood on this floor and defended the Federal workers of this Nation time and time again, and so I admire and respect him for it, but let me just say to him the ''made known'' doctrine has been ruled in order in this Chamber for as long as I can remember, and I have been here for 18 years; as long as the gentleman from Michigan, JOHN DINGELL, has been here, which is 30-some odd years we have made in order the ''made known'' doctrine.

Mr. HOYER. Only STROM THURMOND has been here long enough to remember when this was ruled on.

Mr. SOLOMON. Let me just say to the Members and to the chairman of the committee and the Chair, we have the power in this body and we have the responsibility in this body to limit the expenditure of taxpayer dollars. That is our constitutional right in this House of Representatives.

This amendment does not require action, it prohibits action. Therefore, it is a limitation amendment which is allowed under this rule. The bill before the House contains funds for the Financial Management Service within the Department of the Treasury. The Financial Management Service is the U.S. Government's financial manager, central disburser, and collection agent, as well as its accountant and reporter of financial information.

The Financial Management Service processes checks through certain numbered accounts which are listed in the amendment for the Government regulatory office the amendment addresses. Therefore, the limitation amendment I offer directly restricts the expenditure of funds in the bill. That is what the amendment does.

Mr. Chairman, the amendment is drafted as a proper limitation amendment. It conforms with the rules and the procedures of this House. The amendment clearly states that no part of the appropriation under consideration here by the House shall be used for a certain designated purpose. The purpose is explicit in this amendment.

The amendment also does not impose additional duties on executive branch officials. That is where the gentleman is wrong. The amendment does not change existing law. The rules and precedents of the House indicate that as long as a limitation restricts the expenditure of Federal funds in the bill debated without changing existing law, the limitation, Mr. Chairman, is in order.

Therefore, Mr. Chairman, I would ask a favorable ruling on this point of order.

□ 1200

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, I understand what the gentleman has said. I also understand that the gentleman refers to previous rulings. The 1809 ruling I referred to myself in my comments. My point, I tell my friend from New York, and again I reiterate, I am not talking about the substance of this amendment. I am talking about the procedure, which I have always opposed—this is nothing new for the gentleman from Maryland [Mr. HOYER]— is that the gentleman proposes it is a simple limitation and that is in fact what the ruling has been. But it defies logic and good policy which is why I suggest that the ruling be reflected upon by those making the ruling.

The logic that it defies, I tell my friend from New York, is that the official to whom a fact is made know has no responsibility before effecting the limitation to determine the accuracy of the fact being represented. It is my suggestion that therein lies the error of the 1809 precedent and the judgments flowing from that precedent. As a result, Mr. Chairman, I would urge that the chairman find that this amendment is not consistent with rule XXI and that the previous precedents to the contrary should be specifically overruled.

The CHAIRMAN. Does the gentleman from New York [Mr. SOLOMON] wish to be heard further on the point of order?

Mr. SOLOMON. Just briefly, Mr. Chairman, in rebuttal. Again the gentleman's argument is about the made know doctrine. This Chair has ruled for as long as JOHN DINGELL has been a Congressman in this body, as I said before, in favor of making in order the made known doctrine. I ask for the similar ruling that has been ruled on so many times on this floor and ask for a ruling.

The CHAIRMAN. It appears that the gentleman from Michigan is seeking to be recognized on the point of order but before he proceeds, the Chair wishes to inform the Committee that the precedent which has been mentioned was on March 21, 1908 and while a number of Members have pointed to the longevity of service of our colleagues, Members currently serving were not here in either 1809 or 1908.

With that, the Chair recognizes the gentleman from Michigan [Mr. DINGELL] to speak to the point of order.

Mr. DINGELL. Mr. Chairman, I would observe that neither I nor STROM THURMOND were in this work at the time that the precedent was established.

It is clear to me, however, this is a sound precedent by reason of the duration of its existence and the fact that it has been unchallenged during those periods of time.

So having established that we have a sound and long-lived precedent that has served this body well, I believe it would be useful for us to adhere to that precedent. I would observe that the requirement here is that we are discussing a limitation on expenditures. The limitation comes into play not because the individual who must function under the limitation is required to do anything but simply because he has had matters brought to his attention. It imposes no duty on him other than to behave in conformity with the limitation when certain matters have been brought to his attention. The only requirement is that when information is brought to the attention of the officers who would be responsible for implementing the expenditure of these public moneys that they cannot then spend the money, a very sensible limitation and one which makes an extraordinary amount of sense. If the Chair will permit, I intend to yield to my distinguished friend from Maryland for whom I have enormous respect and affection.

The CHAIRMAN. The gentleman from Michigan may not yield. If there are other Members seeking to address the point of order, it is at the discretion of the Chair to recognize them.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, when arguing a point of order, we cannot debate the amendment, and we have to debate the point of order; is that correct?

The CHAIRMAN. The Members who are speaking are addressing the point of order. The gentleman is correct.

Mr. SOLOMON. Let us make sure they stick to it. I thank the Chair.

Mr. LAFALCE. Mr. Chairman, on the point of order, I believe this will be a close call and it is a discretionary issue. I would hope that the manner in which the issue has been brought to the floor could have some weight in the Chair's determination.

It is my understanding that in order to bring this amendment to the floor, it was necessary for, I believe the gentleman from New York, perhaps someone else, to come to the floor of the House of Representatives last night to seek unanimous consent to bring this up and that unanimous consent was given.

First of all, is that understanding correct? Was unanimous consent given last night? I think it bears on the point of order.

Mr. SOLOMON. The gentleman is incorrect.

Mr. LAFALCE. No unanimous consent was given?

The CHAIRMAN. Points of order were not waived under the unanimous-consent request that was granted last evening.

Mr. LAFALCE. The issue is not whether points of order were waived under the unanimous-consent request. The issue that I am posing to the Chair is, is this amendment on the floor now only because unanimous consent was granted last night?

Mr. SOLOMON. No.

The CHAIRMAN. The amendment could have been offered under the rule at the appropriate time whether unanimous consent had been requested or not.

Mr. LAFALCE. I thank the Chair.

The CHAIRMAN. Are there any other Members seeking to be recognized on the point of order?

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I support the point of order that my colleague from Maryland raises. Under the precedents of the House, obviously the limitation on appropriation is a very substantial power and a responsibility of Congress in terms of the purse strings. But the fact is that this amendment goes well beyond simply limiting funds. It intends to try to go into directly or indirectly controlling the Comptroller of the Currency's office with regard to activities that are ongoing and in place. I think there are constitutional questions with regard to the powers of the executive agencies and departments and there are questions of whether or not in fact the ongoing responsibilities can be exercised. So this is more than just simply a limitation in terms of new activities as it is being portrayed. I think that the ruling needs to differentiate and define the differences that exist here between a simple limitation and the breadth of activities that are expected to go on on an ongoing basis in terms of the discharge of the responsibilities of this regulator and this Comptroller's responsibility. I think that this amendment certainly is very expansive in terms of its use of this particular limitation.

Mr. Chairman, I would join my colleague in asking the Chair to review this in light of the 1908 ruling.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from Maryland [Mr. HOYER] makes a point of order against the amendment offered by the gentleman from New York on the ground that it constitutes legislation in a general appropriation bill in violation of clause 2 of rule XXI.

The amendment is in the form of a limitation. It imposes a negative restriction on funds in the pending bill. This restriction is operative when it is made known to the pertinent official that certain conditions exist.

The precedents recognize the distinction between language that puts an official in the role of a passive recipient of information, on one hand, and language that puts an official in the role of a gatherer, developer, or judge of information, on the other. Two precedents illuminate this distinction.

The first may be found in ''Deschler's Precedents'' at volume 8, chapter 26, section 53.5. It records that on June 17, 1977, the Chair ruled out as legislation an abortion-limitation amendment on the basis that it would require officials to make affirmative judgments about endangerment of a mother's life that were not required of them by law regardless of whether they might routinely make such judgments on their own initiative.

The second precedent—one more analogous to the passive approach in the amendment offered by the gentleman from New York—is noted on page 631 of the House Rules and Manual. This second precedent may be found in ''Cannon's Precedents'' at volume 7, section 1695. It records again as the Chair stated, that on March 21, 1908, an amendment denying the availability of funds in a general appropriation bill when it shall be made known that certain conditions exist was held in order as a proper limitation.

A third, more recent ruling also is instructive. On August 1, 1989, the House was considering a general appropriation bill providing funds for the Department of Commerce. A motion to recommit the bill proposed an amendment prohibiting the expenditure of funds in the bill for census data where it is made known to the Secretary that such data includes a count of illegal aliens. The motion to recommit was ruled out on the ground that it proposed a limitation not specifically contained in existing law. In light of the distinction illuminated by the precedents of 1908 and 1977, this 1989 ruling properly turned on the form of the amendment rather than on an assertion that it changed existing law. This was again illustrated in the ruling of June 22, 1995, on a proposed motion to recommit the legislative branch appropriations bill.

Indeed, this acceptance of the earlier precedents is evident in a Parliamentarian's note published in ''Deschler's Precedents'' at volume 8, chapter 26, section 59.19. That note records the events of December 9, 1982, when the Committee of the Whole was considering a general appropriation bill. After a limitation reported in the bill was stricken as legislation because it imposed on Federal officials an ongoing responsibility to ascertain certain information, the manager of the bill offered an amendment to achieve the same result by language that, on its face, operated on a merely passive condition. In light of the earlier precedents, the amendment went unchallenged by point of order.

Thus, under this recorded line of precedent, language restricting the availability of funds in a general appropriation bill may be a valid limitation if, rather than imposing new duties on an official or requiring new determinations of that official, the language simply and passively addresses the state of knowledge of the official.

In the opinion of the Chair, the limitation posed by the amendment offered by the gentleman from New York—''when it is made known'' to the pertinent official that certain conditions exist—merely places the Federal official in the role of a passive recipient of information. Thus, to construe the amendment offered by the gentleman from New York as a proper limitation is consistent with both the precedent cited on page 631 of the manual and the ruling of June 17, 1977.

The limitation in the amendment offered by the gentleman from New York applies solely to the appropriations covered by the bill and merely restricts their availability. It does not impose additional duties on—or require new determinations of—officials of the Government. Rather, it only passively addresses the state of their knowledge.

The limitation therefore cannot be construed to change existing law.

Accordingly, the Chair overrules the point of order.

Who seeks time in opposition to the amendment?

PARLIAMENTAR INQUIRY

Mr. VENTO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VENTO. Mr. Chairman, the parliamentary inquiry is this is a limitation on an appropriation. Under the rules, would the committee have to defeat the motion to rise in order to offer this particular amendment?

The CHAIRMAN. The bill has been considered read under the order of the House. Only the majority leader or his designee may move to rise and report, in order to foreclose a limitation amendment.

Mr. VENTO. Mr. Chairman, my parliamentary inquiry, persisting, is whether or not the motion in order to be offered on this particular subject matter, a limitation on appropriation, would require the committee to defeat the motion to rise to offer such limitation.

The CHAIRMAN. If the motion to rise and report is not offered by the majority leader or his designee, then the limitation amendment can be offered.

Who seeks time in opposition to the Solomon amendment?

Mr. LAFALCE. Mr. Chairman, I seek time in opposition, but I also rise for a unanimous-consent request.

The CHAIRMAN. The gentleman from New York [Mr. LAFALCE] will be recognized for 5 minutes in opposition to the Solomon amendment.

□ 1215

Mr. LAFALCE. Mr. Chairman, on the unanimous consent request first.

The CHAIRMAN. The gentleman will state his unanimous consent.

Mr. LAFALCE. I wonder if we can extend the debate a bit. It was my understanding the unanimous consent agreed to last night was the unanimous consent with respect to three things: A, the specific amendments that could be offered; B, agreement that no amendments could be offered to those amendments; and C, time constraints.

The time constraints, as I understand it, are simply 10 minutes, 5 on each side. Given the fact that this issue did not come to my attention until about

11:00 this morning and because it is a momentous issue, I would seek unanimous consent to at least have 20 minutes of debate, 10 minutes on each side.

Mr. SOLOMON. Reserving the right to object, Mr. Chairman. On their reservation I would just say to the gentleman we are under tremendous time constraints on this legislation. We must move this bill. We must move the other appropriation bills. We have 85 singular pieces of legislation to come before this body by October 4. We will not even have time to deal with half of them and that is not doing the work of the body. We have discussed this and we took into consideration time limitations on all of the amendments, all of them, but others are limited to 10 minutes and I would have to object to the gentleman's request.

The CHAIRMAN. Does the gentleman from New York object to the request?

Mr. SOLOMON. I object to the unanimous consent request.

The CHAIRMAN. The gentleman from New York objects to the unanimous consent of the gentleman from New York.

Mr. LaFALCE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, this limitation on the Comptroller is both a significant risk to the safety and soundness of our financial institutions and economic system in this country. For 15 months, it would dictate and hamstring the Comptroller of the Currency, someone that has primary responsibility of the regulation of national banks in this country, literally responsible for what is a dynamic and growing economic system in this country of extending credit and economic vitality.

The only thing that the Comptroller of the Currency has been guilty of in this process is doing his job and being successful in terms of advocating before the courts of this Nation for his regulatory authority in a number of definitive decisions which in fact have provided for the national banks to continue the business of serving the needs of our Nation is consumers and commerce.

As a matter of fact, Mr. Chairman, the duplicity of this particular type of amendment is that the dual banking system would permit States to continue, State-regulated institutions would continue to, in fact, offer the same kind of power to State financial institutions.

This amendment runs the risk of causing great harm to our economy for 15 months when the Comptroller would be frozen in place unable to respond to a dynamic market and financial marketplace that can with literally days, spin out of control. This is a deeply flawed amendment foisted upon this House inappropriately without consultation and deliberation.

I urge my colleagues to reject this measure.

Mr. SOLOMON. Mr. Chairman, how much time is remaining on both sides?

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining, and the gentleman from New York [Mr. LAFALCE] has 4 minutes remaining.

PREFERENTIAL MOTION OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. WISE moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. DINGELL. The gentleman has been recognized for 5 minutes on the preferential motion. I believe that there will be 5 minutes made available to the other side for a rebuttal to whatever statements might be made?

The CHAIRMAN. The gentleman is correct. One Member who wishes to speak in opposition to the preferential motion will be recognized.

Mr. DINGELL. Mr. Chairman, I would like to indicate strong interest in that matter.

The CHAIRMAN. The Chair will determine who will be controlling that time after the gentleman from West Virginia [Mr. WISE] completes his 5 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, this motion to strike the enacting clause is an important motion.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would like for the gentleman from New York [Mr. SOLOMON], who is the sponsor of the amendment to the bill, to please pay attention because this basically is addressed to him. If the gentleman from New York, will pay attention.

Mr. WISE. This motion to strike the enacting clause is important because, as this bill is very important, there is a bill coming right after this welfare reform that is even more important. The concern that many of us have on this side of the aisle, and probably on both sides, is that an important area of welfare reform, the bipartisan alternative, the Castle-Tanner alternative may not be permitted to be offered as structured. Republicans and Democrats both recognize the importance of welfare reform and both sides want to get this bill to the floor today and tomorrow and to have it debated and voted on. The country demands it.

But it should be pointed out, that the Republican budget resolution says that there should be 53 billion dollars' worth of savings from welfare reform. The Castle-Tanner alternative has 53 billion dollars' worth of savings. It meets that target. However, it is our understanding or perhaps lack of understanding that it may not be permitted to be offered at the $53 billion figure, that $60 billion or more may be required. That is moving the target, Mr. Chairman.

So I have to take this motion to strike the enacting clause to alert members that many of us who are genuinely concerned may have to delay proceedings on this bill and other bills to make sure that the Castle-Tanner alternative has that opportunity to be offered. It should be pointed out this is not to delay welfare reform, and in fact if we could get a clear, unequivocal statement from the Republican leadership that Castle-Tanner and the $53 billion target will be permitted to be offered as an alternative, we do not need to do these kinds of motions. But this is so important because we are talking here about a bipartisan alternative, Republicans and Democrats alike that have worked it out.

Mr. Chairman, we are talking about offering an alternative that supports work over welfare. We are talking about wanting to offer an alternative that supports children much more than the leadership proposal. We are talking about moving welfare reform forward and, most significantly, we are talking about offering an alternative that meets the Republican budget conference report that passed this House that says $53 billion shall be achieved.

So yes, we are going to vote today on striking the enacting clause. Our hope is, to the leadership, to the chairman of the Committee on Rules and to the Speaker and to the majority leader and others, our hope is that Members will send that clear, give us that clear, unequivocal statement now that Castle-Tanner will be in order in its form present, that $53 billion will be that figure and that we do not have to seek to delay.

Let there be no mistake about it, this is not to delay the moving forward of welfare reform. Democrats, Republicans and the White House want that. It is about whether we are going to be permitted to offer an alternative that meets the Republican budget targets and yet at the same time has better work-to-welfare, work over welfare provisions, has better provisions for children, permits States to have more flexibility and permits States in case of recession to be able to deal with that.

So Members should be alerted this is a one-time motion we hope, but if we do not receive that message then we will have to seek that delay, not to delay welfare reform but to delay until we are guaranteed that there will be a true bipartisan alternative permitted to be offered that meets the budget targets.

Mr. VOLKMER. Mr. Chairman, I know the gentleman from California, who is a member of the Committee on

Rules, is paying some attention. I am sorry the gentleman from New York [Mr. SOLOMON] is not, because what we are trying to advise, not only the gentlemen, but all members of this House, that if we are not given a substitute for the welfare bill, then I think they can see that things are going to slow down up here a little bit until we are able to offer our substitute for their welfare bill.

Mr. WISE. I think it should be pointed out, as the gentleman says, that the delay is only so that we can offer a substitute that meets the Republican budget targets and has complied with every one of the Republican budget rules and we feel is a bipartisan alternative that is superior to the leadership proposal.

Mr. VOLKMER. And we would not even have any more delay if the gentleman from New York [Mr. SOLOMON] will just stand up and say as chairman of the Committee on Rules he would give it to us.

Mr. WISE. We could probably skip this vote we are about to have on this basis alone.

My hope is when Members are voting we will have a chance to talk about it some so we can move this welfare reform bill quickly to the floor, understanding that everyone wants to be able to vote on welfare reform. But we want to offer the Castle-Tanner bipartisan alternative that is far preferential to the leadership one.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Is there a Member seeking time in opposition to the preferential motion?

Mr. DINGELL. I rise in opposition to the preferential motion.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, normally I would be very supportive of motions to strike the enacting clause and things of that sort. At this particular time, however, I am compelled reluctantly to rise against it in sprite of the vast respect I have for the offerer, the distinguished gentleman from West Virginia.

I would like to devote my attention to the question of the motion to strike the enacting clause. One of the reasons that adopting the motion to strike the enacting clause would be very bad is simply that that would leave us in the awkward position of being unable to devote our attention to the Solomon amendment, and I would like to address now the reasons that the Solomon amendment is so important to the business in which we are now engaged.

I would like to address first what has been going on, Mr. Chairman. What Mr. SOLOMON seeks to do is to see to it that the status quo remains in place, because what is contemplated by the Office of the Comptroller of the Currency is an illegal act wherein the Comptroller of the Currency proposes to go beyond the authority which he has under law. And I would like to quote a letter written in 1995 by the present chairman of the Banking Committee to the OCC in which the chairman had this observation to make:

> There is not a shred of statutory support for the notion that a national bank is authorized to conduct activities in a subsidiary that are not permissible for the national bank itself.

Now, at the appropriate time I will insert the whole of this letter in the RECORD, and what I am saying is that the chairman of the Banking Committee warned the Comptroller of the Currency that his action is illegal, in excess of his authority and beyond the powers that he is vested in under law. It is an act of some arrogance then on the part of the Comptroller to move forward.

Now, what is the action of which my good friend from New York complains? That is that the Comptroller proposes to permit national bank operating subsidiaries to move forward into areas which are forbidden under the law, most specifically into stock underwriting and the sale of insurance. Now, I happen to think that banks and subsidiaries should have the authority to do certain other actions, including the sale of securities, including other activities which go beyond banking authority. But that should be defined by the statutory enactment of the Congress of the United States and not by the arrogance of the Comptroller of the United States.

The practical effect of what he seeks to do is simply to allow a situation to go forward where a bank would find a citizen coming in for a mortgage or something of that kind and the banker, not all of them but some of them, would put their arm around the applicant and say now that we have agreed that we are going to give you your loan, but before you sign the papers, go down to the end of the hall and see Mr. Jones who handles our securities sales, or insurance sales, and all of the other activities. because we are a full-financial service firm. And the individual then would either go down there and agree to turn the entirety of his financial affairs over to the bank, or he would not get the loan.

Mr. Chairman, this is an experience which the Congress has had before. It was in the 1920's, indeed in 1929, the crash, which was in good part brought about by the fact that banks were engaging in all kinds of financial activities without any sort of constraint.

The purpose that the gentleman seeks to do is to simply see that if we are going to take the action of permitting the Comptroller of the Currency to get into the business of doing other things other than regulating banks and banks to do other than doing banking business, that the Congress will have a chance to look at it to see to it that it conforms with law and that it conforms with good public policy and that it does not upset some of the long-established precedents which have precluded banks from doing these kinds of things, for the very good reason that we found that serious abuses occur.

I would tell my colleagues that banks are now moving into mutual funds and other things, and it has been found by inquiry after inquiry that banks are not telling the purchasers of these securities that these securities are not guaranteed by the Federal Government. Indeed, they are letting the purchasers of these securities walk out of the bank with the mutual fund operating under the assumption that in fact that mutual fund is guaranteed by Federal moneys.

HOUSE OF REPRESENTATIVES, COMMITTEE ON BANKING AND FINANCIAL SERVICES,
Washington, DC, April 5, 1995.

Mr. EUGENE A. LUDWIG,
Comptroller of the Currency,
Washington, DC.

DEAR COMPTROLLER LUDWIG: I am writing to express grave concerns concerning your recent proposal to allow bank subsidiaries to engage in activities legally impermissible for banks themselves. Such an approach is not only highly imprudent but contrary to existing law. There is not a shred of statutory support for the notion that a national bank is authorized to conduct activities in a subsidiary that are not permissible for the national bank itself. If fact, it appears that the OCC's new interpretation of the authority of subsidiaries to conduct impermissible activities does not comport with longstanding OCC practice and policy. (*See* 31 Fed. Reg. 11459 (Aug. 31, 1966), 48 Fed. Reg. 1732 (Jan. 14, 1983))

Allowing a national bank or its subsidiary to engage in risky non-banking activities would jeopardize the deposit insurance system. Indeed, the news of the past weeks—the failure of Barings, one of Britain's oldest financial institutions—demonstrates the problematic nature of conducting activities in a bank subsidiary and shows how quickly an operating subsidiary can bring down a parent. Likewise, from the perspective of recent American experience, the OCC proposal would appear analogous to the direct investment authority granted S&Ls in certain states in the 1980s, which had the effect of placing significant uncontemplated liabilities on the deposit insurance system.

In sum, I object to the OCC's judgement as well as its legal interpretation. The latter concern is particularly telling. No agency of government has the right through promulgation of regulations to obviate law.

Sincerely,

JAMES A. LEACH,
Chairman.

□ 1230

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from West Virginia [Mr. WISE].

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LIGHTFOOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 233, not voting 18, as follow

[Roll No. 319]

AYES—182

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bevill
Bishop
Blumenauer
Bonior
Borski
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Geren
Gibbons
Green (TX)
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McHale
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOES—233

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dingell
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NOT VOTING—18

Bereuter
Berman
Browder
de la Garza
Ford
Gephardt
Goodling
Hall (OH)
Hayes
Lincoln
McDade
McDermott
Meehan
Miller (CA)
Slaughter
White
Wilson
Young (FL)

□ 1249

The Clerk announced the following pair:

On this vote:

Mr. Berman for, with Mr. Bereuter against.

Mr. PETRI and Mr. GORDON changed their vote from ''aye'' to ''no.''

Mrs. SCHROEDER changed her vote from ''no'' to ''aye.''

So the motion was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining, and the gentleman from New York [Mr. LAFALCE], has 4 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, is it not true under the rule that the Chair has the right to roll votes and that there probably will not be a vote for another hour on the floor?

The CHAIRMAN pro tempore. The Chair would advise all Members that recorded votes can be asked for but then postponed to a subsequent time.

The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining, and the gentleman from New York [Mr. LAFALCE] has 4 minutes remaining. The gentleman from New York [Mr. SOLOMON] has the right to close.

Mr. LAFALCE. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. CREMEANS], a member of the Committee on Banking and Financial Services.

(Mr. CREMEANS asked and was given permission to revise and extend his remarks.)

Mr. CREMEANS. Mr. Chairman, I rise in strong opposition to the Solomon amendment. I have spent the past year and a half on the Committee on Banking and Financial Services making tough decisions and working tirelessly to hammer out a compromise on this powers issue. Unfortunately, that effort failed. Much-needed reforms of 40-year-old laws that govern the financial services industry were stopped by turf battle between banks and insurance agents.

While I am disappointed, we were unable to reach a suitable compromise in this Congress; I accepted that fact. However, some do not accept that defeat and are trying to sneak legislation that limits the power of the office of the Comptroller of the Currency into this appropriations bill.

I urge my colleagues to defeat this amendment. There have been no hearings on this amendment. I did not hear about it until just a few hours ago as in the case with many other members of the Committee on Banking and Financial Services. The Committee on Banking and Financial Services as a committee of jurisdiction has met with all the parties interested in this legislation, including banks and insurance groups.

MODIFICATION OF AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I ask unanimous consent to offer a modification.

The CHAIRMAN pro tempore. The Clerk will report the modification:

The Clerk read as follows:

Modification to amendment offered by Mr. SOLOMON's Modification

In the proposed paragraph (2) after ''engage in'' ''insurance''.

The CHAIRMAN pro tempore. Is there objection to request of the gentleman from New York?

Mr. LAFALCE. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. SOLOMON. Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. LAFALCE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. LAFALCE. Mr. Chairman, is the gentleman going to reserve the entire 2½ minutes for one person in his closing argument, or are there going to be 5 individuals speaking subsequent? It is my understanding that only one person could speak and close; is that correct? If so, who would that person be?

Mr. SOLOMON. Mr. Chairman, if the gentleman will yield, I will tell him that we have three speakers at this time.

Mr. LAFALCE. Mr. Chairman, then if there are three speakers, I do not believe that he can reserve all his time.

The CHAIRMAN pro tempore. The gentleman is not stating a parliamentary inquiry.

Mr. LAFALCE. Mr. Chairman, is it permissible for somebody to say, all your speakers go first and then all my speakers will go last, or should there not be some rotation? That is why I said, while he has the right to close, he has the right to close with one speaker, not to have three Members speaking in closing.

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. LAFALCE. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Mr. Chairman, there are many reasons to oppose this amendment, both procedurally and substantively. Procedurally, for the past year and a half and for the past several decades, an attempt has been made to work out the controversy that has existed among different financial services players. The chairman of our committee has spent most of the past year and a half attempting to do that.

This amendment, which did not come to my attention until about an hour and a half or so ago, just wipes away all those efforts to accommodate these competing concerns. It just sides with one special interest group without deliberation by the authorizing committee, without notice to the Members, without notice to the groups whatsoever. It is in the worst tradition of this Congress. It should be opposed, if for no other reason than for procedural grounds alone.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, my concern, beyond the procedural elements that have been referred to here just a moment ago, is the perceived effect of the amendment as I have read it.

Although I understand the author's intention is to only limit the appropriation of funds from a particular area by Treasury to the Comptroller with regard to prohibition of new activities in insurance, the construction of the amendment, as I view it today, is to prohibit any new product, regardless of insurance or other wise, if it were not otherwise permitted by July 16 of this year. That was the reason for the unanimous consent request to modify.

□ 1300

Mr. SOLOMON. I yield myself 15 seconds just to say that the unanimous-consent request would have added the world ''insurance'' would have brought it down to that specific issue, which should have satisfied the gentleman on the Committee on Banking and Financial Services. It does all of the Committee on Banking and Financial Services' members on this side of the aisle. And in conference we would move to do that if the gentleman continues to insist on his objection.

Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I thank the gentleman from New York [Mr. SOLOMON] very much for yielding this time to me.

As my colleagues know, the OCC takes the position that under the National Bank Act that it will trump all existing State laws in terms of what consumer protections are given to those who are dealing with banks that are now selling insurance. Meanwhile, the insurance agents at the State level will still be under State law. So we have no guarantee, in other words, that we will have that national body of law State by State which has been put on the books in order to protect consumers.

We must support the Solomon amendment to protect the consumers of this country.

Mr. LAFALCE. Mr. Chairman, I yield myself the balance of the time.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York is recognized for 1½ minutes.

Mr. LAFALCE. Mr. Chairman, this is an anticonsumer amendment, this is an antisafety and soundness amendment, and that is why the administration opposes it so vigorous.

I read from a letter dated today, July 17, 1996, from the Secretary of the Treasury, Robert Rubin:

> I write to express in the strongest terms the Administration's opposition to this proposed amendment. Under this amendment the OCC would not be able to continue its essential function of overseeing the safety and soundness of nearly 3,000 federally insured national banks as well as administering antidiscrimination and fair lending laws applicable to these institutions. If you are concerned about safety and soundness, if you are concerned about our antidiscrimination laws, if you are concerned about our fair lending laws, you must oppose this amendment, as the Administration strongly opposes it also.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. Mr. Chairman, I yield the balance of the time to the gentleman from Minnesota.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] is recognized for 30 seconds.

Mr. VENTO. Mr. Chairman, this is brought before us as a contest between the insurance agents and the banks. The truth of the matter is, of course, even if we could define the word insurance, which is, of course, itself a monumental task today, we would not, in essence, limit. In fact, the States will continue to be able to bribe State institutions with that particular power. And so the issue here goes well beyond, in fact, in terms of limiting the very activities that the Comptroller has to be able to accomplish.

I understand the frustration, but this is the wrong answer. This amendment should be defeated.

MODIFICATION TO AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I ask unanimous consent to offer a modification, which is at the desk, to solve the concerns of the previous speaker.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

> Modification to amendment offered by Mr. SOLOMON: In the proposed paragraph (2) after ''engage in'' insert ''insurance''.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LAFALCE. Reserving the right to object, Mr. Chairman, I earlier asked the gentleman from New York [Mr. SOLOMON] for a very simple request, the right to debate this important issue not for 10 minutes, but for 20 minutes. He objected to what I thought was a most reasonable request. There are a million and one imperfections with this amendment that have been offered, but I would like to offer amendments, too. The unanimous consent of yesterday would not have permitted any amendments, and now my colleague simply wants one that he thinks, as my colleagues know, would cosmetically improve it because of the fact he will only offer the one amendment, not countless others, because of the fact he objected to reasonable time for debate.

I must object to this now.

The CHAIRMAN pro tempore. Objection is heard.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY], a very, very respected Member of this body from the other side of the aisle.

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding this time to me.

This question has been posed to the body in the debate as an issue between banks and insurance. I see it quite differently, and I think there are two driving issues at stake, legislative versus executive branch, Federal Government versus State government. First, legislative versus executive.

We actually had a speaker on the other side of the aisle saying that in light of the inability of this body to resolve this question, what the heck, let a Federal bureaucrat do it, let the Office of Comptroller of the Currency singly decide what this body has been unable to resolve.

That is not the way for us to walk away from the critical policy issues before this country. This is a very consequential policy issue. It must be decided in the legislative branch.

Second, State versus Federal regulation.

If the OCC would decide it, it would do so in a fashion preemptive of State laws. I used to administer State law in this area as the insurance Commissioner from North Dakota and the

president of the National Association of State Insurance commissioners. They deserve better than to be singly wiped out and preempted by the unchecked action of the Office of Comptroller of the Currency. The Office of the Comptroller of the Currency has made it clear that his intention is to go in this area. That is why this amendment is so important.

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am sorry we have taken up so much time on this issue. On behalf of the gentleman from Michigan [Mr. DINGELL] and myself, we would urge a ''yes'' vote on this amendment. This is a States' rights issue. We want to protect the rights of States. We want to be able to move other bank regulatory relief legislation later on that is going to give badly needed relief to the banking institutions. It ought to be concentrating on the lending concepts as opposed to getting into other areas. I would urge support of the amendment.

Mr. LAFALCE. Mr. Chairman, this amendment seeks to terminate all funding for the Office of Comptroller of the Currency [OCC] if the OCC permits national banks to engage in any type of new activity, or if proposed revisions to OCC regulations are finalized. This amendment represents an effort by some in the Republican leadership to achieve through an appropriations bill what they have failed to achieve through the normal legislative process. And there are very good reasons why all previous efforts to restrict the current authority of the Comptroller of the Currency have failed.

This amendment should be seen as an effort by some Members of Congress to meet the demands of certain groups who want protection from the competitive forces of the financial services marketplace. Because national banks sell insurance—in competition with the insurance industry—some insurance interests see national banks as a threat and want to restrict their activities and thereby lessen competition.

To achieve their aim, insurance interests are asking Members of Congress to cut off funding for the OCC when it exercises its authority under existing law. This would have the direct effect of terminating the OCC's authority under existing law to authorize powers for national banks that are incidental to banking. This would be likely to severely impact the ability of national banks to sell insurance, which has become an important part of their business.

As the regulator of national banks, the responsibility of the Comptroller of the Currency is to supervise national banks, and to interpret Federal law affecting national banks. And that is exactly what the OCC is doing when it authorizes various activities for national banks that are deemed under the National Banking Act to be incidental to the business of banking. Federal banking law wisely anticipated that the banking regulators would need flexibility to expand the permissible activities of national banks in order to respond to developments in the financial services marketplace. Without such flexibility for the OCC to interpret existing law, national banks would be held in a static state, unable to respond to new consumer demands.

This effort to terminate the existing authority of the Comptroller of the Currency to interpret Federal banking law would deprive consumers of the option of buying financial products from banks. It also represents a very real threat to the competitiveness, and ultimately the viability, of our national banking system. If national banks are not allowed to provide the financial services consumers demand in today's increasingly sophisticated marketplace, they will be unable to compete with other providers. This inability to compete would ultimately endanger the safety and soundness of our banking system. The earnings of national banks would decline, they would find it increasingly difficult to attract and maintain capital. To the degree our banks are weakened, taxpayers are potentially at risk.

Therefore, it is in the interest not only of every consumer of financial services in this country, but of every taxpayer, to make sure that our national banks are able to compete fully in today's marketplace by offering the financial products consumers demand. Insurance products are a vital part of the financial products which all banks, including national banks, offer to consumers.

I am confident that Congress will not allow our national banking system to be put at risk by those interests demanding legislation to protect them from competition. I urge a vote against this amendment.

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Solomon amendment to prohibit the expenditure of funds by the Controller of the Currency to further expand bank powers.

This body has labored for years to rewrite the ground rules that govern financial services in the Nation. And anyone that has been involved would agree that it is a minefield. Chairman LEACH has spent hundreds of hours on this effort.

The Solomon amendment would simply prohibit the Controller of the Currency from taking matters into his own hands and rewriting the rules in secrecy and without the benefit of public comment or scrutiny.

Support the Solomon amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. LAFALCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. JOHNSON of Connecticut:

Page 4, beginning on line 1, strike ''AND INTERNAL AUDIT OF THE INTERNAL REVENUE SERVICE''.

Page 4, line 5, strike ''and the internal'' and all that follows through ''Inspector General'' on line 8.

Page 4, line 14, strike ''and of which'' and all that follows through line 19, and insert ''$29,319,000.''.

Page 20, line 23, strike ''$1,616,379,000'' and insert ''$1,722,985,000''.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentlewoman from Connecticut [Mrs. JOHNSON] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

This amendment strikes language in title I of the bill which creates a joint account between the Department of the Treasury and the Internal Revenue Service to fund the internal audit investigation functions of the IRS and requires the IRS inspector to report to the deputy Secretary of the Treasury rather than to the IRS commissioner. The $106,606,000 in funding that the bill provides for IRS internal audit functions would instead remain in the IRS processing assistance and management account.

My understanding is that this provision was included in the bill in response to concerns that the IRS inspector is subject to too much control by the IRS commissioner. It was intended to give the inspector more autonomy and independence.

However, the Committee on Ways and Means is very concerned that this provision would actually impair rather than enhance the effectiveness of the inspector's internal audit investigation functions and increases the risk of politicizing the inspection service. We believe that the present management structure for the inspector should be retained, and I urge support of my amendment.

Mr. LIGHTFOOT. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I rise in support of the gentlewoman's amendment. The committee's recommendation to move IRS's internal audit functions from the IRS and Treasury Department was not meant in any way to imply lack of confidence in the work that this important group does. Instead the recommendation reflects our very serious concern that the IRS top management has been ignoring many of the reports that these good people have been putting together, and the whole purpose of the internal investigation within any agency, IRS in particular, is to identify problems and to fix them. That is why we have an IG. It is just that simple.

Unfortunately, we have received evidence that would lead us to believe that the reports, particularly as they pertain to TSM, or tax system modernization, and other IRS operations, have been basically ignored. We are extremely concerned that the IRS's internal investigations have not had

their effective power that they should have and that their effectiveness has been diminished because of decisions made by top management basically to ignore the reports.

So what we are trying to do was to, in our proposal, move the group over to main Treasury, is simply an attempt to put some openness and some accountability into the process.

Now, that is why we did it.

Mrs. JOHNSON of Connecticut. We did run into the same problem with the taxpayer service representatives and felt that they were saying about problems that the taxpayers were having with the IRS was not getting to us, and so we did add provisions in the taxpayers bill of rights to require direct reporting, and between now and conference we need to look at that mechanism. We have not been able to sort of clear that under the short timeframe we have been working on because of the nature of the inspector general's work and the police powers involved and so on and so forth, but we do need to assure that that information does get to the committees of oversight so that we can be certain that the agency is responding appropriately.

Mr. LIGHTFOOT. Having heard the gentlewoman's concerns, and it is obvious we are on the same song sheet, maybe saying it in a different verse, but nevertheless for the IG to be effective those reports have to be read, they have to be understood, and they have to be implemented, and that is the message we were trying to send to IRS, and I am very pleased that Ways and Means has similar concerns.

As a result, I am going to urge people to support the gentlewoman's amendment. But I think we want to put everybody on notice that we are going to watch this, we are going to continue to monitor, and no more will we have IG reports go into the round file 13. People are going to act on them as they should. That is why we are paying people to do that kind of work, and that is what they are there for. The IG has been doing a good job. The reports have just been ignored.

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentlewoman for yielding, and I rise in strong support of her amendment, but more than that, Mr. Chairman, I rise to commend the gentlewoman, who is the Chair of the oversight committee. She, and, I might say, her staff as well, have done extraordinarily hard work on reviewing what is a large, critical agency in our Government to insure that the taxpayers' money is being spent well, that the objectives issued by the Committee on Ways and Means, passed by this Congress and supported by this subcommittee, the Committee on Appropriations, are in fact carried out, and she and I are speaking not only from the same hymnal, but from the same chapter and the same verse on this issue, and I congratulate her for her hard work and focus on this issue because I think the taxpayers will be benefited by it, and I thank her for her efforts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman from Maryland [Mr. HOYER] very much for those kind remarks.

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. JOHNSON] has expired.

Is there a Member who wishes to take time in opposition to the amendment?

Mr. HOYER. Mr. Chairman, I ask unanimous consent that I control the 5 minutes in opposition to the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I only need about 30 seconds, and other people have been waiting a long time to pose their amendments, too, but I do want to say that I am very pleased that the subcommittee has listened carefully to our experience, and by sharing our knowledge of the agency I think we are going to have a very, very strong bill out of conference, and I appreciate the work that the subcommittee has done in looking at the major issues that concern us all like the implementation of TSM.

Mr. HOYER. Mr. Chairman, I again congratulate the gentlewoman from Connecticut, and I want to tell her how enthusiastic I am about her optimism about the strength of this bill as it emerges from conference and to tell her how much I look forward to working with her to accomplish that end.

□ 1315

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GEKAS: Page 119, after line 8, add the following new title:

TITLE VIII—AUTOMATIC CONTINUING RESOLUTION

SEC. 801. (a) Chapter 13 of title 31, United States Code, is amended by inserting after section 1301 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

"(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year,

"(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year,

"(C) the rate of operations provided for in the House or Senate passed appropriation bill for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version.

"(D) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question, or

"(E) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year.

"(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

"(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

"(e) No appropriation is made by this section for a fiscal year for any project or activity for which there is no authorization of appropriations for such fiscal year.

''(f) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

''(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

''(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

''(g) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

''(1) Agriculture, rural development, and related agencies programs.

''(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

''(3) The Department of Defense.

''(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

''(5) The Department of Labor, Health and Human Services, and Education, and related agencies.

''(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

''(7) Energy and water development.

''(8) Foreign assistance and related programs.

''(9) The Department of the Interior and related agencies.

''(10) Military construction.

''(11) The Department of Transportation and related agencies.

''(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

''(13) The legislative branch.''.

(b) The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

''1311. Continuing appropriations.''.

The amendments made by this title shall apply with respect to fiscal years beginning after September 30, 1996.

Mr. LIGHTFOOT. Mr. Chairman, I reserve a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriations bill.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 5 minutes on his amendment and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, the purpose of my bill is to bring about a miracle on Capitol Hill; that is, if implemented, we will end Government shutdowns forever. Is that a miracle or is it not, in view of what has happened in the recent past and in the past on many of the budget items that have come before us?

We have not been able to seize the opportunity that I have been trying to present before the Committee on Rules and before this body in various ways, a means to end Government shutdowns.

What it would do is simply allow that if, at the end of a fiscal year, September 30, no budget has been passed, or any 1 of the 13 appropriations bills has not been passed, then automatically, by way of instant replay, the next day, October 1, there would go into effect last year's appropriations or the House bill, the House version recently passed, or the Senate version passed, or the President's budget proposal in that particular item. Whichever is the lowest figure would go automatically into effect; hence, no shutdown forever.

And if a CR is passed, then the same thing would happen at the end of that CR period. The temporary funding that would end at *x* date would, if no new CR is produced, result in an instant replay of that CR.

Do Members not see the beauty of it, that it means we never have to face the RIFing of employees, unpaid hours on Capitol Hill, disgust by the public, the whole host of dilemmas and problems we face when a Government shutdown is before us? This is a proposal whose time has really come. When I leave this Congress I am going to write a called ''Miracle on Capitol Hill,'' and it will be 55 pages devoted to this.

Mr. Chairman, I submit for the RECORD a copy of my testimony before the House Budget Committee as an extension of remarks to further explain the amendment I propose to H.R. 3756, the Treasury, Postal Service, general government appropriations bill.

On September 19, 1995 this committee joined with its Senate counterpart and held a hearing on ''The Effects of a Potential Government Shutdown''. I was not permitted to testify at that hearing; however, Senator Snowe submitted my testimony for the record. I come before you today to further discuss this issue.

You may be wondering how this relates to the stated objective of this hearing. Simply put, I come before you with a suggestion of how to save taxpayer dollars. I come before you to point out a very blatant form of waste: the government shutdown. A June '91 GAO report estimated that a 3-day workweek shutdown could cost as much as $607 million dollars. In fact, Republican National Committee used this figure to point out the waste President Clinton committed by vetoing the appropriations bills Congress sent him.

As you set out to craft a balanced budget to insure the economic health of this country, you have my complete support and admiration. But before we cut someone else's wasteful spending, we must look at our own! We took great strides in controlling Congressional spending during the fiscal year '96 budget cycle by cutting committee staff and passing a Legislative Branch Appropriations bill that helped move us toward a balanced budget. I applaud these efforts and support them. But these cuts are not enough!

If the Federal government, more specifically, the Executive and Legislative branch, cannot do the responsible thing and complete appropriation bills on time, taxpayer dollars should not be wasted. I have crafted a solution to this problem, a piece of legislation I call ''Instant Replay''. I come before you today to implore you to support my legislation and end the threat of a government shutdown and the waste it causes.

The solution I have devised to this problem is an automatic continuing resolution which acts as a safety net. At any time when the government would shutdown, my bill would keep the government open and provide a very low level of funding by which operations would continue. I have tried to carefully craft this bill to provide for such a low level of funding that the White House and the appropriators would have reason to continue negotiating. I have also allowed a Continuing Resolution to supersede my safety net. Therefore, if the Budget negotiators want to craft their own spending formula, they can.

The true beauty in this legislation is that it shifts the negotiating power from the status quo to reduced funding levels. Under the current system the individual who is trying to cut funding has an uphill battle. With my legislation in place, lower funding levels would automatically occur if we do nothing. Those fighting to keep money will have to enact legislation. As we saw as part of the fiscal year '96 Budget cycle, those of us who were trying to cut funding had an uphill battle to pass legislation. I believe that my legislation will help shift this balance of power and aid in the effort to balance the budget.

While you are considering ways to save taxpayer dollars, balance the budget and reform the budget process, I hope you will keep this problem and my legislation in mind. Chairman Kasich, members of the committee, I thank you for your time and attention.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding to me. I would just briefly say that the chairman is correct in his point of order. I am glad that he reserved it.

I rise to say that the gentleman's objective is one that I strongly support. I lamented last year's policy to shut down the Government and the consequences that it had. I think the gentleman's effort to preclude that from happening again is a very positive one for every American, not just the Federal employees or the Federal Government. I thank him for his efforts.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I rise in strong support of this. In fact, to speak to my side of the aisle, this would be one of the better things we could do. It is not uncommon for us to put legislation on an appropriations bill. This would be very important to institutionalize this.

The gentleman from Pennsylvania [Mr. GEKAS] is exactly accurate. I have been a cosponsor of his bill and a supporter of it over many years. I would hope maybe something could be done, because had this been in effect last year, we would never have shut the Government down. It is a good bill, it is a good idea, and it is a time whose idea has come, not in the next Congress, but quite frankly in this Congress.

Mr. GEKAS. Mr. Chairman, I would remind the gentleman and all the Members that the shutdowns that occurred before during the Democrat-controlled Congress had the same effect, but they were not as prolonged as

some of the shutdowns we had this particular time. What I am trying to say is that I have presented this proposal to the Democrat-ruled Committee on Rules and to the Republican-ruled Committee on Rules. We have not had an opportunity to debate it on the floor. The time has come.

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Chairman, I also am a cosponsor of this legislation. It is very important. Let us remember what Santayana said: ''Those who do not remember the past are doomed to repeat it.''

Having had these major shutdowns of Government, let us not repeat it. Let us remember who is being victimized: the Federal employees, the contractors, and all of the public who are denied services because those on both sides of Pennsylvania Avenue cannot come together on what they were elected to do; namely, come out with a budget. We must not have this victimization. This is an excellent amendment. I commend the gentleman for it. I wholeheartedly support it.

The CHAIRMAN. Is there a Member who seeks time in opposition?

If not, does the gentleman from Iowa [Mr. LIGHTFOOT] insist on his point of order?

POINT OF ORDER

Mr. LIGHTFOOT. Mr. Chairman, I insist on my point of order.

Mr. Chairman, I too would like a miracle on Capitol Hill, to finish this bill before the Social Security trust fund goes broke.

Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law, constitutes legislation on an appropriation bill, and therefore violates clause 2 of rule XXI.

The rule states, in pertinent part: ''No amendment to a general appropriation bill shall be in order if changing existing law.'' On the face of it, the amendment proposes to make permanent changes to chapter 13 of title XXXI of the United States Code. Therefore, it is legislation on an appropriations bill. I ask for a ruling from the Chair.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. GEKAS] wish to be heard in opposition to the point of order?

Mr. GEKAS. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. GEKAS. Mr. Chairman, it is legislation that I offered. There is no question about it, we all agree on that. What does it do to the current bill that is before us, which is an appropriations bill? It simply renews the ongoing projects and appropriations and activities that are embodied in this bill. It just serves to continue them. It does not bring in new forms of spending or new programs, or in any way impinge upon the vitality of and the purpose of the instant bill. All it does, in its best sense, is on a day that the appropriations cycle has ended by reason of failure to enact a new budget, that those appropriations embodied in this bill simply continue in their life.

Mr. Chairman, we have seen some precedents, if the Chair pleases, to the effect that if a project or an activity is simply continued, that is not legislating anew on an appropriations bill. Therefore, I ask that the Chair rule that this is simply a mechanism for continuing the efficacy and the vitality of the underlying bill, not new legislation on a new purpose or new project or new activity. Nothing of the sort.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Iowa [Mr. LIGHTFOOT] makes a point of order that the amendment offered by the gentleman from Pennsylvania [Mr. GEKAS] violates clause 2 of rule XXI by legislating on a general appropriations bill.

The amendment offered by the gentleman from Pennsylvania amends title XXXI of the United States Code to provide for an automatic continuing resolution in the event a regular appropriation bill fails to be enacted for any fiscal year. As stated by the gentleman from Pennsylvania, this amendment was introduced as a bill last year and referred to the Committee on Appropriations. The legislative jurisdiction of the Committee on Appropriations to report this matter to the House as a bill does not impair the application of clause 2(c) of rule XXI, which prohibits amendments changing existing law to general appropriation bills.

The point of order is sustained, and the amendment is not in order.

Are there further amendments?

AMENDMENT OFFERED BY MR. WOLF

Mr. WOLF. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WOLF: in title V, insert the following section:

SEC. 525A. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) AUTHORITY.—The United States Agency for International Development is authorized to offer voluntary separation incentive payments to more than 100 of its employees in accordance with section 525 of this Act.

(b) EXCEPTION.—Section 525(a)(2)(A) of this Act shall not apply to an employee of the United States Agency for International Development who, upon separation and application, would be eligible for an immediate annuity under sections 8336(d)(2) and 8414(b)(1)(B) of title 5, United States Code.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Virginia [Mr. WOLF] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, this is a noncontroversial amendment which would allow the U.S. Agency for International Development to offer involuntary separation payments to its employees in the remaining part of fiscal year 1996 and fiscal year 1997 to assist with its restructuring program. The amendment has been cleared by the Subcommittee on Foreign Operations of the Committee on Appropriations, the Subcommittee on Civil Service of the Committee on Government Reform and Oversight, the minority, including the gentleman from Maryland [Mr. HOYER] and the gentleman from Louisiana [Mr. LIVINGSTON]. It is noncontroversial. I urge its adoption.

Mr. Chairman, this noncontroversial and bipartisan amendment would allow the U.S. Agency for International Development to offer voluntary separation incentive payments to its employees in the remaining part of fiscal year 1996 and fiscal year 1997 to assist with its restructuring program.

This amendment has been cleared by the Foreign Operations Appropriations Subcommittee, the Civil Service subcommittee, the minority, including Mr. HOYER and Mr. LIVINGSTON.

It is a noncontroversial amendment and I urge its adoption.

Mr. Chairman, this noncontroversial and bipartisan amendment pending before the committee would provide limited, short-term buyout authority for the U.S. Agency for International Development [USAID] to ameliorate the results of its ongoing reduction in force [RIF]. This is a good government amendment, it is good for the dedicated Federal employees at USAID, and it should become law.

During the last 3 years, USAID has reduced its U.S. direct-hire staff by 18 percent, the third highest percentage in the Federal Government. This reduction has been accomplished through attrition. However, to further reduce its staff by 320 by the end of this fiscal year, USAID will have to involuntarily separate 200 employees through a RIF. RIF's are demoralizing to employees and are often a costly and inefficient way to reduce the size of an agency's work force. That is why this buyout authority is so important.

Mr. Chairman, I urge all Members to support this important amendment.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, we are prepared to accept the amendment. It adds the Agency for International Development to the three agencies eligible for buyouts under the bill.

I would like to point out this is a significant extension of the buyout authority contained in the bill. When Congress last gave the administration buyout authority in 1994, the administration did not use it carefully, and allowed agencies to use buyouts without tying them to a careful restructuring plan. The result was, in some instances, that agencies offered buyouts to employees, then just turned around and hired someone else for that position.

Our response this year on buyouts is to target them very carefully to allow

them only in instances in which we know that they are absolutely needed. It is easier to do for those agencies under our jurisdiction, such as IRS, Customs, and ATF. For that reason, I am hesitant to include an agency outside of our jurisdiction, but having said that, and having talked with the gentleman and others, we will accept the amendment. The gentleman believes that authority will not be abused by AID.

Mr. WOLF. Mr. Chairman, I thank the gentleman very much.

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Chairman, I just want to add my very strong support. I want to thank the chairman of the subcommittee for accepting this amendment that is so critically important, because to do otherwise, 200 people would be RIFed from the Agency for International Development. I salute the offeror of the amendment and the acceptor of the amendment.

Mr. HOYER. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment, notwithstanding my support of it.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Chairman, I rise in support of this amendment. I appreciate the support of the amendment by the gentleman from Iowa [Mr. LIGHTFOOT] as well. The gentleman from Virginia [Mr. WOLF] and I and others have worked very hard to make sure that as we reduce the size of the Federal Government, which is a consensus, we have all agreed on that, and in fact as I said last night, the Federal Government is now and will be at the end of this year the smallest it has been since the Presidency of John Kennedy, smaller than either under Presidents Reagan or Bush, and that is a direction we have decided on together as a Congress to pursue with the administration. In fact, the administration proposed that procedure and objective and has supported it. We are going to reduce some 275,000 employees; perhaps even more with the budget cuts that have occurred.

In that process, as employers, we ought to make that reduction in as sensitive, humane, and managerially sound way as possible. Buyouts do that, and that is why I support them. In fact, the GAO has pointed out that buyouts are cheaper than RIF's, because the RIF requirements impose certain costs which exceed the costs of the buyout. As a result of that, I think this is a wise policy from the taxpayers' standpoint, and policy consistent with the morale of those who carry out the duties assigned to them by the Government and by us. Therefore, I therefore rise in support of the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. WOLF].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. HOYER

Mr. HOYER. Mr Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOYER: Page 79, line 4, strike ''February 1, 1997'' and insert ''March 31, 1997''.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] will be recognized for 5 minutes and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Chairman, this is an amendment similar to that of the gentleman from Virginia [Mr. WOLF] in that it extends buyouts by 60 days, and that is all it does, the time in which the agencies would have to affect the buyout.

Mr. Chairman, I believe the chairman of the committee is in agreement with this, and I believe that the chairman of the subcommittee is not in opposition to this, as well.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, the gentleman is correct. We have some concern that by extending the buyouts by 2 months, it gives a sense of false security to the people that are there. The more an agency waits to complete a buyout, the more it costs, and the more it costs, the less money the agency has and the more it needs to downsize. But we are optimistic we can address this concern.

We have had discussions with the gentleman from Maryland [Mr. HOYER] and the gentleman from Florida [Mr. MICA], I believe, is also on board at this point in time, so I believe we are all in concert. With the blessings of the authorizing committee as well as ours, I am prepared to accept the amendment.

□ 1330

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me this time. Again I thank the chairman of the subcommittee also for the acknowledgment we have had that he will accept what I consider to be a very important amendment offered by the gentleman from Maryland.

Mr. Chairman, in 1994, the Federal Workforce Restructuring Act provided Federal civilian agencies with the authority to offer voluntary separation incentives for a 1-year period that ended March 31, 1995. These incentives helped to avoid involuntary separations and eased the number of RIF's necessary to meet the downsizing goal of 272,000 FTE's.

The buyouts contained in this legislation are particularly important because they are targeted to the IRS, BATF, and the U.S. Customs Service. Each face imminent FTE reductions, and this buyout authority will help ease the pain and avoid chaos. They have been carefully planned and reviewed; the director of the Office of Management and Budget must approve each plan, and the plan approval will ensure that any separation incentive is appropriately targeted within the agency. An agency's FTE number will be reduced by one for each employee of the agency who receives an incentive.

I applaud the Appropriations Committee for including buyout authority in this bill, but I worry that one quarter is not enough. The last round lasted a full year. This amendment would simply extend the time by one quarter—from February 1, 1997 to March 31, 1997—so that agencies and employees can make informed decisions and fully explore their options as they leave public service. It is also critical that we allow retirement-eligible employees to take the buyouts. These employees are often the most willing to take buyouts, and precluding agencies from allowing them to use buyouts does not make strategic sense in targeted downsizing. I urge my colleagues to join me in supporting the Hoyer amendment.

Mr. HOYER. Mr. Chairman, I rise to offer an amendment that would change the deadline by which Federal employee buyouts provided in this bill must be taken from February 1, 1997 to March 31, 1997.

I understand that this amendment is acceptable to the chairman whom I want to commend for including buyout authority for three agencies: the IRS, ATF, and the Customs Service.

There is no dispute that, when an agency is going to downsize beyond normal attrition, buyouts are a fair and cost effective alternative to involuntary reductions in force.

They are also more reasonable for the Federal workers who are innocent victims of the budget battles here in Congress.

Buyouts offer managers flexibility to decide who can be spared from what departments in contrast to RIF's which often cause the loss of the bright young people who represent the future of the organization.

In a May 1996 report, the General Accounting Office found that the 5-year savings from buyouts generally exceed those from RIF's except in the occasional case where RIF's are done without allowing employees to bump others with less tenure.

GAO noted that when senior RIF'ed employees can bump lower level employees, using a buyout instead of a RIF typically saves an additional $60,000 over 5 years.

More than 112,000 buyouts have been paid Governmentwide since 1993—saving the taxpayers millions and millions of dollars.

I was a leading proponent of those buyouts and I support continuing Governmentwide buyouts. In fact, I have joined Representative WOLF in introducing legislation that would allow some buyouts throughout the Government—H.R. 2751.

So I believe the provisions in this bill are a step in the right direction. Regretfully, they are only a small step.

Some of the limitations on who is eligible to take buyouts are, in my view, too restrictive. I will continue to talk with the chairman and others about that.

Also, we offer the provisions to just a few agencies even though others throughout the Federal Government are downsizing.

However, today I simply offer an amendment that extends the deadline for implementing buyouts by 2 months—from February 1 to March 31.

This amendment, which lengthens the window for buyouts from 4 to 6 months, makes buyouts a more viable tool for managers and employees alike.

I believe the amendment has been cleared and I thank the chairman for his concern for the impact that budget reductions may have on employees at the IRS, the Customs Service, and ATF.

Mr. HOYER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. SALMON

Mr. SALMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. SALMON: Page 33, line 13, insert after ''$40,193,000'' the following: ''(reduced by $500,000)''.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Arizona [Mr. SALMON] will be recognized for 5 minutes in support of his amendment and a Member in opposition will be recognized for 5 minutes.

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The Chair recognized the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, under the unanimous consent that was offered and agreed to, while the gentleman from Arizona [Mr. SALMON] does in fact have an amendment that is reserved for him for 10 minutes, it specifically refers to the White House Travel Office. This amendment, of course, is a reduction in the entire budget of the White House itself and I would suggest is not within the framework of the unanimous-consent request.

Mr. SALMON. Mr. Chairman, it is virtually the same amendment that we submitted for the unanimous-consent request. I appeal to the Chair on that issue.

The CHAIRMAN. The Chair would inquire of the gentleman if it does pertain to the White House Travel Office which is what the unanimous-consent agreement as outlined would do.

Mr. SALMON. Yes, it does. If I may be permitted to speak, I will explain how.

The CHAIRMAN. The gentleman from Arizona may proceed.

Mr. SALMON. Mr. Chairman, last year I introduced a piece of legislation that I think could have been dubbed the Personal Responsibility Act. We are going to be talking a lot about personal responsibility this week when we talk about welfare reform. I think most of us know that a couple of years ago there was a real problem within the White House Travel Office

Mr. HOYER. Mr. Chairman, are we proceeding on the point of order?

The CHAIRMAN. The Chair is attempting to hear argument on the point of order, on whether or not this amendment relates to the White House Travel Office which was part of the unanimous-consent agreement last night.

Mr. HOYER. I thank the Chair.

The CHAIRMAN. The gentleman from Arizona may proceed.

Mr. SALMON. Mr. Chairman, let me be as succinct as I possibly can. In a nutshell, all this amendment does is reduce within the administration and the Office of the White House the amount commensurate that we have already appropriated within the bill to compensate the seven people from the White House Travel Office that were, many of us believed, unlawfully terminated and vigorously pursued by the administration via the FBI. We already know the story. There is money in the bill to compensate these people. My proposal is simply that we get back to accountability and that the Office of the White House and the administration of the White House pay those moneys. Instead of appropriating new tax dollars to compensate those victims, that the money come out of already appropriated moneys and we get back to the concept of personal responsibility.

Mr. HOYER. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognized the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, if the Chairman will review the amendment that has been offered and on which unanimous consent was accorded, he will see that it has two sections, an A section and a B section. It refers to the payment of moneys to individuals who worked for the Travel Office.

Specifically it says in section 301(a), ''If an individual whose employment in the White House Travel Office was terminated on May 19, 1993, submits a claim under this subsection to the Secretary of the Treasury within 180 days after the date of the enactment of this Act, the Secretary shall pay to the individual an amount equal to legal fees and expenses incurred by the individual with respect to that termination.''

It then goes on to say, ''For payments required under subsection (a), to be derived in equal amounts from funds made available in this title under the heading Compensation of the President and the White House Office—Salaries and Expenses and funds made available in this title under the heading Office of Administration, there are available to the Secretary of the Treasury up to $500,000.''

Mr. Chairman, I submit that this amendment has very little relationship to the amendment on which the unanimous consent was accorded. The reason for that is that it provides for payment to no one. It relates to the reduction of no specific office, Office of Administration or other White House account. This deals generally with the White House account across the board. As a result, I think it is clearly inconsistent with what Members gave unanimous consent about. One has to do with a cut in the White House budget. One has to do with reimbursement of White House travel officers.

The CHAIRMAN. The Chair, in attempting to rule on this point of order, would like to inquire of the gentleman from Arizona if the amount that he is proposing is specific to the White House Travel Office employees.

Mr. SALMON. Mr. Chairman, the amendment is very straightforward. It applies to the Office of Administration and the White House itself. However, in the unanimous-consent request, it simply stipulates that it must relate to the White House Travel Office which is a subcategory of the Office of Administration.

What I am trying to accomplish, I am trying not to be redundant. Since there is already a proposal within the legislation itself to compensate the Travelgate victims, I am simply reducing the amount from the Office of Administration and the White House. They have full purview to go to the Office of Travel and take the money from there if they so desire. I see no inconsistency with the unanimous-consent request.

The CHAIRMAN. In attempting to comply with the guidelines that have been outlined under the unanimous-consent agreement, the Chair is constrained to insist that it be very specific on the dollar level for the White House Travel Office.

Mr. OBEY. Mr. Chairman, if the chair is about to rule that the amendment as offered is not consistent with the unanimous-consent agreement, then I would have no further comment. I simply was intending to rise to make the point that, if we cannot count on the fact that amendments that are going to be offered are those which are discussed prior to unanimous-consent agreements, then it is going to be impossible to get unanimous-consent agreements around here.

Mr. HOYER. Mr. Chairman, further on the point of order, Mr. Chairman, let me first of all say I believe the gentleman from Arizona is one of the Members of this body who has high integrity and good faith, and I understand that he offers this in good faith. However, the amendment that he originally offered on which the unanimous consent was given is subject to a point of order. He has attempted to correct that understandably by his amendment that he has now offered.

The problem, Mr. Chairman, in answer to the question, did it deal specifically, the gentleman said, honestly, as I would have expected him to answer, no, it does not; and in fact it does not. In fact he offered it, however, to deal with the White House and the Office of Administration. It does not in fact, I tell the gentleman, deal with the Office of Administration. It deals with the White House budget per se in the section that he affects in terms of the line that he affects. As a result, Mr. Chairman, I think it is clearly inconsistent with the unanimous-consent request and therefore is not in order under that consent agreement.

The CHAIRMAN. The Chair is prepared to rule unless any other Members wish to be heard on the point of order.

Does the gentleman from Arizona wish to be heard further?

Mr. SALMON. Mr. Chairman, I would just simply like to say that we tried to accommodate all sides on this. Obviously, we did not want to be redundant. I believe that we have made a good-faith effort to make sure that we were consistent with the amendment that we offered yesterday that was adopted under unanimous consent. I believe that we have made every effort to do that. As the gentleman stipulated, it was completely in good faith. I would just appeal to the Chair.

The CHAIRMAN. The burden of establishing that the amendment relates to the White House Travel Office as required by the unanimous-consent order of the House of yesterday has not been carried by the gentleman from Arizona. That is the ruling of the Chair. The amendment is not in order.

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follow:

Amendment offered by Mr. SANDERS: Page 119, after line 8, insert the following new title:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds appropriated by this Act shall be available to pay any amount to, or to pay the administrative expenses in connection with, any health plan under the Federal employees health benefit program, when it is made known to the Federal official having authority to obligate or expend such funds that such health plan operates a health care provider incentive plan that does not meet the requirements of section 1876(i)(8)(A) of the Social Security Act (42 U.S.C. 1395mm(i)(8)(A)) for physician incentive plans in contracts with eligible organizations under section 1876 of such Act.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Vermont [Mr. SANDERS] will be recognized for 10 minutes in support of his amendment and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. COBURN], a cosponsor of this amendment, and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is substantively the same as an amendment No. 5 in the July 16, 1996, CONGRESSIONAL RECORD but it incorporates a technical change which I believe makes our intent clearer.

The amendment that I am offering today with the gentleman from Oklahoma [Mr. COBURN] along with the gentleman from New York [Mr. NADLER] and the gentleman from Florida [Mr. WELDON] touches on an issue of enormous consequence to millions of Americans, especially given the rapid transmission we are experiencing from traditional health insurance to managed care and HMO's. We can all agree on the need to control health care costs. However, we must also ensure that health care decisions which affect our lives and our well-being are made by physicians using medical rationale and who have the best interests of their patients at heart and not by insurance companies who may be putting their drive for profits before the best interests of their patients. Most importantly, Mr. Chairman, we must preserve the fundamental core of successful health care, and, that is, the doctor-patient relationship.

When a patient walks into a doctor's office, he or she must be 100 percent confident that the treatment that is being recommended comes from the doctor's best medical judgment and is not motivated by an insurance company's desire for greater profits.

□ 1345

A patient deserves to be told the full truth when going to a doctor and that is what this amendment is all about.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Oklahoma [Mr. COBURN] is recognized for 5 minutes.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is about looking at perspective and motivation and what our charge is as physicians as we look at health care in this country, and every physician, every provider, takes an oath to put patients and their well-being first.

This amendment simply protects Federal employees the way we have protected Medicaid and Medicare patients by saying there cannot be a perverse incentive to not put the patient first, and it also states that in doing so, the well-being of the patient will be put first.

This amendment is supported by over 123 provider groups. It is vastly supported by Members of the House. It is a start back down the road where physicians are asked to do the right thing, to not be placed in the position in a competitive environment where they sacrifice quality care for their own livelihood, and this amendment prohibits that in regard to Federal employees.

It is my understanding that we may, in fact, have an acceptance of our amendment by the chairman of this subcommittee.

Mr. Chairman, I reserve the balance of my time.

Mr. LIGHTFOOT. Mr. Chairman, I ask unanimous consent to control 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa [Mr. LIGHTFOOT]?

There was no objection.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this point I am very inclined to accept this amendment. I do not think any of us are in favor of HMO practices that cause shoddy medical care; we are all very much opposed to that. I have been dismayed to learn, for example, about situations where HMO's have caused a woman who has had a baby to leave just hours after the birth of the child. We had a daughter who just had a daughter a few months ago. It does not make sense at all to leave early.

I think that the course of treatment for any given patient should be up to his or her doctor. They are the ones in the best position to make that determination.

It is also a very difficult area in which to try and make law. Since 1994, the Department of Health and Human Services has been tasked with developing a set of regulations, eliminating certain types of HMO incentives for Medicare and Medicaid. These regulations are still incomplete, and I do not think that we can solve here in 20 minutes what HHS has been trying to figure out for 2 years.

I do not pretend to know the answers, either. I am not sure that any of us know what the real answers are. But what I do know is that we have not taken any time to deliberate a very complicated issue.

This committee has held no hearings on it. The authorizing committee of jurisdiction learned about the matter yesterday. For now, be willing to accept the amendment. I think it is a

well-intended amendment. As we go to conference, we will continue to work and look at this amendment and its ramifications.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I subscribe to the remarks the gentleman just made.

Obviously, this committee has not addressed this issue. Having said that, just as obviously the proponents of this amendment I think have a proposition with which all of us would agree, and do agree, and this is an issue which we are going to have to study between now and conference from a substantive standpoint.

The chairman points out correctly that regulations in this area, vis-a-vis Medicare and Medicaid, as I understand, have taken even longer than 1994 to date and antedate that by some time.

Having said that, I think clearly the objective that the two gentlemen seek is an objective that is an important one and which I think all of us support.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I take a few moments to clarify the record. The Committee on Commerce has held hearings on this. We have had one hearing in which we had significant testimony where care was denied based on the perverse incentives to the physician, and I think it is just the start of hearings that we are going to have in this regard, and I would like that placed in the RECORD.

Mr. Chairman, I reserve the balance of my time.

Mr. SANDERS. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I am very gratified to hear that this amendment is being accepted, at least for the time being.

I want to say that the practice of physicians being offered incentives, positive incentives that if they deny a treatment, they get more money, and negative incentives, if they grant the treatment, they get less money, and this form of health care that is proliferating throughout this country has led, as the gentleman said, to many denials of health care where it was needed, and it also constitutes an institutionalized conflict of interest.

If someone came to any Member of this body and said, ''Vote this way and I will pay you $1,000,'' we would call that a bribe, it would be against the law. But, in effect, what you have with many of these HMO's now is a practice where the insurance company comes to the doctor and says, ''If in all your patients this next week you do not refer more than ''X'' number to specialists or to have a test, a CAT scan, we will give you more money, and if you do, we will take away money from you.''

So the doctor, when he looks at a patient and thinks, do I really need to? This patient has chest pains, whatever. Do I need to refer him to a cardiologist, has to think in the back of his or her mind, gee, I have already referred three people to a specialist this week. If I refer a fourth, it will cost me money. It is putting a direct conflict between the patient's interest, which the doctor is sworn to uphold, and the doctor's financial interest. That is an institutionalized conflict of interest.

It is a fundamental problem and this amendment begins to address that, and I thank the body for accepting it.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I am so pleased that this being accepted today. I strongly support it. It is a very straightforward proposition. It protects the ability of doctors to give their patients the best medical advice and, after all, that is what doctors do, that is what they have historically done, and that is what the Hippocratic oath is all about.

Make no mistake about it, the ideas of the bottom-line medicine that is being practiced in some circles is unconscionable. It cannot only lead to poor quality of care in many cases, as has been more recently annotated, it could be a matter of life and death.

I thank the chairman for accepting this amendment and I thank the authors of the amendment.

Mr. Chairman, I rise in strong support of the Sanders-Coburn amendment to H.R. 3756, the fiscal year 1997 Treasury-Postal Service appropriations bill, which would prohibit any funds in this bill from paying any managed care network under the Federal Employees Health Benefits Plan that offers physicians financial incentives to withhold medically necessary information from their patients.

I hope that the House overwhelmingly approves this simple, straightforward proposition that seeks to protect the ability of doctors to give patients their best medical judgment on possible treatment options. That's what doctors have historically done. That is the meaning of the Hippocratic oath.

Earlier this week, the Newark Star Ledger, New Jersey's largest daily newspaper, editorialized against the objectionable practice of some managed care networks for discouraging physicians from providing their patients with full information about their diagnosis and treatment options.

The Star Ledger said, and I completely agree ''there is good reason to suspect arrangements that pay the doctor more for treating you less or for nodding in agreement when the treatment cooked-up by the health plan's computer goes against the doctor's best judgment.''

Simply put: Doctors must be able to provide their patients with all available information and advice about treatment options. Anything else is completely unconscionable. This is bottom-line medicine and don't be misled—this could be a matter of life and death as has been more recently reported by reputable authorities.

Too many HMO's today seek to undermine the sacred doctor-patient relationship by preventing physicians from providing patients with a full range of advice, because they are seeking to enhance the managed care network's bottom-line, at the direct expense of a patient's health. This can be a matter of life and death.

Doctors in HMO's are frequently penalized by having their salaries either reduced, or withheld, by the health plan for advising patients to seek treatment from a specialist.

This is wrong, and the Sanders-Coburn amendment is a modest attempt at protecting the right of physicians to give patients the best medical judgment.

I urge my fellow Members of the House to join me in supporting this worthwhile amendment.

Mr. SANDERS. Mr. Chairman, I yield 10 seconds to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise simply to make the point that I am against, and I want to make it clear, the form of this amendment unrelated to its substance, which I have already said I agree with. This made-known language, which I will make an additional point on in a future amendment, we should not pursue.

Mr. COBURN. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. WELDON].

Mr. WELDON. Mr. Chairman, I thank the gentleman for yielding me the time, and I rise in strong support of the Sanders-Coburn amendment.

As most of my colleagues know, prior to coming to the House of Representatives, I was a practicing physician. I practiced for 6 years in the Army Medical Corps and then I went into private practice in Florida. One of the things that drew me to that medical practice with Melbourne Internal Medicine Associates, besides the beautiful climate and being there on the space coast, was the fact that the medical group I was asked to join was an extremely well run medical group.

When I was interviewing with the physicians with that medical group, it was quite apparent to me that the key to their success was that they always put quality patient care first and financial considerations secondary. They were always looking out for the best interests of their patients and, indeed, I have to say that as I have traveled all over the country through my years and met thousands of physicians, that is always the key to success for any physician, no matter what his specialty is, that he is always watching out for the best interests of his patient.

What I compliment the gentleman from Vermont [Mr. SANDERS] and the gentleman from Oklahoma [Mr. COBURN] in introducing is an effort to combat what I believe is a perversion of the doctor-patient relationship where doctors suddenly have perverse financial interests to deny patients quality care and quality access to care, and this has a very, very far-reaching impact if we as a body here do not try to address this issue.

The United States, as all Members know, is the world's leader in health

care. The rest of the nations of the world read our medical journals and they not only look to us for the specific science but they also look to us for leadership in the area of ethics, and this is an ethics of medicine issue. Each and every time a doctor sees a patient, he should be always looking out for the interests of his patients.

Support the Sanders-Coburn amendment.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think we are all in agreement, those of us who have spoken, about what the issue here is, and it is not a complicated issue. What all of us believe is that when a patient walks into a doctor's office, we want to know that we are getting the best possible treatment that we can get and that there is not a perverse incentive being offered to the physician to give us less than the best quality care that can be offered.

We do not want to believe that a physician can make more money by offering us lesser care. That is not what health care is supposed to be about and, most importantly, that is not what the doctor-patient relationship is supposed to be about. If there is any relationship built on trust in our society, it is supposed to be the doctor-patient relationship, and historically that has been the case.

What this amendment does, it applies to Federal employees what already exists in law for Medicare and Medicaid beneficiaries, and it says that there cannot be perverse incentives offered to physicians so that they do not provide Federal employees the best quality care available.

I thank all of the cosponsors for this amendment and look forward to the body's support.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment Offered by Mr. KINGSTON: Page 119, after line 8, insert the following new title:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to issue, implement, administer, or enforce the amendments to the Customs regulations pertaining to field organization proposed by the United States Customs Service and published in the Federal Register on June 17, 1996 (61 Fed. Reg. 30552–30553).

MODIFICATION TO AMENDMENT OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I also have a modification at the desk and I ask unanimous consent for the modification.

The CHAIRMAN. The Clerk will report the modification of the amendment.

The Clerk read as follows:

Modification to Amendment offered by Mr. KINGSTON: In lieu of the matter proposed to be inserted, on Page 16, line 19 of the bill, after the dollar amount, insert the following: ''(reduced by $2,000,000)''.

The CHAIRMAN. Is there objection to the modification offered by the gentleman from Georgia [Mr. KINGSTON]?

There was no objection.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Georgia [Mr. KINGSTON] will be recognized for 4½ minutes in support of the amendment and a Member in opposition to the amendment will be recognized for 4½ minutes.

The Chair recognizes the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say right now we are trying to address a problem that has occurred at the Sanford Airport in Florida and one that has developed as a result of that in Bangor, ME, and we have some private sector investors who have bargained to work in good faith with the U.S. Customs Service on that. It seems now there might be a problem, maybe of major miscommunication on it. We are trying to address that problem.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member who seeks time in opposition to the amendment?

Mr. BALDACCI. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Maine [Mr. BALDACCI] is recognized for 4½ minutes to control time in opposition to the amendment.

Mr. BALDACCI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased that Mr. Kingston has withdrawn his earlier amendment that was being put forward. The situation is, is that most of these airports that are ports of entries have established a threshold which says over this threshold, you are going to have to assess passengers $6.50 apiece. So all international airports are doing this that are over that and that are ports of entry.

The particular airport in question is much more over that, an estimate of Customs is that 115,000, but yet it still not charging the higher fee and is able to market customers away from the other ports of entry, like Bangor, and take an unfair advantage in that particular situation, which has caused this situation with this amendment to develop.

Mr. Chairman, I look forward to now working with the gentleman from Georgia [Mr. KINGSTON] and others, to have these discussions in regard to this particular issue. But that is the preceding issue of concern to people in Maine and all over the East Coast.

Mr. Chairman, I reserve the balance of my time.

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Mr. KINGSTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I just want to thank the gentleman from Maine and also the gentleman from Georgia for cooperating in this compromise.

The gentleman from Georgia has private investors who have invested in an airport in my district and the gentleman from Maine has some problems with what Customs has interpreted in this situation, and I think that this is a good compromise. It is a placeholder and it allows us to deal with Customs. We do not want to cut their budget. What we want to do is get a proper resolution of this problem, and this is, in fact, a placeholder so that Maine, Georgia, and Florida can work this problem out. Hopefully we will not hurt Maine or the new airport in the Orlando-Sanford area.

So I thank my colleagues for working out this compromise and support the amendment of the gentleman from Georgia [Mr. KINGSTON], and urge its adoption.

Mr. BALDACCI. Mr. Chairman, I appreciate the comments from the good Representative, the gentleman from Florida [Mr. MICA], and also the gentleman from Georgia [Mr. KINGSTON].

Just to further reinforce, I agree with Customs' determination in its classification and the rules it is promulgating. I am not in disagreement with that, but I am looking forward to the discussion that should ensue with all people in regards to this particular matter. But I wanted to make that clear.

Mr. Chairman, I yield back the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

I just want to say what I believe has happened from the investors' standpoint is, trying to encourage private investment and getting into an airport, they felt like they had a certain agreement with Customs and that Customs, in the later stages, changed the rules of the game on them.

We had a sincere concern with the way Customs has apparently handled that, but the gentlemen from Maine, Mr. BALDACCI and Mr. LONGLEY, have brought up some excellent points in terms of the impact on Bangor's inconsistency with Customs, and so forth. So we are all working together to try to continue this dialogue.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. KINGSTON].

Mr. HOYER. Mr. Chairman, point of clarification. The amendment we are voting on is the substitute which the

gentleman has offered for the language?

The CHAIRMAN. The amendment, as modified by unanimous consent.

Mr. HOYER. Which is simply the $2 million reduction; am I correct?

Mr. KINGSTON. That is correct.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Georgia [Mr. KINGSTON].

The amendment, as modified, was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. GUTKNECHT

Mr. GUTKNECHT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. GUTKNECHT: Page 119, after line 8, insert the following new section:

SEC. 701. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Minnesota [Mr. GUTKNECHT] will be recognized for 10 minutes in support of his amendment and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

Could the gentleman clarify for us exactly which amendment? Is it amendment No. 7 or amendment No. 2?

Mr. GUTKNECHT. It is amendment No. 2.

Mr. HOYER. Mr. Chairman, I think the gentleman only has one amendment remaining. We have dealt with one of his amendments. He only had two. We dealt with the reduction of political appointees, and I believe the only amendment, this amendment, deals with the reduction of 1.9 percent across the board.

Mr. GUTKNECHT. The gentleman is correct.

The CHAIRMAN. It is still amendment No. 2.

Mr. HOYER. I will agree with that.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT] for 10 minutes in support of his amendment.

Mr. GUTKNECHT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I feel a little bit like the famous cartoon character Horton, who hatched the egg. Just to remind Members what this is all about, back when we passed the budget resolution the joint conference committee report with the Senate, this Congress did something which many of us felt was inappropriate and something that needed to be corrected.

We literally agreed to increase spending by $4.1 billion more than we had agreed we would spend last year. Unfortunately, that budget resolution, the conference committee came back after we passed a couple of the budget bills previous to this.

Now, I certainly do not want to cast any aspersions on the subcommittee chairman and the work of the Committee on Appropriations, but I think in terms of keeping faith with our promises last year and keeping faith with the American people and most importantly keeping faith with the American children, I think it is important that we do everything within our power to try to recover that fumble.

What we did was we increased spending by $4.1 billion. So we sat down, some of us freshmen with our staff, and said how can we help recover that fumble. One of the ways we can do that is offer an amendment to every appropriation bill for the balance of the appropriation season that would cut discretionary spending 1.9 percent across the board.

Now, 1.9 percent is not a huge cut. As a matter of fact, in this bill we are talking about total spending of $23 billion. Applying our formula, we are asking the full committee here to reduce spending $213 million. Now, $213 million is a lot of money, but in terms of a percentage of the total spending in this bill it is less than 1 percent. So applying the 1.9 percent formula just to the discretionary side of this appropriating bill cuts $213 million.

The question we have to ask ourselves, and I think a legitimate question the American people should ask us, if we cannot cut 1 percent off the total spending in this bill, how in the world are we going to say to the American people that in 3 years we are going to be able to cut $47 billion in spending. The unvarnished truth is we may not be able to.

Mr. Chairman, this is an important amendment, and I would appreciate my colleagues support.

The CHAIRMAN. Is there a Member seeking time in opposition to the amendment?

Mr. LIGHTFOOT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LIGHTFOOT] for 10 minutes.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

As presented to the House, the Treasury-Postal bill achieves a deficit reduction of $513 million. That is since last year. The subcommittee has achieved a total of $1.2 billion in deficit reduction since January of last year, and we have done this by targeting specific programs, by terminating obsolete agencies and programs, and restructuring agencies and activities to create efficient and effective organizations.

In all due respect to my good friend from Minnesota, I think his amendment is not well thought out because there are no policy assumptions. One of the problems with across the board cuts in any bill is that it just takes a swipe out of everything. You end up taking little nicks out of big programs that need big nicks and you take big nicks out of little programs that are struggling to get along and do things that we really need. There is no recognition that some of these agencies and programs we have already cut 20, 30, 40 percent. We have already cut them.

My colleague should be aware that the amendment will mean cuts to basic law enforcement functions of the Department of the Treasury. As my colleague said, voting for this bill is just a simple little 1.9 percent cut or 2 percent, if we want to round the figure off. If we want to vote for it, then that means we are going to vote to cut $228,000 out of the ATF's investigation on church fires. If we vote for the Gutknecht amendment, that means we are willing to take $80,000 out of the investigation for missing and exploited children, including child pornography. If we vote for his amendment, it means we are saying no to $1.3 million to go to the Customs Service for drug interdiction along the Southwest border. If we support this amendment, it means we are saying no to $532,000 for Customs' drug interdiction in the Caribbean. If we support this amendment, we are saying no to $662,000 for the drug czar to set up his new office. And if we support this amendment, we are saying no to $2.1 million for the drug czar's efforts to fight drugs in high crime neighborhoods and districts.

I think these cuts are unreasonable, particularly given the subcommittee's strong report on deficit reduction. As I said earlier, we have thought this out very closely. We have argued over these numbers, we have fought over them, we have cut every place we can cut. But I think the responsible way we get to balancing the budget is we evaluate each agency and each program on its merits and then we make the necessary cuts, and in some of these we have already cut as much as 40 percent.

Mr. Chairman, I would urge my colleagues to oppose the amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Minnesota if he would like to ask unanimous consent to withdraw his amendment and offer a different amendment?

There has been some confusion up here at the desk over the two amendments that were offered and we have been informed that the gentleman wishes to offer another amendment.

Mr. GUTKNECHT. Yes.

Mr. HOYER. Mr. Chairman, reserving the right to object, and with all due respect.

The CHAIRMAN. The gentleman has not propounded a unanimous consent request yet.

Mr. HOYER. He responded ''yes'' to the Chair's asking for a unanimous consent on his behalf, it sounded to me like.

The CHAIRMAN. Does the gentleman have a request for the Chair?

Mr. GUTKNECHT. Mr. Chairman, let me first of all say, if I might, there was some confusion. There apparently is a different list. We were item No. 7, now we are item No. 2. In either event, I intend to offer my amendment to reduce expenditures across the board 1.9 percent. If that requires a unanimous consent request to withdraw this amendment, I would be happy to do that, but I do intend to offer the amendment in either event.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. HOYER. Mr. Chairman, reserving the right to object. I appreciate the Chair's advising all of us as to what the status is. Apparently, I do not know what amendment is pending at the desk. Would the Chair clarify and have the Clerk clarify what amendment is pending at the desk now?

The CHAIRMAN. The Clerk will report the pending amendment, which is amendment No. 2.

The Clerk read as follows:

Amendment No. 2 offered by Mr. GUTKNECHT of Minnesota: Page 119, after line 8, insert the following new section:

Sec. 701. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

Mr. HOYER. That is a reduction, as I understand it, of 1.9 percent in discretionary funds; is it not?

Mr. GUTKNECHT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. Mr. Chairman, under my reservation of objection, I yield to the gentleman from Minnesota.

Mr. GUTKNECHT. Mr. Chairman, I would advise the gentleman that that is the amendment we have been debating for the last 4 minutes, yes.

Mr. HOYER. Apparently, the Chair believes that that is not the amendment that was being debated. That is the amendment I thought it was.

I am unclear what the Chair is asking and what the gentleman is asking in terms of a unanimous consent until such time as I understand what is going on.

The CHAIRMAN. The Chair will inform the committee that it was our understanding that staff had come to the desk and offered a different amendment and had asked that that amendment be considered. That was the understanding of the Chair.

If that is not the case, we will proceed with debate of amendment No. 2.

Mr. GUTKNECHT. Mr. Chairman, if the gentleman would continue to yield.

Mr. HOYER. Mr. Chairman, under my reservation of objection, I will be glad to continue to yield so we can straighten this out.

Mr. GUTKNECHT. Mr. Chairman, I apologize. Apparently, we had brought to the desk a modification of an original amendment. I was not sure if it was No. 2 or 7. If the Clerk would please make it clear which amendment.

The CHAIRMAN. It is amendment No. 2.

Mr. HOYER. Mr. Chairman, on my list, amendment No. 2 or 7 is irrelevant. If the Chair says 1, 2, 3, we have not been going in order so it is somewhat confusing as to what 1, 2 and 3 is. If it is No. 2, we have done 8 before it.

The CHAIRMAN. The Chair will inform the committee that both are across-the-board amendments. The difference is that they place the language at different points in the bill.

Mr. HOYER. Mr. Chairman, before I give unanimous consent, I want to see both amendments, and I do not have both amendments in front of me.

The CHAIRMAN. Does the gentleman seek unanimous consent to withdraw the amendments? If not, we are proceeding with debate on amendment No. 2.

Mr. GUTKNECHT. Mr. Chairman, perhaps I can modify my request. What I would request of the Chair is that I be permitted to substitute amendment No. 7 for amendment No. 2, and I would request unanimous consent.

The CHAIRMAN. The gentleman has asked unanimous consent. The gentleman from Maryland has reserved the right to object.

Mr. HOYER. Reserving the right to object, I am looking at the text now.

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Mr. Chairman, I believe I have seen the two amendments the gentleman is talking about, but I wanted to make sure. One is at page 119 after line 8; one is at page 118 after line 16. Am I correct, however, that the substance, as a matter of fact, the exact verbiage of both is the same?

Mr. GUTKNECHT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Minnesota.

Mr. GUTKNECHT. Mr. Chairman, I believe that is correct.

Mr. HOYER. Mr. Chairman, so that the only difference is where the gentleman places them in the bill.

Mr. GUTKNECHT. Mr. Chairman, that is correct.

Mr. HOYER. Mr. Chairman, continuing my reservation of objection, may I ask the gentleman, does he perceive any difference in the impact of the amendments as a result of the placement in one position or the other?

Mr. GUTKNECHT. Mr. Chairman, if the gentleman will continue to yield, I am afraid I do not know why, the reasons the staff recommended we change location.

Mr. HOYER. I will tell the gentleman, I suffer from that problem all the time.

Mr. GUTKNECHT. Mr. Chairman, I think I can clear this up. My amendment is not intended to affect appropriations for fiscal year 1996. That is the reason it has to be moved to the different location. We only want to affect discretionary appropriations for fiscal year 1997.

Mr. HOYER. So the amendment the gentleman wants to offer is the prospective amendment, and which amendment is that?

Mr. GUTKNECHT. Mr. Chairman, we believe it is No. 1.

Mr. HOYER. Mr. Chairman, if that is the case, then, and No. 2 is pending, I would have, checking with my own staff, given my quick analysis, it seems to me that this is carrying out what we thought we were considering.

If I can, however, before I withdraw my objection, the gentleman indicated he intends to offer the other amendment. Is there another amendment? Is this the last amendment that the gentleman from Minnesota is offering?

Mr. GUTKNECHT. Mr. Chairman, if the gentleman will continue to yield, I think I can honestly say, this will be the last 1.9 percent amendment on this bill, yes.

Mr. HOYER. Mr. Chairman, but does the gentleman have any other amendment on this bill?

Mr. GUTKNECHT. No, I have no other amendments.

Mr. HOYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

The text of the amendment, as modified, is as follows:

Modification of amendment offered by Mr. GUTKNECHT: Page 118, after line 16, insert the following new section:

Section 637. Each amount appropriated or otherwise made available by Titles I through VI of this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. The gentleman from Minnesota [Mr. GUTKNECHT] has 8 minutes remaining, and the gentleman from Iowa [Mr. LIGHTFOOT] has 7½ minutes remaining.

Mr. GUTKNECHT. Mr. Chairman, I reserve the balance of my time.

Mr. LIGHTFOOT. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman from Iowa who knows me probably too well, he thinks.

Mr. Chairman, now that we have decided which amendment is pending, I am opposed to it, I say to my friend from Minnesota. And very frankly, if we had decided the other amendment, I would have opposed it. The fact of the matter is, this bill spends too little money. Who says that? The Committee on Ways and Means says that.

This bill has already cut $130 million below last year's. In the committee report, we assume the Federal employees in this bill as well as every other bill are going to get a 3-percent raise. I am for that. I think that is appropriate. We assume as well that there are going to be additional costs, as every business operator assumes.

So that not only are we cutting $130 million below last year's appropriation, but we are cutting very substantially more below actual costs to do exactly the same services.

Furthermore, as the Committee on Ways and Means has pointed out, they are very concerned that we have sufficient resources to carry out the

present responsibilities of the Internal Revenue Service under law. The Committee on Ways and Means has further said that they are very concerned about the IRS being able to service the taxpayers consistent with their responsibilities.

Furthermore, the IRS has been cut $700 million plus dollars, three-quarters of a billion dollars. The gentleman's amendment, as pointed out by the chairman, cuts across the board and makes no judgment as to whether or not an agency has been cut deeply, has been increased or has stayed the same. That is why these across-the-board amendments are so unwise. It is incumbent upon us to make judgments. Sometimes those judgments are hard judgments. We have to make a determination how much an agency needs, how necessary is an agency, how necessary are the functions that that agency carries out.

I believe that the IRS is woefully underfunded under the provisions of this bill. But cutting them 1.9 percent, you simply exacerbate and make worse the problem confronting the Nation, not IRS, the Nation. Why? As the gentleman from Texas [BILL ARCHER] said in his letter of June 26 to the gentleman from Louisiana [Mr. LIVINGSTON], he believes the cuts that currently exist, currently, even without this cut, according to the Committee on Ways and Means, that the Internal Revenue system is getting under this bill puts at risk deficit reduction. The irony of the gentleman's amendment is, the Committee on Ways and Means, not this side of the aisle, the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON], as well as the gentleman from California [Mr. MATSUI] and the gentleman from Florida [Mr. GIBBONS], believe the present underfunding of IRS puts at risk deficit reduction. In point of fact, I believe this amendment, if adopted, would cost hundreds of millions of dollars in lost revenues and deficit reduction.

I know that the gentleman offers this amendment sincerely, concerned as I am about the budget deficit. I am one of those who voted for a balanced budget amendment, as I think the gentleman knows. I believe we need to balance the budget. I voted for the coalition budget, which balanced the budget by 2002 and created $137 billion less debt. I hope that we defeat this amendment which would be costly to the taxpayers and the country.

Mr. GUTKNECHT. Mr. Chairman, I yield 4 minutes the gentleman from Indiana [Mr. SOUDER].

(Mr. SOUDER asked and was given permission to revise and extend his remarks.)

Mr. SOUDER. Mr. Chairman, I want to first congratulate the gentleman from Maryland, who is a very articulate spokesman for his constituents. And if I were a Federal worker who lived in his district, I would, too. I also believe he believes in his heart in the importance of the Federal Government, and I know he has been conscientious on other budget matters.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SOUDER, I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate my friend's comments about me. But essentially, I was quoting Mr. ARCHER of Texas, the chairman of the Committee on Ways and Means, expressing his views, because I understand that some may believe I am subjective to protect Federal employees, which I am, that is why I quoted Mr. ARCHER of the gentleman's party and chair of the Committee on Ways and Means.

Mr. SOUDER. Mr. Chairman, the second point I was going to make is that on the 1.9 percent amendment, it has been very interesting, because if this was the only bill where we heard that a 1.9 percent across the board cut in this department would devastate a particular program or a department, it would be a little more believable. One point nine percent is not the total amount that comes out of the IRS. It comes out of many different subsections of this bill.

It seems like we hear this week after week after week, that we cannot do 1.9 percent, that 1 week we are devastating Yosemite Park, the next week we are devastating the entire thing. It is 1.9 percent. If the committees, and with all due respect, they have worked hard to get the budgets down, but if the committees would have been committed to not having the deficit go up the second year, we would not have offered this amendment.

This is a principled amendment. We came to Congress, and we talk about balancing the budget. We say we are trying to balance the budget. But the fact is the deficit goes up the second year. One point nine percent would change that. It would be nice to get some of that out of the entitlement programs, but since we cannot pass an entitlement bill, if we are not going to have the deficit come up, it has to come out of the discretionary programs. One point nine percent will not devastate the IRS; it will not devastate Yosemite Park.

Week after week we hear reasons why these bills are going to devastate the entire thing. In fact, some of our Republicans are starting to sound like the Democrats sound on our original bills, and it has been very disconcerting to many of the freshman.

Mr. HOYER. Mr. Chairman, if the gentleman will continue to yield, I do not know how the gentleman voted but, of course, the Republican budget that passed——

Mr. SOUDER. Mr. Chairman, I voted against it.

Mr. HOYER. Because the budget that his side of the aisle offered, of course, does exactly what he is concerned about.

Mr. SOUDER. I will hope that many, as some have on the Democratic side who say that they are for balancing the budget, will vote with those of us who have been trying to promote the 1.9 percent, because a 1.9 percent reduction on every appropriations bill will fix the bump up. It is a small bump up. We have been moving in the right direction, but the fact is the deficit goes up the second year we are here in Congress.

As far as the IRS, I understand that you need to have dollars to correct it. I understand that. We are saying that if we prioritize correctly, for example, in addition to the supplemental appropriations for church burning investigations, ATF, the Alcohol, Tobacco, and Firearms, remained funded at the same level. I find it hard to believe that they cannot carry out their function at a 1.9 percent reduction. We could take more of that if there was a prioritization correctly.

Also the same is true of the White House. They were able to give a 40 percent raise to someone like former security director Craig Livingstone, who had no apparent qualifications for that position, according to a committee hearing we were just in. They could absorb a 1.9 percent reduction. They have multiple pastry chefs at the White House, as well as the taxpayer funded database that we have been concerned about and concerned about the security systems. This 1.9 percent would not have to come out of the IRS, but at this point on the floor we are systematically offering 1.9 percent across the board, of which part of that falls on the IRS, part of that falls to ATF and different things because of procedures.

We are offering a philosophical statement that says 1.9 percent across the board. I personally would have had it categorized inside the appropriations bills and dealt with that, but this is our only way to express our frustration with this budget.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume to respond briefly.

I know it sounds good to say we are going to cut everything across the board. But, again, Members have got to remember, if they vote for this amendment to cut across the board, they have got constituents at home who they are going to have to answer to. Why did you take money out of the high-intensity drug traffic areas, why did you take money out of the drug czar office, which our leadership has asked that we put in, why did you take money out of missing and exploited children?

Yes, we have pastry cooks and, yes, we have political appointees that get paid salaries which some of us may think are outrageous. But the other side of the coin is, every administration is supplied with a budget for their political appointees and how they use these people is up to them.

We face the problem of addressing that particular issue as administrations change. That budget is there for one administration after the other. I

think that is where we get into some real problems.

Again, I know my colleagues are well-intended. But we have cut $1.2 billion out of this budget since January of last year. We have tried to do it in a responsible manner, in making those cuts where we can make them.

Reference was made to ATF and the church fires. The money that we put into ATF and the church fires we took from the IRS. So if we are going to cut another 1.9 percent, that does not make a whole lot of sense either. The ATF is going to be downsized about 445 employees. So that agency is already taking cuts. As I mentioned earlier, most of these agencies have been cut 10, 15, 20, some as high as 40 percent.

Mr. Chairman, I reserve the balance of my time.

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. COBURN].

(Mr. COBURN asked and was given permission to revise and extend his remarks.)

Mr. COBURN. Mr. Chairman, I recognize that the chairman has done and his committee have done great work on this. But I want to change the perspective for a minute about what we are talking about.

We are talking about two pennies, two pennies out of every dollar we spend in this and every other appropriation bill to try to preserve the pattern of getting a balanced budget, No. 1; No. 2, living up to the commitment that this Congress made a short 8 months ago.

□ 1430

Mr. Chairman, I would draw the analogy we are getting ready to see the Olympics. The Americans who trained for the Olympics, if their coaches and if their trainers had said, ''You cannot do any better,'' they are not going to compete well, but the fact is, everywhere in this Federal Government is fat, tons of fat, lots of places to save money, lots of places to become more efficient, lots of places to achieve economies of scale that have not been recognized and not been looked at.

The fact is that it takes hard leadership to set that standard for the people who are going to spend this money, and what we would like to do is to say we recognize the tremendous efforts that have been moved in that direction. We just think that we can go further, and we would like for our colleagues to consider the 2 percent, 1.9 percent. Why? Children and grandchildren.

Mr. Chairman, this deficit is not going to be $115 billion this year. There is another $65 billion on top of that recognized from the use of Social Security funds to fund the general obligations of this Government. So at the minimum it is $180 billion this year.

I ask that my colleagues support this bill.

Mr. GUTKNECHT. Mr. Chairman I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Minnesota is recognized for 2 minutes 15 seconds.

Mr. GUTKNECHT. Mr. Chairman, at several points in this debate we heard about priorities, and I just want to make it clear we are not changing the priorities of this subcommittee, and we are not saying they did the wrong things, but what we are saying is, I think it is an old German expression, it maybe an old Iowa expression: ''Fool me once, shame on you; fool me twice, shame on me,'' and if we look at the history of what has happened around this place and in this city over the last 10 or 15 years, we have one budget deal after another budget deal. We had Gramm-Rudman, we had this deal, there were promises made to the American people, and what they all amounted to was this: Manana, tomorrow, next year; we are going to fix it next year.

But if we are going to balance the budget, it is not what we do next year that counts. It is what we do now, it is what we do every day, it is what we do on every appropriation bill.

Now, I think those guys have done great work, and I admire the Committee on Appropriations and the Committee on the Budget for all they have done. I do not serve on either on those committees, and a little over a month ago they brought a bill or the Committee on the Budget brought a bill to the floor, and I voted against it, and a bunch of my freshman colleagues voted against it because we began down that slippery slope once again saying, ''Well, the deficit is going to go up this year, but we'll fix it next year.'' We cannot cut 4.1 billion dollars' worth of spending in this appropriation bill, but in 3 years we will cut $47 billion.

Now, maybe my colleagues believe that, maybe the American people believe that, but I have got to tell my colleagues as just one Member I have trouble believing that. And so it is what we do every day that counts. That is why this little 1.9-percent amendment is so important. It is about setting priorities that our colleagues set, it is accepting those priorities, but it is saying we are going to ask the bureaucracies at every level to find an extra 1.9-percent worth of fat in their budget, and I do not think there is a small business person, I do not think there is a farmer, I do not think there is a taxpayer in America who does not believe that we cannot find 1.9 percent worth of fat in every Federal bureaucracy.

That is what this amendment is about. It is about keeping our word, it is about doing our work every single year and not saying manana, next year, next 3 years from now, then we are going to balance the budget.

This is hard work, but the American taxpayers and the American families did not send us here to do what was easy. They sent us here to do what was hard; 1.9 percent is not too much to ask. It is about preserving the American dream for our kids. It is an important amendment. I would request a ''yes'' vote.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself the remainder of the time.

I say to my friend from Minnesota we are doing what is hard. A 1.9 percent cut is a coward's way out. it is an easy way to do it. Oh, we just slash across the board. We do not care what happens, who gets hurt, who falls. The Committee has been doing the hard work. What do our colleagues not understand about $513 million less this year than last year? What do our colleagues not understand about $1.2 billion less than January 1995?

We are on the glide slope to a balanced budget. It fits in with our budget resolution. We have a plan. We are trying to get there. And I resent the idea that someone who has not put in any work on this committee, knows nothing about the hours and hours of negotiations that have taken place, comes up and says are not doing our job.

It is about time that we realized what we are doing here and quit this self-flagellation. We are headed toward a balanced budget. We have a budget resolution that will get us there. The Committee on Appropriations is spending the money or cutting back on the spending of the money in order to fit in with that budget resolution which will get us there over a period of time, in 6 or 7 years. We are not going at it willy-nilly. We are trying to use some responsibility in the way we go about it. We are trying to downsize government. We are. We cut out over 200 programs. We will continue to cut more.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I would like to comment just briefly.

I tell my friend from Minnesota this is the easy work: 1.9 percent across the board is not a hard lift. What is a hard lift is telling people, ''You're not going to get as much money next year in Social Security or Federal retirement or on Medicare or Medicaid.'' I understand that. We have had that debate.

That is the hard business. Why? Because, I tell my friend from Minnesota, we are spending less and less and less on discretionary spending in America every year.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GUTKNECHT. Mr. Chairman, I demanded a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] will be postponed.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. KAPTUR: Page 119, insert the following after line 8:

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 801. None of the funds made available in this Act for the United States Customs Service may be used to make, issue, prescribe, take, implement, administer, or enforce any determination, finding, rule, order, policy, or other action relating to trade relations between the United States and the People's Republic of China when it is made known to the Federal official having authority to obligate or expend such funds that such determination, finding, rule, order, policy, or other action has the effect of allowing imports into the United States of products of the People's Republic of China that were mined, produced, or manufactured with the use of prison, slave, or child labor.

Mr. HOYER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Maryland reserves a point of order.

Pursuant to the order of the House of Tuesday, July 16, 1996, the gentlewoman from Ohio [Ms. KAPTUR] will be recognized for 5 minutes, and a Member in opposition to the amendment will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, our amendment simply states that no funds made available to the United States Customs Service may be used to allow the importation of Chinese goods into the United States that were made with the use of prison, slave or child labor.

Now, under a previous memorandum of understanding signed in August 1992 between the United States and the People's Republic of China along with the statement of cooperation signed then 2 years later in 1994, the United States Customs Department is already directed to monitor and ban the importation of such goods, but we know that there is convincing evidence that the United States Customs Service has not been doing so and not following the law.

Now, this amendment is very important because it reiterates the commitment of this Congress not to allow the importation into this marketplace of goods made with child, prison, or slave labor. We know that in China 5 to 50 million children are currently working under slave labor conditions in horrendous sweatshops. We also know that 80 to 90 percent of convicts in China are placed in forced labor conditions in Laogai prison camps in the name of reeducation through labor, and there are plenty of publications available that describe what happens. In fact, some of our Members on both sides of the aisle have gone into these camps, even returning here at home with those gum shoes and other products that are sold into this marketplace which should not even be allowed over our borders.

We know the latest Amnesty International report on China redocuments the fact that the government treats its own people with contempt, and in regard to prison labor we know that the Chinese Government and prison authorities have knowingly, knowingly sought to evade China's commitment to the two agreements we as a Nation signed with them. In fact, in our own State Department's 1995 country report on human rights practices it is stated, and I quote directly:

Repeated delays in arranging prison labor site visits called into question Chinese intentions regarding China's commitments.

Now, under our laws the United States Customs Department is already directed to monitor and enforce the prohibition of Chinese goods made under those specific conditions. There may be some questions with the reservation that was asked for, but I hope will be suspended when this is complete, that any impact on funds directed to the U.S. Customs Department and subsequent revenue collection activities would only be impacted under this amendment if there is evidence that Chinese goods made under these conditions are still being allowed into our marketplace.

At present there is ostensibly no tariff revenue collected on Chinese goods made under these conditions because ostensibly the United States Customs Department should be complying with United States law.

Now, let me add there are other points here, other egregious examples of where our United States-China trade relationship is off on the wrong foot and really fails to protect our national interests, and these are so compelling and so indisputable and so vital to address I wish there were a way to do it under this measure. But we are narrowly focusing our attention on just those goods made under those three conditions that we do not want into this country.

But let me mention that we have a growing trade deficit with China, this year over $40 billion a year, lost jobs in this marketplace, lost revenues to our treasury and lost business to our exporters and manufacturers partly due to the lack of reciprocity between this market and the Chinese market where, under China MFN, we give China a 2-percent tariff advantage in our marketplace. They only have to pay 2 percent for their goods come in here. Yet they charge us 40-percent tariff rates on a whole range of products which I will be submitting to the record as evidence here. And also the dual exchange rate system that they operate that truly disadvantages our exporters and acts as a $15 billion tax in the form of tariffs due to this exchange rate differential on our manufacturers exporting into that market. And I will be submitting that evidence for the record of this very lopsided trading relationship that effectively discriminates severely against U.S. interests.

But in terms of this amendment there can be no question that through China's use of prison, slave, and child labor they should not be able to make goods that then find their way into this marketplace, and it is the obligation of the United States Customs Service to enforce the laws of this country.

Mr. Chairman, I submit the following information for the RECORD:

TABLE A3.1: AVERAGE TARIFF LEVELS

[In percent]

HS Chapter	Trade weighted	Unweighted
0	34.7	44.4
1	24.8	42.7
2	18.8	27.4
3	18.6	40.1
4	23.2	35.1
5	60.1	66.2
6	71.1	79.9
7	18.9	27.6
8	32.2	34.1
9	42.6	48.9
Total	31.9	42.8

Note:—These trade weighted tariff levels have been estimated using first quarter import data for 1992 at the six-digit HS level, and information on tariff rates at the nine-digit level of disaggregation, both provided by the Customs Directorate.

Source: Chinese Customs Directorate and staff estimates.

TABLE A3.2: CHINA AVERAGE TARIFF RATES

[By SITC 2-digit codes]

Line number	SITC Rev 2, 2 digit	Simple avg. tariff rate	Weighted avg. tariff rate	Difference simple-weighted
1	0	0.00	0.00	0.0
2	1	54.62	50.46	4.2
3	2	57.18	31.43	25.8
4	3	38.88	32.36	6.5
5	4	36.86	6.96	29.9
6	5	53.12	45.17	7.9
7	6	52.14	39.95	12.2
8	7	44.54	48.01	−3.5
9	8	22.33	6.84	15.5
10	9	65.40	73.15	−7.8
11	11	126.25	88.48	37.8
12	12	116.67	143.44	−26.8
13	21	36.53	15.69	20.8
14	22	46.56	50.15	−3.6
15	23	22.06	26.94	−4.9
16	24	11.84	14.96	−3.1
17	25	2.00	2.00	0.0
18	26	31.80	27.62	4.2
19	27	27.21	18.95	8.3
20	28	6.32	4.76	1.6
21	29	35.29	30.99	4.3
22	32	15.00	15.00	0.0
23	33	18.37	10.64	7.7
24	34	30.00	59.00	−29.0
25	41	41.25	36.17	5.1
26	42	29.12	25.83	3.3
27	43	46.00	45.35	0.7
28	51	19.59	18.71	0.9
29	52	21.26	21.51	−0.3
30	53	31.54	31.51	0.0
31	54	22.37	31.06	−8.7
32	55	85.35	50.22	35.1
33	56	5.38	5.05	0.3
34	57	39.33	30.15	9.2
35	58	33.37	32.09	1.3
36	59	30.38	32.62	−2.2
37	61	47.95	27.85	20.1
38	62	36.53	35.87	0.7
39	63	31.50	22.05	9.5
40	64	36.66	34.27	2.4
41	65	70.73	66.17	4.6
42	66	44.79	28.74	16.1
43	67	14.97	13.45	1.5

TABLE A3.3A: CHINA: STRUCTURE OF PRODUCTION, IMPORTS AND EXPORTS

[By two-digit SITC (revision 2) category, 1985]

Serial No.	SITC 2 code	Label	GVIO 1985 (Current) (Y mil.)	GVIO 1985 (Current) ($ mil.)	Imports 1985 (Current) ($ mil.)	Exports 1985 (Current) ($ mil.)	Share of GVIO 1985 (% total)	Imports/ GVIO (%)	Exports/ GVIO (%)
	0	Live animals, chiefly for food							
1	1	Meat and preparations	11,577	3,942	6.3	431.1	1.4	0.2	10.9
2	2	Dairy products, birds' eggs	1,179	402	29.1	53.1	0.1	7.2	13.2
3	3	Fish and preparations	1,067	363	41.3	267.9	0.1	11.4	73.8
4	4	Cercals and preparations	26,443	9,004	902.7	1007.5	3.3	10.0	11.2
5	5	Vegetables and fruit	4,011	1,366	47.5	781.6	0.5	3.5	57.2
6	6	Sugar and preps, honey	8,119	2,765	263.1	74.1	1.0	9.5	2.7
7	7	Coffee, tea, cocoa, spices	3,407	1,160	38.5	484.7	0.4	3.3	35.7
8	8	Feeding stuff for animals	2,487	847	78.7	224.6	0.3	9.3	26.5
9	9	Misc. edible products	2,253	767	21.4	62.0	0.3	2.8	8.1
10	11	Beverages	13,713	4,669	20.2	67.5	1.7	0.4	1.4
11	12	Tobacco and manufactures	20,226	6,887	173.3	32.9	2.5	2.5	0.5
	21	Oilseeds and oleaginous fruit							
	22	Hides, skins, furskins							
12	23	Rubber, crude	371	126	205.5	3.5	0.0	162.5	2.8
13	24	Cork and wood	8,069	2,748	812.5	8.9	1.0	29.6	0.3
14	25	Pulp and waste paper	58	20	208.8	0.2	0.0	1056.8	1.2
15	26	Textile fibers and waste	18,589	6,330	1,031.8	1,076.6	2.3	16.3	17.0
16	27	Crude fertilizer, minerals nes	5,173	1,762	51.4	250.3	0.6	2.9	14.2
17	28	Metalliferous ores, scrap	3,640	1,239	520.7	214.8	0.4	42.0	17.3
18	29	Crude animal, veg. mat nes	4,662	1,588	91.4	377.0	0.6	5.8	23.7
19	32	Coal, coke and briquettes	24,393	8,306	59.7	328.4	3.0	0.7	4.0
20	33	Petroleum and products	45,980	15,657	46.4	6,300.5	5.7	0.3	40.2
21	34	Gas, natural and manufactured	1,556	530	1.9	3.1	0.2	0.4	0.6
22	35	Electric current	29,195	9,941	53.9	2.6	3.6	0.5	0.0
23	41	Animal oils and fats							
24	42	Fixed vegetable oil, fat	6,813	2,320	83.4	125.5	0.8	3.6	5.4
25	43	Processed animal veg oil, etc.	197	67	2.8	0.9	0.0	4.1	1.4
26	51	Organic chemicals	8,974	3,056	648.9	291.7	1.1	21.2	9.5
27	52	Inorganic chemicals	9,067	3,088	298.5	270.3	1.1	9.7	8.8
28	53	Dyes, tanning, color prod	6,198	2,110	131.2	72.7	0.8	6.2	3.4
29	54	Medicinal, pharm. products	8,078	2,751	96.1	280.8	1.0	3.5	10.2
30	55	Perfume, cleaning, etc., prd	5,612	1,911	24.1	103.5	0.7	1.3	5.4
31	56	Fertilizers, manufactured	13,223	4,503	1,375.6	1.7	1.6	30.5	0.0
32	57	Explosives, pyrotech prod	832	283	1.4	106.0	0.1	0.5	37.4
33	58	Plastic materials, etc.	11,705	3,986	1,346.4	39.1	1.4	33.8	1.0
34	59	Chemical materials nes	7,446	2,536	236.3	114.8	0.9	9.3	4.5
35	61	Lather, dressed fur, etc.	4,037	1,375	135.6	42.1	0.5	9.9	3.1
36	62	Rubber manufactures nes	10,646	3,625	14.1	48.7	1.3	0.4	1.3
37	63	Wood, cork manufactures nes	2,639	898	244.5	23.9	0.3	27.2	2.7
38	64	Paper, paperboard and mfr	15,989	5,444	407.2	142.1	2.0	7.5	2.6
39	65	Textile yarn, fabrics, etc.	97,651	33,252	1,502.3	3.051.7	12.0	4.5	9.2
40	66	Nonmetal mineral mfs nes	41,542	14,146	308.3	213.1	5.1	2.2	1.5
41	67	Iron and steel	55,054	18,747	6,650.0	110.3	6.8	35.5	0.6
42	68	Nonferrous metals	20,220	6,885	1,532.7	193.6	2.5	22.3	2.8
43	69	Metal manufactures nes	21,021	7,158	328.5	400.0	2.6	4.6	5.6
44	71	Power generating equipment	15,154	5,160	302.0	46.3	1.9	5.9	0.9
45	72	Machs for special industries	26.965	9,182	4,902.6	142.6	3.3	53.4	1.6
46	73	Metalworking machinery	11,634	3,962	287.8	27.1	1.4	7.3	0.7
47	74	General industrial machinery nes	18,933	6,447	980.6	47.9	2.3	15.2	0.7
48	75	Office machines, adp. equipment	1,532	522	956.6	9.8	0.2	183.4	1.9
49	76	Telecomm, sound equipment	13,803	4,700	2,389.5	85.8	1.7	50.8	1.8
50	77	Electric machinery nes, etc.	36,746	12,513	1,249.4	111.4	4.5	10.9	0.9
51	78	Road vehicles	29,775	10.139	3,063.0	54.5	3.7	30.2	0.5
52	79	Other transport equipment	7,830	2,666	1,366.7	193.3	1.0	51.3	7.3
53	81	Plumbing, heating, lighting equipment	1,625	553	35.6	35.2	0.2	6.4	6.4
54	82	Furniture, parts thereof	4,735	1,612	32.7	85.3	0.6	2.0	5.3
55	83	Travel goods, handbags	860	293	2.5	79.0	0.1	0.9	27.0
56	84	Clothing and accessories	16,301	5,551	13.8	1935.9	2.0	0.2	34.9
57	85	Footwear	9,801	3,337	7.0	242.3	1.2	0.2	7.3
58	87	Precision instruments nes	7,068	2,407	835.8	31.8	0.9	34.7	1.3
59	88	Photo equ. optical goods, etc.	3,950	1,345	371.0	60.3	0.5	27.6	4.5
	89	Misc manufactured goods nes	21,640	7,369	500.1	813.9	2.7	6.8	11.0
	95	Not classified elsewhere	21,640	7,369	500.1	813.9	2.7	6.8	11.0
	97	Not classified elsewhere							
		Total	811,463	811,463	37,371.2	21,619.0	100.0		

Source: China Statistical Yearbook, 1991 p. 360 for 1990 data on GVIO, NVIO; China Industrial Census for 1985 date.

TABLE A2.8: TRENDS IN EXCHANGE RATES

Year-quarter	Offical exchange rate (Yuan/$)	Secondary market rate (Yuan/$)	Weighted exchange rate for exports (Yuan/$)	Real effective exchange rate (official) 1980=10	Real effective exchange rate (secondary market) (1980=10)	Nominal effective exchange rate (official) 1980=10	Nominal effective exchange rate (secondary market) 1980=10
1987–I	3.72	5.25	4.39	4.05	2.87	5.41	3.84
1987–II	3.72	5.3	4.42	3.96	2.78	5.31	3.73
1987–III	3.72	5.46	4.49	4.07	2.78	5.44	3.71
1987–IV	3.72	5.61	4.55	3.97	2.78	5.24	3.48
1988–I	3.72	5.7	4.59	3.97	2.64	5.17	3.38
1988–II	3.72	6.3	4.86	4.13	2.59	5.23	3.09
1988–III	3.72	6.6	4.99	4.67	2.44	5.60	3.16
1988–IV	3.72	6.65	5.01	4.72	2.63	5.48	3.07
1989–I	3.72	6.65	5.01	4.95	2.64	5.67	3.17
1989–II	3.72	6.6	4.99	5.23	2.77	6.06	3.42
1989–III	3.72	6.55	4.97	5.24	2.95	6.36	3.61
1989–IV	3.89	5.9	4.77	4.86	2.98	6.16	4.07
1990–I	4.72	5.91	5.24	3.93	3.21	5.26	4.20
1990–II	4.72	5.81	5.20	3.96	3.14	5.45	4.43
1990–III	4.72	5.8	5.20	3.70	3.22	5.27	4.39
1990–IV	4.97	5.7	5.29	3.33	3.08	4.84	4.24
1991–I	5.22	5.8	5.68	3.19	2.92	4.75	4.33
1991–II	5.31	5.84	5.73	3.33	2.91	4.95	4.33
1991–III	5.36	5.87	5.77	3.30	3.03	4.93	4.51
1991–IV	5.39	5.87	5.77	3.15	3.02	4.79	4.36
1992–I	5.46	5.95	5.85	3.12	2.87	4.80	4.37
1992–II	5.5	6.25	6.10	3.13	2.75	4.84	4.26
1992–III	5.5	7	6.70	3.07	2.46	4.76	3.81
1993–I	5.73	8.41	7.87	3.16	3.17	4.88	3.35

Source: International Monetary Fund and Staff Estimates.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

Mr. HOYER. Yes, Mr. Chairman, I reserved the point of order, and may I be recognized under my reservation?

The CHAIRMAN. The gentleman from Maryland wishes to pursue his point of order and is recognized.

Mr. HOYER. Mr. Chairman, previously on another amendment, the Solomon amendment, I raised the issue with respect to these, quote, ''made known'' amendments. Members are offering these made known amendments so that they comply with the rules. It is understandable.

In this case I strongly agree with the gentlewoman from Ohio [Ms. KAPTUR], as she knows, and I have been very concerned about the practices of countries around the world, and specifically, of course, the People's Republic of China.

However, the reason I reserved the point of order is to again make the point to the Members of the House to look at the language of this made known amendment: None of the funds made available in this act for the U.S. Custom Service may be used to make, issue, prescribe, take, implement, administer or enforce any determination, finding, rule, order, policy or other action relating to trade relations between the United States and the People's Republic of China when it is made known to the Federal official.

Now, here we do not even know which Federal official it is.

When it is made known to the Federal official having authority to obligate or expend such funds that such determination, finding, rule, order policy or other action has the effect of allowing imports into the United States of products of the People's Republic of China that were mined, produced or manufactured with the use of prison slave or child labor.

I agree with that sentiment.

□ 1445

But let me suggest to the Members what it requires the Federal officials to do. The Federal official, first of all, has to make a determination—was it manufactured, mined, produced with prison, slave, or child labor? So the Federal official must do that, presumably, unless he simply or she simply takes at face value the representation of anybody, because the made-known amendments do not specify who it is, of anybody who calls up and says to that Federal official: Hey, guess what, your rule, regulation, or policy has the effect of accepting goods from China which are produced by slave or child labor.

There is a problem with these made-known amendments. Is the Federal official to simply take that at face value no matter who picks up the phone and calls or writes? A competitor? Somebody who wants to undermine trade? Somebody who wants to attack the importer? Somebody who wants to attack the exporter in China? Who knows what the motivation might be of the party making known.

I urge the Chair, I urge those making this determination to carefully consider the premise underlying the making in order of these amendments. I would say to the chairman, who is a distinguished member of the Committee on Rules and a leader on his side of the aisle and in this House on rules changes, that we need to carefully review what we are generating in this House, not as it relates to the substance of either the amendment offered by the gentlewoman from Ohio [Ms. KAPTUR] or the gentleman from New York [Mr. SOLOMON], but in terms of what we are getting ourselves into in terms of a policy of telling to our Federal officials who are responsible for carrying out their duties and responsibilities. We are suggesting if somebody calls you up and makes it known to you, you cannot spend any money and you cannot pursue the objectives.

I suggest that makes no sense. Therefore, I again respectfully suggest that the underlying rationale of the sustaining of this kind of amendment as consistent with the rules ought to be overturned.

The CHAIRMAN. The Chair appreciates the recommendation of the gentleman from Maryland.

Mr. KOLBE. Mr. Chairman, I also rise on a point of order, a different point of order.

I make a point of order against the amendment on the grounds that it cites clause 5(b) of rule XXI of the House, and ask that I be heard.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] is recognized on the point of order.

Mr. KOLBE. Mr. Chairman, clause 5(b) of rule XXI states that no amendment that includes a tax or a tariff measure may be considered in the House of Representatives to a bill that is reported from any committee that does not have jurisdiction.

This amendment clearly contains a tariff measure. It is a tariff measure in the form of prohibiting the use of funds in the bill to enforce policies, regulations, rules, relating to trade relations between the United States and the People's Republic of China.

The primary role of the Customs Service in regulating trade relations with China, in fact almost its only one, is to collect customs duties on imports from China. Therefore, this amendment has a direct and inevitable, let me repeat, inevitable effect on tariff revenues.

To be somewhat more specific, first, Customs is the only Government agency directly responsible for collecting tariffs on imported products. Nobody else can do that. Second, the only source of funding for the Customs Service is through the appropriation bill. That is the act we are considering here today.

Third, the United States currently engages in trade with China that involves dutiable goods. Nobody contests that.

Fourth, the operation of this amendment would clearly affect and in some way would arrest the flow of goods. That is, when the Customs Service becomes aware of any imports from China of products using prison, slave, or child labor, even though they have no legal authority, perhaps, to deny them entry into the United States, when they become aware of it, then all funding relating to trade relations between the United States and China would cease. That means Customs has no ability, no funding, therefore no ability, to collect tariff revenues which are now being collected under current law due on the importation of goods that come from the People's Republic of China.

That is why I would argue, Mr. Chairman, that this amendment has an inevitable, a direct, and irrefutable effect on revenues. Therefore, consequently, the amendment is a tariff measure subject to a point of order made under rule XXI, clause 5(b). In light of the fact the measure was not reported by the Committee on Ways and Means, which has jurisdiction on tariff measures, I believe this point of order applies, and I would urge the Chair to sustain the point of order.

The CHAIRMAN. Are there any Members who wish to be heard in opposition to either the point of order of the gentleman from Maryland [Mr. HOYER] or the point of order of the gentleman from Arizona [Mr. KOLBE]?

Ms. KAPTUR. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I listened carefully to the gentleman's argument, Mr. Chairman, on the point of order. I must point out that the section that the gentleman refers to, I think, rule XXI, clause 5(b), this particular amendment that we are offering, which is not the one that was listed in the Congressional Digest this morning, is a different amendment.

The reason that this does not violate that rule is simply because there is ostensibly no tariff revenue collected on these Chinese goods made under these conditions because the U.S. Customs Department should be complying with the law. In other words, these goods should not be coming over our shores, and, therefore, revenues should not be being collected on them.

So this particular amendment is revenue-neutral, unlike, perhaps, another amendment that was being contemplated which might have been proper to raise a point of order against yesterday. This is a different amendment. Therefore, it does not have any revenue impact. It does not violate any jurisdiction of any other committee in this Chamber. It merely asks the Customs Service to enforce the laws that we have placed on them, but it does not have any revenue impact.

Mr. KOLBE. Mr. Chairman, I would like to speak on the point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona.

Mr. KOLBE. If I might respond, Mr. Chairman, I am aware that the amendment that the gentlewoman from Ohio has offered is different, considerably different, I might say, than the one that was the subject of the unanimous-consent agreement yesterday.

However, the point of order that I made was made against that amendment that was offered here today, not against the one that was being offered yesterday. I believe my point of order still applies, most particularly because prison slave and child labor are undefined here. Therefore, child labor is not subject to the legislation which the gentlewoman referred to.

Therefore, if the simple statement is made, as the gentleman from Maryland [Mr. HOYER] pointed out earlier that something is subject to this, then it would be made known, and therefore all funding would cease immediately to the Customs Service for its work in China. Therefore that would have an effect on tariffs.

It is inevitable. It must have an effect. That is the whole point of the gentlewoman's amendment, to have that kind of effect. Therefore, it would have that effect. It has not been reported by the Committee on Ways and Means, and rule XXI clause 5(b) does apply.

The CHAIRMAN. Does the gentlewoman from Ohio [Ms. KAPTUR] wish to be heard further on the point of order?

Ms. KAPTUR. Yes, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I just wanted to take a few seconds to say that if the Chair were to sustain the gentleman's point of order, it would mean that in that act, the Chair sanctions illegal goods coming into the United States with revenue being collected on those goods against the intent of our law. It would also mean that the U.S. Customs Service is breaking the law.

Finally, it would mean that the question for the Member making the point of order is, what illegal goods are coming in and how much revenue is being collected? It is aimed at enforcing current law, which is well-defined in terms of prison labor, child labor, and slave labor. It is merely meant to send a very strong signal to the customs agency that it is time to enforce the laws on the books and the two memoranda of understanding and statements of cooperation with China.

The CHAIRMAN. The Chair would inquire of the gentleman from Maryland [Mr. HOYER] if he insists on his point of order.

Mr. HOYER. No, Mr. Chairman. I withdraw my point of order.

The CHAIRMAN. The Chair is prepared to rule on the point of order that has been propounded by the gentleman from Arizona [Mr. KOLBE].

The gentleman from Arizona makes a point of order that the amendment offered by the gentlewoman from Ohio violates clause 5(b) of rule XXI prohibiting the consideration of an amendment carrying a tax or tariff measure to a bill reported by a committee not having that jurisdiction.

The amendment offered by the gentlewoman from Ohio seeks to prohibit use of funds made available by the bill for the Customs Service to take any action relating to trade relations between the United States and the People's Republic of China when it is made known to the appropriate Federal official that such action would have a specified effect.

Clause 5(b) of rule XXI provides a point of order against an amendment carrying a tax or tariff measure to a bill reported by a committee not having that jurisdiction. In determining whether a limitation on a general appropriation bill constitutes a tax or tariff measure proscribed by clause 5(b), the Chair must consider among other things whether the limitation would inevitably change revenue collections. As stated on page 655 of House Rules and Manual, the burden is on the Member making the point of order to show the inevitability of the tariff change.

The amendment offered by the gentlewoman from Ohio [Ms. KAPTUR] would cause funding for the United States Customs Service for any action, including duties, rules, and policies relating to trade relations between the United States and the People's Republic of China, to cease when certain information becomes known to the official concerned.

Taking notice of the fact that some of the dutiable goods mentioned by the gentlewoman from Ohio produced in the People's Republic of China currently enter the customs territory of the United States under existing law where tariffs are assessed by the Customs Service using funds in this bill, the Chair finds that the operation of the instant limitation would arrest the flow of certain dutiable imports. Thus, the amendment would inevitably affect revenue collections by the Customs Service.

Accordingly, the point of order is sustained. Are there further amendments?

Mr. HOYER. Mr. Chairman, I do not have a further amendment at this point in time, but I ask unanimous consent that I be allowed to enter into a colloquy with the gentleman from Iowa [Mr. LIGHTFOOT] and the gentleman from Florida [Mr. MICA].

The CHAIRMAN. Does the gentleman from Maryland [Mr. HOYER] move to strike the last word?

Mr. HOYER. No, Mr. Chairman, I ask unanimous consent to allow myself and the gentleman from Florida to enter into a colloquy with the chairman.

The CHAIRMAN. Under this request, does the gentleman from Maryland plan to control the time of debate?

Mr. HOYER. No, sir. I would think that the chairman would control time.

Mr. MICA. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman form Florida [Mr. MICA] is recognized for 5 minutes.

POINT OF ORDER

Mr. HOYER. Point of order, Mr. Chairman.

the CHAIRMAN. The gentleman will state his point of order.

Mr. HOYER. Mr. Chairman, is striking the last word in order under the unanimous-consent agreement?

The CHAIRMAN. The gentleman asked unanimous consent to strike the last word. There was no objection, and he was recognized for 5 minutes.

Mr. HOYER. Fine, Mr. Chairman.

Mr. MICA. Mr. Chairman, I would like to enter into a colloquy with the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. Chairman, I am deeply concerned about the practice of the Office of Personnel Management of turning over Federal employees' home addresses to labor organizations. This practice I believe is an egregious violation of the privacy of Federal employees.

On April 17, 1996, OPM, the Office of Personnel Management, put into effect a proposal to give bargaining unit employees home addresses to the labor unions. This was instituted despite a 1994 Supreme Court decision that held in fact that the Privacy Act prohibited unions from obtaining the home addresses of Federal employees under the Freedom of Information Act.

To get around the Supreme Court decision, OPM created what is called a routine use under the Privacy Act. Documents show that the administration lawyers developed this method of evading the Supreme Court's ruling in response to a request from the Vice President.

In light of what I consider the improper and unjustified collection of FBI files of former White House Republican staffers and the release of employees' home addresses, it appears to me that this wholesale invasion of Federal employees' privacy is now becoming the administration's policy.

Unfortunately, according to a letter sent to the president of the American Federation of Government Employees by the Director of Office of Management and Budget, Alice Rivlin, the administration in fact intends that all other agencies will be releasing the names and home addresses of bargaining unit employees.

I commend the gentleman, the chairman, for his distinguished service, the gentleman from Iowa [Mr. LIGHTFOOT], and for including in the report language in this bill language that expresses his concern about the violation of Federal employees' privacy.

However, I urge the gentleman to further address this issue in the conference committee in light of the seriousness of this practice. It may in fact

be necessary to include a statutory prohibition against this practice. I was prepared to offer an amendment today, and I am not going to do that because of the cooperation of the chairman. I would ask if he would be willing to consider proposing that statutory language be included in the conference committee.

□ 1500

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, as the gentleman is aware, I am very deeply concerned about the policy of the Clinton administration to release the home addresses of employees of the Office of Personnel Management. I have included report language that directs OPM to explain, in writing, why it failed to provide any notification to the Committee on Appropriations.

I appreciate the gentleman's concern, and shall be very pleased to further consider this issue in conference. I look forward to working with the gentleman on this very important matter.

Mr. MICA. Mr. Chairman, I thank the gentleman for his cooperation in this matter.

Mr. HOYER. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Maryland is recognized for 5 minutes.

There was no objection.

Mr. HOYER. Mr. Chairman, I would like to engage in a colloquy with the chairman of the subcommittee concerning the Internal Revenue Service.

Mr. Chairman, both the Secretary of Treasury and I believe that the funding levels provided in this bill for IRS, which are 11 percent below current spending, will adversely affect the 1997 filing season and may in some instances ultimately impede the collection of taxes. I know that this is not the chairman's intention. I also understand that the Senate has a higher spending allocation for the Treasury/Postal Subcommittee. In the event that the subcommittee receives a higher allocation when we go to conference with the Senate, can the chairman share his intentions regarding specific funding levels for IRS?

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I would like to commit to the gentleman now that my intentions are to fully fund IRS at a level that would ensure not only a successful 1997 filing season but also an efficient and modernized IRS for the future. My goal all along has been simply to get the tax systems modernization program back on track. Unfortunately, that means taking some very dramatic steps. I understand the legitimate concerns of the gentleman from Maryland and am committed to scrubbing these numbers as we move toward conference with the Senate. I would also like to point out to the gentleman it was never the intention of the committee to hinder the 1997 filing season. The amounts provided in this bill for 1997 are based on numbers given to the committee by the administration and the IRS. But I can assure the gentleman we will work together to get the right numbers, ones that are built on a solid set of assumptions and are adequately justified. I am optimistic that my distinguished ranking member will be able to join me in this effort as we negotiate our bill with the Department of the Treasury.

Mr. HOYER. I thank the chairman for his remarks. I will be pleased to work with the chairman on this very important issue. I would also appreciate a bit more clarification regarding the operational components of the tax systems modernization program. As the bill is currently written, my concern is that some programs, such as electronic filing, will come to a standstill.

What types of accommodations is the chairman willing to make as we conference this bill as it relates to the operational TSM programs?

Mr. LIGHTFOOT. If the gentleman will yield further, it is not my intent to underfund either the current computer system referred to as ''Legacy'' or the operational components of TSM. I can assure the gentleman that it is not my intention nor desire to stop successful TSM programs such as the electronic filing initiative developed by IRS. Unfortunately, IRS, has funded programs such as this together with TSM. It is my hope that IRS can give this subcommittee a solid definition of what is considered a legacy system, what is considered an operational TSM program, and what is considered a developmental TSM program. On that basis, we are prepared to fund those successful TSM programs that can be justified in the upcoming year.

Mr. HOYER. I thank the gentleman for his clarification, and I would like to work closely with the chairman on this issue as we have on so many others. I share his concerns that we need to develop a very solid and clear definition of what operational TSM is, what is developmental TSM, and what is considered a legacy system.

Mr. Chairman, I would also like to have clarified the issue of contracting out of TSM and specifically putting the responsibility for a new contract into the hands of the Department of Defense. I cannot support, as the gentleman knows, this proposal. Can the gentleman share with me his intention as it relates to this issue?

Mr. LIGHTFOOT. If the gentleman will yield further, I understand my colleague's concerns on this issue. We have very carefully listened to these points, as we discussed this in subcommittee and full committee. My point here is very simple. I am firmly committed to taking IRS out of the business of writing this very large contract. Quite frankly, I have not been convinced IRS is capable of managing a contract of this size. There is simply too much evidence to the contrary to ignore. Having said that, as I said in my opening statement, I invite Treasury to the table to begin negotiations with me on who should have responsibility for the contract. I am not wedded to this contract going to DOD. Again, I have listened to the gentleman's concerns. I believe that they are very legitimate. I am very clearly willing to negotiate on this point, but there is one point that I will not negotiate, and that is simply this: The IRS is out of the business of TSM contracting.

Mr. HOYER. I thank the chairman for that clarification.

Mr. Chairman, I have one final point that needs clarification. The bill requires the IRS maintain taxpayer services at 1995 levels. I am concerned that this provision will require IRS to reopen walk-in taxpayer service centers rather than allow IRS to rely on more cost-effective telephone service. Can the gentleman clarify his intent on this provision?

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

(On request of Mr. LIGHTFOOT, and by unanimous consent, Mr. HOYER was allowed to proceed for 5 additional minutes.)

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I can assure the gentleman that this provision was carefully written so the IRS can apply it in the broadest way possible. In other words, should IRS feel it is better to provide taxpayer assistance through the telephone, they would simply be able to do so. The only point of this provision is to assure that taxpayers receive the same level of service that they did in 1995.

Mr. HOYER. I thank the gentleman for those comments. I share many of the chairman's concerns as it relates to TSM as he knows, and we have worked together to make those concerns known to the Treasury Department and to the Internal Revenue Service. I believe we must take strong action to be sure this program is ultimately successful and gives us a tax administration system that is efficient and effective. I am committed to working with the chairman on these and other important issues as we move to conference with the Senate. Again I would reiterate my thanks to the chairman for these clarifications.

The CHAIRMAN. Are there further amendments to the bill?

Mr. HOYER. Mr. Chairman, I ask unanimous consent that in lieu of offering the last amendment I have listed that I be allowed to address the House for up to 10 minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, let me start by commenting, as I have in the past, that all too often the American public sees on the floor of this House through C–SPAN or through other means the Members fighting in a way that appears that they are not at all conversing or trying to work constructively toward solving the problems that confront this country.

One of the happy instances of my service in the House of Representatives is to serve both as chairman, with the gentleman from Iowa as ranking member, and now as ranking member with the gentleman from Iowa [Mr. LIGHTFOOT] as the chairman.

He is a constructive, positive participant in the legislative process. He is a man that tries to make common sense and to serve his constituents and the people of America as best he can. We have from time to time serious disagreements, and the happy news is that we have those disagreements as friends. I would hope that more Americans could see that happening so that they would have more confidence in their elected officials and in the process which sometimes they come to be frustrated with and lose faith in.

Mr. Chairman, I rise because the chairman and I have had a significant disagreement, but in a constructive way. We have just had a colloquy which clearly indicates that the chairman and I are going to be working together to try to bridge those differences, to ensure the proper operations of the offices under our responsibility.

The chairman and I have agreed on the law enforcement components and, very frankly, I think if we had more money, we would in some ways want to further enhance the law enforcement capabilities of the Treasury Department's law enforcement agencies. They do a critically important job, and I congratulate the chairman for his efforts in that regard.

Mr. Chairman, as I raised in my opening statement, and I want to reiterate, I will be opposing this bill, notwithstanding the fact that I expect to work constructively with the chairman as we go to conference and in conference to hopefully bring a bill back to the House that we can both support and feel comfortable with.

Mr. Chairman, I have referred to a number of items, but in closing this debate in opposition to the passage of this bill, let me raise some specific concerns again to remind the Members why I believe this bill does not do what it ought to do.

First of all, I refer again to the letter of the Committee on Ways and means. I refer to the committee's letter because it comes from the Republican chairman, the chairman is of the majority party, the gentleman from Texas [Mr. ARCHER].

Quite obviously, I want to make sure that folks know that there is a legitimate policy difference here, not simply a political difference. There may be political difference. There may be political differences but there is a genuine policy difference that is being discussed. That policy difference is whether this bill provides sufficient resources to allow the Internal Revenue Service to collect fairly and properly the revenues due under the existing tax system and provide the funds both to reduce the deficit and to fund very critical services.

I see the chairman of the committee on Veterans' Affairs here. He cares deeply, as I do, about making sure that veterans' services, which we owe them and want to give them for their service to the country, are funded properly. If IRS does not collect any moneys, I tell my friend from Arizona [Mr. STUMP], he will not nor will I have any money to support those objectives.

Mr. Chairman, I have constructed a chart here to incorporate the letter of June 26, and I want to refer to three of its comments, because again in a bipartisan way, the gentleman from Texas [Mr. ARCHER], the Republican chairman of the Committee on Ways and Means, which as all the Members know, oversees the IRS and has the responsibility to make sure IRS is doing the proper thing, as we do on the Committee on Appropriations, but our particular responsibility is to fund those services.

In the letter, the gentleman from Texas [Mr. ARCHER] says this: However, contrary to the assertion in the subcommittee's report that, ''within the funds provided, the IRS should be able to accomplish its mission.''

That was clearly the premise of the subcommittee because the chairman and the staff want to make sure the IRS can do its duties. But there is a significant disagreement. The gentleman from Texas [Mr. ARCHER] says, ''We are very concerned that the funding levels in the subcommittee's mark will seriously impair the IRS's ability to perform its core responsibilities.''

I tell my friends in the majority party, that is not some Democrat that is just an apologist for Government. The gentleman from Texas [Mr. ARCHER] is not known as that. He is a responsible American who is chairman of a committee who says that he is concerned because their core responsibilities are important to all the people of America.

The letter goes on to say, again signed by the gentleman from Texas, Mr. ARCHER and NANCY JOHNSON, the majority party's Chair of the Oversight Subcommittee, ''We are very concerned that the cuts proposed in funding for IRS Information Systems will seriously endanger the IRS's ability to perform its most important functions.''

Again, they are saying you have not just cut the flesh, not just the muscle, you are down to bone in terms of the appropriate carrying out of the responsibilities. We ''will seriously endanger the IRS's ability to perform its most important functions, the timely processing of tax returns,'' and every American wants their tax return timely processed. Why? Because if they are due a refund, they want it as quickly as possible.

The gentleman from Texas [Mr. ARCHER], the chairman, is saying, we are putting that at risk in this bill.

He goes on to say, ''And the collection of taxes impose a collateral risk of impairing the IRS's ability to provide efficient customer services to the Nation's taxpayers.''

☐ 1515

There is not a Member here that wants to, as is the fear of the gentleman from Texas [Mr. ARCHER], undermine the efficient customer service to the Nation's taxpayers.

Let me refer to one additional item that the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON], as well as the gentleman from Florida [Mr. GIBBONS] and the gentleman from California [Mr. MATSUI], raise a concern about. We are also very concerned that some of the proposed budget cuts create a very significant risk. Hear me, my friends, hear the gentleman from Texas [Mr. ARCHER].

The gentleman from Minnesota raised the issue about the deficit. The gentleman and I agree on that. Listen to what the gentleman from Texas [Mr. ARCHER], not the Democrats, the gentleman from Texas, who I would think the gentleman from Minnesota agrees is equally, if not more, concerned about the budget deficit than I am. He is certainly equally concerned. We are very concerned that some of the proposed budget cuts create a very significant risk that substantial Federal revenues could be lost, thereby exacerbating the Federal budget deficit problems. That is the gentleman from Texas, Mr. ARCHER, talking, not the gentleman from Maryland, STENY HOYER. We have a serious responsibility to be honest with the American public, and we need to stand and say yes, we want to save money. As I have said before, I voted for a balanced budget amendment on two or three or four occasions and believe in it and continue to support it because we need to bring down the deficit.

The good news in America today is that under President Clinton and the previous Congress and this Congress, we have brought the budget deficit down 4 years in a row. If you look at the graph, it is at its lowest point since it was since 1980, 15 years ago, and it is on a downward slope, and it is the first time, Mr. Chairman, that we have brought the deficit down 4 years in a row in this century. In 91 previous years, 92 previous years, we had not accomplished that objective. In 1993, 1994 and 1996, we brought the deficit down 4 years in a row. We are on the right track.

But what does the gentleman from Texas, [Mr. ARCHER] say? The gentleman from Texas [Mr. ARCHER] says,

and the committee's leadership on both sides of the aisle agrees, we are concerned that the proposed budget cuts create a very significant risk that the budget deficit reduction effort will be undermined. Vote against this bill. Vote for deficit reduction and sound fiscal policies.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 475, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: the amendment offered by the gentleman from Maryland [Mr. HOYER]; the amendment offered by the gentleman from New York [Mr. SOLOMON]; and the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. HOYER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Maryland [Mr. HOYER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 238, not voting 11, as follows:

[Roll No. 320]

AYES—184

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Berman
Bishop
Blumenauer
Boehlert
Bonilla
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Chapman
Clay
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Cramer
Cummings
Davis
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Ehrlich
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Klug
Kolbe
Lantos
Lazio
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McInnis
McKinney
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (FL)
Minge
Mink
Molinari
Moran
Morella
Nadler
Neal
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Pryce
Rangel
Reed
Richardson
Rivers
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Spratt
Stark
Stokes
Studds
Tanner
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
White
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zeliff
Zimmer

NOES—238

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonior
Bono
Borski
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
English
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Forbes
Fowler
Fox
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Mascara
McCollum
McCrery
McHale
McHugh
McIntosh
McKeon
McNulty
Metcalf
Mica
Moakley
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Upton
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Young (AK)

NOT VOTING—11

Clayton
de la Garza
Ford
Gibbons
Hall (OH)
Lincoln
McDade
Miller (CA)
Slaughter
Wolf
Young (FL)

☐ 1538

Mr. KILDEE and Mr. POMBO changed their vote from ''aye'' to ''no.''

Mr. CUMMINGS, Mr. VENTO, and Mrs. KELLY changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SOLOMON

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] on which further proceedings were postponed, and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 107, noes 312, answered ''present'' 4, not voting 10, as follows:

[Roll No. 321]

AYES—107

Allard
Archer
Bateman
Bilbray
Bliley
Boehlert
Bryant (TX)
Burton
Callahan
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Condit
Costello
Crane
Cunningham
Deal
Diaz-Balart
Dingell
Doyle
Ehlers
Ensign
Evans
Ewing
Fawell
Fazio
Forbes
Franks (NJ)
Frisa
Ganske
Gejdenson
Gephardt
Gilchrest
Gillmor
Hastings (WA)
Hayes
Hayworth
Hefley
Hinchey
Holden
Horn
Hunter
Jones
Kanjorski
Kennelly
Kildee
Kim
Kingston
Klink
Leach
Lewis (CA)
Lipinski
Livingston
LoBiondo
Longley
Markey
Martini
Mascara
McCrery
McHale
McHugh
McNulty
Menendez
Metcalf
Mica
Mollohan
Montgomery
Neal
Ney
Norwood
Oberstar
Obey
Packard
Pallone
Paxon
Pomeroy
Porter
Poshard
Quillen
Quinn
Rahall
Reed
Rivers
Ros-Lehtinen
Sanders
Sanford
Saxton
Schaefer
Schumer
Sensenbrenner
Shuster
Smith (NJ)
Solomon
Stearns
Stockman
Tanner
Tate
Tauzin
Thurman
Upton
Volkmer
Walsh
Weldon (PA)
Weller
Zimmer

NOES—312

Abercrombie
Ackerman
Andrews
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Blumenauer
Blute
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Buyer
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Clay
Clayton
Clement
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)
Combest
Conyers
Cooley
Cox
Coyne
Cramer
Crapo
Cremeans
Cubin
Cummings
Danner
Davis
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards
Ehrlich
Engel
English
Eshoo
Everett
Farr
Fattah
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Fowler
Fox
Frank (MA)
Franks (CT)
Frelinghuysen
Frost
Funderburk
Furse
Gallegly
Gekas
Geren
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hefner
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
King
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martinez
Matsui
McCarthy
McCollum
McDermott
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Meyers
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Molinari
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Nussle
Olver
Ortiz
Orton
Owens
Oxley
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Portman
Pryce
Radanovich
Ramstad
Rangel
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sawyer
Scarborough
Schiff
Schroeder
Scott
Seastrand
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stark
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Vucanovich
Walker
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
White
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Zeliff

ANSWERED ''PRESENT''—4

Bilirakis
LaHood
Myers
Traficant

NOT VOTING—10

de la Garza
Ford
Gibbons
Hall (OH)
Lincoln
McDade
Miller (CA)
Slaughter
Wolf
Young (FL)

□ 1549

Messrs. GRAHAM, GREENWOOD, WAMP, and WHITFIELD changed their vote from ''aye'' to ''no.''

Mr. CHRISTENSEN changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT, AS MODIFIED, OFFERED BY MR. GUTKNECHT

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentleman from Minnesota [Mr. GUTKNECHT] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 150, noes, 268, not voting 15, as follows:

[Roll No. 322]

AYES—150

Allard
Archer
Bachus
Baker (CA)
Barcia
Barr
Barrett (WI)
Bartlett
Barton
Bilbray
Brewster
Browder
Brownback
Bunning
Burton
Camp
Campbell
Chabot
Chapman
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Fowler
Fox
Funderburk
Gekas
Geren
Gillmor
Goodlatte
Goss
Graham
Green (TX)
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hayes
Hayworth
Hefley
Heineman
Herger
Hoekstra
Holden
Hostettler
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kim
Klug
Largent
Laughlin
Lewis (KY)
Linder
Lucas
Luther
Manzullo
McHale
McInnis
McIntosh
Meehan
Metcalf
Mica
Miller (FL)
Minge
Montgomery
Moorhead
Myrick
Neumann
Norwood
Orton
Parker
Paxon
Peterson (MN)
Petri
Pombo
Quillen
Radanovich
Ramstad
Richardson
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shays
Skelton
Smith (MI)
Smith (NJ)
Smith (WA)
Solomon
Souder
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Taylor (MS)
Thornberry
Tiahrt
Torricelli
Upton
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Young (AK)
Zimmer

NOES—268

Abercrombie
Ackerman
Andrews
Armey
Baesler
Baker (LA)
Baldacci
Ballenger
Barrett (NE)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Buyer
Callahan
Calvert
Canady
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Forbes
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hastert
Hastings (FL)
Hastings (WA)
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHugh
McKeon
McKinney
McNulty
Meek
Menendez
Meyers
Millender-McDonald
Mink
Moakley
Molinari
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Rahall
Rangel
Reed
Regula
Riggs
Rivers
Rogers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shuster
Sisisky
Skaggs
Skeen
Smith (TX)
Spence
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Taylor (NC)
Tejeda
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)

Waxman	Williams	Wynn
White	Wise	Yates
Wicker	Woolsey	Zeliff

NOT VOTING—15

Cox	Lincoln	Slaughter
de la Garza	Livingston	Tauzin
Ford	McDade	Wilson
Hall (OH)	Miller (CA)	Wolf
Johnson, E. B.	Mollohan	Young (FL)

□ 1557

Ms. MCKINNEY changed her vote from ''aye'' to ''no.''

Mr. MCINTOSH changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, during rollcall vote No. 322 on H.R. 3756 I was unavoidably detained. Had I been present, I would have voted ''No.''

Mr. GILMAN. Mr. Chairman, the fiscal year 1997 Treasury, Postal Service Appropriations bill, would have cut the critical personnel levels for the Office of National Drug Control Policy [ONDCP] by $2.2 million, from the President's original staffing level request.

While overall providing more monies than the administration originally requested for fighting drugs for ONDCP, the bill unwisely eliminated $2.2 million from ONDCP salaries. This would have forced the office to do without 25 critical full-time employees [FTE's] needed to coordinate our Nation's battle against drugs.

The battle against drugs in recent years has not progressed as well as many of us in the Congress hoped for under the Clinton administration. This is particularly evident in the alarming, soaring drug use we have all witnessed since 1992, especially among our young people.

The rise in drug abuse followed some Clinton administration initial efforts in 1993 to diminish the role of ONDCP in the government-wide struggle against drugs, and a very unwise cut of 80 percent of the staffing for ONDCP.

I am pleased by Chairman LIGHTFOOT's amendment to restore full funding for ONDCP staffing when a satisfactory staff plan is submitted, and I support that effort.

We ought not deny the newest ONDCP Director, General Barry McCaffrey the full staffing he needs, requested, and that we have previously provided for his office.

The ONDCP Director has, even without these limitations, an extremely difficult enough job of formulating and executing the battle against drugs at home, which are today destroying our communities, schools, and our youth.

It is gratifying that the fiscal year 1997 appropriations bill for the Treasury and Postal Services will now guarantee full funding for ONDCP staffing.

I complement Chairman LIGHTFOOT's efforts and that of his Committee to restore full staffing for ONDCP.

□ 1600

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3756) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes, pursuant to House Resolution 475, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will then put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. HOYER. I am, Mr. Chairman.

The SPEAKER pro tempore. The clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOYER moves to recommit the bill, H.R. 3756, to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 7, rule XV, the yeas and nays are ordered.

The vote was taken by electronic device and there were yeas 215, nays 207, not voting 11, as follows:

[Roll No. 323]

YEAS—215

Archer	Callahan	Duncan
Armey	Calvert	Dunn
Bachus	Camp	Edwards
Baker (CA)	Canady	Ehlers
Baker (LA)	Castle	Ehrlich
Ballenger	Chabot	English
Barr	Chambliss	Ensign
Barrett (NE)	Christensen	Everett
Bartlett	Chrysler	Ewing
Barton	Clinger	Fawell
Bass	Coburn	Fields (TX)
Bateman	Collins (GA)	Flanagan
Bereuter	Combest	Foley
Bilbray	Cox	Forbes
Bilirakis	Cramer	Fowler
Bliley	Crane	Fox
Blute	Crapo	Franks (CT)
Boehlert	Cremeans	Franks (NJ)
Boehner	Cubin	Frelinghuysen
Bonilla	Cunningham	Frisa
Brownback	Deal	Gallegly
Bryant (TN)	DeLay	Ganske
Bunn	Diaz-Balart	Gekas
Bunning	Dickey	Gilchrest
Burr	Doolittle	Gillmor
Burton	Dornan	Gilman
Buyer	Dreier	Goodlatte
Goodling	Lewis (CA)	Roth
Goss	Lewis (KY)	Royce
Graham	Lightfoot	Salmon
Greene (UT)	Linder	Sanford
Greenwood	Lipinski	Saxton
Gunderson	Livingston	Schaefer
Gutknecht	LoBiondo	Schiff
Hancock	Longley	Seastrand
Hansen	Lucas	Sensenbrenner
Hastert	Manzullo	Shadegg
Hastings (WA)	McCollum	Shaw
Hayes	McCrery	Shays
Hayworth	McHugh	Shuster
Heineman	McIntosh	Skeen
Herger	McKeon	Smith (MI)
Hilleary	Metcalf	Smith (NJ)
Hobson	Mica	Smith (TX)
Hoekstra	Miller (FL)	Smith (WA)
Hoke	Molinari	Souder
Horn	Moorhead	Spence
Hostettler	Myers	Stump
Houghton	Myrick	Talent
Hunter	Nethercutt	Tanner
Hutchinson	Neumann	Tate
Hyde	Ney	Tauzin
Inglis	Norwood	Taylor (NC)
Istook	Nussle	Thomas
Johnson (CT)	Parker	Thornberry
Johnson, Sam	Paxon	Tiahrt
Jones	Petri	Traficant
Kasich	Pombo	Upton
Kelly	Porter	Vucanovich
Kim	Portman	Walker
King	Poshard	Walsh
Kingston	Pryce	Wamp
Klug	Quillen	Watts (OK)
Knollenberg	Quinn	Weldon (FL)
Kolbe	Radanovich	Weldon (PA)
LaHood	Ramstad	Weller
Largent	Regula	White
Latham	Riggs	Whitfield
LaTourette	Roberts	Wicker
Laughlin	Rogers	Young (AK)
Lazio	Rohrabacher	Zeliff
Leach	Ros-Lehtinen	

NAYS—207

Abercrombie	Dooley	Lantos
Ackerman	Doyle	Levin
Allard	Durbin	Lewis (GA)
Andrews	Engel	Lofgren
Baesler	Eshoo	Lowey
Baldacci	Evans	Luther
Barcia	Farr	Maloney
Barrett (WI)	Fattah	Manton
Becerra	Fazio	Markey
Beilenson	Fields (LA)	Martinez
Bentsen	Filner	Martini
Berman	Flake	Mascara
Bevill	Foglietta	Matsui
Bishop	Frank (MA)	McCarthy
Blumenauer	Frost	McDermott
Bonior	Funderburk	McHale
Borski	Furse	McInnis
Boucher	Gejdenson	McKinney
Brewster	Gephardt	McNulty
Browder	Geren	Meehan
Brown (CA)	Gibbons	Meek
Brown (FL)	Gonzalez	Menendez
Brown (OH)	Gordon	Meyers
Bryant (TX)	Green (TX)	Millender-McDonald
Campbell	Gutierrez	Minge
Cardin	Hall (TX)	Mink
Chapman	Hamilton	Moakley
Chenoweth	Harman	Mollohan
Clay	Hastings (FL)	Montgomery
Clayton	Hefley	Moran
Clement	Hefner	Morella
Clyburn	Hilliard	Murtha
Coble	Hinchey	Nadler
Coleman	Holden	Neal
Collins (IL)	Hoyer	Oberstar
Collins (MI)	Jackson (IL)	Obey
Condit	Jackson-Lee (TX)	Olver
Conyers	Jacobs	Ortiz
Cooley	Jefferson	Orton
Costello	Johnson (SD)	Owens
Coyne	Johnson, E. B.	Oxley
Cummings	Johnston	Pallone
Danner	Kanjorski	Pastor
Davis	Kaptur	Payne (NJ)
DeFazio	Kennedy (MA)	Payne (VA)
DeLauro	Kennedy (RI)	Pelosi
Dellums	Kennelly	Peterson (FL)
Deutsch	Kildee	Peterson (MN)
Dicks	Kleczka	Pickett
Dingell	Klink	Pomeroy
Dixon	LaFalce	Rahall
Doggett		

Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Scarborough
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Solomon
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOT VOTING—11

Bono
de la Garza
Ford
Hall (OH)
Lincoln
McDade
Miller (CA)
Packard
Slaughter
Wolf
Young (FL)

□ 1620

Mr. WILSON and Mr. COSTELLO changed their vote from ''yea'' to ''nay.''

Messrs. ROBERTS, TIAHRT, SCHAEFER, GRAHAM, NEUMANN, SENSENBRENNER, and HANCOCK changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LIGHTFOOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 3756, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Iowa?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3505

Mr. PETERSON of Minnesota. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3505.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Tuesday, July 16, 1996, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 3166, as amended, de novo; and

H.R. 3161, by the yeas and nays.

The Chair will also put the question on the Speaker's approval of the Journal.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

GOVERNMENT ACCOUNTABILITY ACT OF 1996

The SPEAKER pro tempore. The unfinished business is the question de novo of suspending the rules and passing the bill, H.R. 3166, as amended.

The Clerk read the title of the bill.

PARLIAMENTARY INQUIRY

Mr. CONYERS. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CONYERS. Mr. Speaker, can this measure be brought to a vote when a report has not been filed, and there has been no opportunity for additional or dissenting views?

The SPEAKER pro tempore. The answer is yes.

Mr. CONYERS. Mr. Speaker, I think the Chair will find that it is customary that reports be filed with legislation brought up on the suspension calendar. Is that not correct?

The SPEAKER pro tempore. The Chair indicated yesterday that reports are not required.

The question is on the motion offered by the gentleman from Florida [Mr. MCCOLLUM] that the House suspend the rules and pass the bill, H.R. 3166, as amended.

The question was taken.

RECORDED VOTE

Mr. MCCOLLUM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 417, noes 6, not voting 10, as follows:

[Roll No. 324]

AYES—417

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zeliff
Zimmer

NOES—6

Conyers	Myers	Waters
McIntosh	Quillen	Young (AK)

NOT VOTING—10

de la Garza	McDade	Wolf
Ford	Miller (CA)	Young (FL)
Hall (OH)	Packard	
Lincoln	Slaughter	

□ 1642

So (two thirds having voted in the favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENDING MOST-FAVORED-NATION STATUS TO ROMANIA

The SPEAKER pro tempore (Mr. LAHOOD). The unfinished business is the question of suspending the rules and passing the bill, H.R. 3161.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. CRANE] that the House suspend the rules and pass the bill, H.R. 3161, on which the yeas and nays are ordered.

This bill be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 334, nays 86, not voting 13, as follows:

[Roll No. 325]

YEAS—334

Abercrombie	Chabot	Flake
Ackerman	Chapman	Flanagan
Andrews	Christensen	Foglietta
Archer	Clay	Foley
Armey	Clayton	Forbes
Bachus	Clement	Fox
Baesler	Clinger	Franks (CT)
Baker (LA)	Clyburn	Franks (NJ)
Baldacci	Coleman	Frisa
Barrett (NE)	Collins (IL)	Frost
Barrett (WI)	Collins (MI)	Furse
Bartlett	Combest	Gallegly
Barton	Condit	Ganske
Bass	Conyers	Gejdenson
Bateman	Costello	Gekas
Becerra	Coyne	Gephardt
Beilenson	Cramer	Geren
Bentsen	Crane	Gibbons
Bereuter	Crapo	Gilchrest
Berman	Cremeans	Gillmor
Bevill	Cummings	Gilman
Bilbray	Danner	Gonzalez
Bilirakis	Davis	Goodlatte
Bishop	DeFazio	Goodling
Bliley	DeLay	Gordon
Blumenauer	Dellums	Goss
Blute	Deutsch	Greenwood
Boehlert	Dicks	Gunderson
Boehner	Dingell	Gutierrez
Bonilla	Dixon	Hall (TX)
Bono	Doggett	Hamilton
Borski	Dooley	Hansen
Boucher	Dreier	Harman
Brewster	Dunn	Hastert
Browder	Durbin	Hastings (FL)
Brown (CA)	Edwards	Hastings (WA)
Brown (FL)	Ehlers	Hayes
Brownback	Engel	Hayworth
Bryant (TN)	English	Heineman
Bryant (TX)	Ensign	Herger
Bunn	Eshoo	Hilliard
Burton	Evans	Hobson
Buyer	Ewing	Hoekstra
Callahan	Farr	Hoke
Calvert	Fattah	Holden
Camp	Fawell	Horn
Campbell	Fazio	Houghton
Canady	Fields (LA)	Hoyer
Cardin	Fields (TX)	Hutchinson
Castle	Filner	Hyde
Istook	Meyers	Sawyer
Jackson (IL)	Millender-McDonald	Saxton
Jackson-Lee (TX)	Miller (FL)	Schiff
Jacobs	Minge	Schroeder
Jefferson	Mink	Schumer
Johnson (CT)	Moakley	Scott
Johnson (SD)	Mollohan	Sensenbrenner
Johnson, E. B.	Montgomery	Serrano
Johnston	Moorhead	Shadegg
Kaptur	Moran	Shaw
Kasich	Myers	Shuster
Kelly	Myrick	Sisisky
Kennedy (MA)	Nadler	Skaggs
Kennedy (RI)	Neal	Skeen
Kennelly	Nethercutt	Skelton
Kildee	Neumann	Smith (MI)
Kim	Ney	Smith (TX)
King	Norwood	Spence
Kleczka	Nussle	Stark
Klug	Oberstar	Stenholm
Knollenberg	Obey	Stokes
Kolbe	Olver	Studds
LaFalce	Ortiz	Stump
LaHood	Orton	Stupak
Lantos	Owens	Talent
Largent	Oxley	Tanner
Latham	Parker	Tate
LaTourette	Pastor	Tauzin
Laughlin	Paxon	Tejeda
Lazio	Payne (NJ)	Thomas
Leach	Payne (VA)	Thompson
Levin	Pelosi	Thornberry
Lewis (CA)	Peterson (FL)	Thornton
Lewis (KY)	Peterson (MN)	Thurman
Lightfoot	Petri	Torkildsen
Linder	Pickett	Torres
Livingston	Pomeroy	Towns
LoBiondo	Porter	Upton
Lofgren	Portman	Velazquez
Lowey	Poshard	Vento
Lucas	Pryce	Visclosky
Luther	Quillen	Volkmer
Maloney	Quinn	Vucanovich
Manton	Rahall	Walker
Manzullo	Ramstad	Walsh
Markey	Rangel	Ward
Martinez	Reed	Waters
Martini	Regula	Waxman
Mascara	Richardson	Weldon (FL)
Matsui	Riggs	Weldon (PA)
McCarthy	Rivers	White
McCollum	Roberts	Whitfield
McCrery	Roemer	Wicker
McDermott	Rogers	Williams
McHale	Roth	Wilson
McHugh	Roukema	Wise
McKeon	Roybal-Allard	Woolsey
McNulty	Royce	Wynn
Meehan	Rush	Yates
Meek	Sabo	Young (AK)
Metcalf	Salmon	Zeliff
		Zimmer

NAYS—86

Allard	Fowler	Murtha
Baker (CA)	Frank (MA)	Pallone
Ballenger	Frelinghuysen	Pombo
Barcia	Funderburk	Radanovich
Barr	Graham	Rohrabacher
Bonior	Green (TX)	Ros-Lehtinen
Brown (OH)	Gutknecht	Rose
Bunning	Hancock	Sanders
Burr	Hefley	Sanford
Chambliss	Hefner	Scarborough
Chenoweth	Hilleary	Schaefer
Chrysler	Hinchey	Seastrand
Coble	Hostettler	Shays
Coburn	Hunter	Smith (NJ)
Collins (GA)	Inglis	Smith (WA)
Cooley	Johnson, Sam	Souder
Cox	Jones	Spratt
Cubin	Kanjorski	Stearns
Cunningham	Kingston	Stockman
Deal	Klink	Taylor (MS)
DeLauro	Lewis (GA)	Taylor (NC)
Diaz-Balart	Lipinski	Tiahrt
Dickey	Longley	Torricelli
Doolittle	McInnis	Traficant
Dornan	McIntosh	Wamp
Doyle	McKinney	Watt (NC)
Duncan	Menendez	Watts (OK)
Ehrlich	Mica	Weller
Everett	Morella	

NOT VOTING—13

de la Garza	Hall (OH)	Miller (CA)
Ford	Lincoln	
Greene (UT)	McDade	
Molinari	Slaughter	Wolf
Packard	Solomon	Young (FL)

□ 1654

Mr. WATT of North Carolina changed his vote from ''yea'' to ''nay.''

Mr. OWENS changed his vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

PROVIDING FOR CONSIDERATION OF H.R. 3814 DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 479 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 479

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3814) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(1)(6) of rule XI or clause 7 of rule XXI are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Rogers of Kentucky or his designee. That amendment shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. Points of order against provisions in the bill for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: (1) under the Department of Commerce, Science and Technology, the National Institute of Standards and Technology, the matter under the heading ''Industrial Technology Services'' that

begins with ''In addition'' and continues through '''Working Capital Fund'''; and (2) under the Department of Commerce, the heading ''Technology Administration'' and the matter thereunder. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business: *Provided,* That the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. EWING). The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

□ 1700

Ms. PRYCE. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my good friend, the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this resolution and that I may be permitted to insert extraneous materials into the RECORD.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

MAKING IN ORDER AMENDMENT RELATING TO ADVANCED TECHNOLOGY PROGRAM, AND WAIVING POINTS OF ORDER IN COMMITTEE OF THE WHOLE ON H.R. 3814, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that during the consideration of H.R. 3814 in the Committee of the Whole, one, it may be in order immediately after disposition of the first amendment made in order by House Resolution 479, and without intervention of any point of order, to consider the amendment relating to the Advanced Technology Program that I have placed at the desk, if offered by the gentleman from Kentucky [Mr. ROGERS]; and, second, if that amendment is adopted, then points of order under clauses 2 and 6 of rule XXI shall be waived for all provisions of the bill, as amended.

Mr. Speaker, it is my understanding that the minority has been consulted and has no objection to this request.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read, as follows:

Amendment to be offered by Mr. ROGERS, pursuant to the unanimous-consent request of Ms. PRYCE: On page 54, strike the language on lines 3 through 15, and insert the following:

''In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, $110,500,000, to remain available until expended, of which not to exceed $500,000 may be transferred to the ''Working Capital Fund'': *Provided,* That none of the funds made available under this heading may be used for the purposes of carrying out additional program competitions under the Advanced Technology Program: *Provided further,* That funds made available for the Advanced Technology Program under this heading and any unobligated balances available from carryover of prior year appropriations for such program may be used only for the purposes of providing continuation grants for competitions completed prior to October 1, 1995: *Provided further,* That such continuation grants shall be provided only to single applicants or joint venture participants which are small businesses: *Provided further,* That such funds for the Advanced Technology Program are provided for the purposes of closing out all commitments for such program.''.

Ms. PRYCE. Mr. Speaker, House Resolution 479 is an open rule providing for the consideration of H.R. 3814, the Commerce, Justice, State and related agencies appropriations bill for fiscal year 1997.

The rule provides 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Appropriations.

The rule includes a limited number of waivers to facilitate the orderly consideration of the bill. For example, the rule waives clause 2(L)(6) of rule 11, regarding the 3-day availability of the report, and clause 7 of rule 21, regarding the 3-day availability of printed hearings and reports on appropriations bills.

The rule also provides for the consideration, before any other amendment, of the amendment printed in part 2 of the Rules Committee report, if offered by Mr. ROGERS of Kentucky or his designee. The amendment will be considered as read and shall not be subject to a demand for a division of the question.

Since authorizing legislation for most programs within the bill has not been finalized, the rule further provides the necessary waiver of clause 2 of rule 21, which prohibits unauthorized appropriations and legislation on general appropriations bills, as well as clause 6 of rule 21, which prohibits transfers of unobligated balances.

As we have done in the past, the rule accords priority in recognition to those amendments that are pre-printed in the CONGRESSIONAL RECORD, and it allows the Chairman of the Committee of the Whole to postpone and shorten votes during further consideration of the bill. After the reading of the final lines of the bill, a motion to rise, if offered by the majority leaders or his designee, will have precedence over a motion to amend. Finally, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, as our colleagues know, the Commerce, State, and Justice appropriations bill covers a lot of ground, from projecting our diplomatic presence overseas, to promoting trade, and to preserving the safety and well-being of our citizens. As a former judge and prosecutor, I recognize that the Federal Government has an important role to play in the fight against drugs and crime, and I am especially pleased that this year's legislation devotes significant resources to law enforcement and related activities.

This important commitment to public safety is reflected in the increased dollars that are provided for drug enforcement initiatives, for enforcing our immigration laws and border control, for implementing the recent anti-terrorism bill, and for assisting State and local governments in their drug control and crime fighting efforts.

By targeting funding at the State and local level, the bill continues to broaden our policy of empowering local authorities to develop local solutions that best address their own unique situations.

But, Mr. Speaker, not all crime is front-page news. Many victims are defenseless women who suffer in silence at home or even in the workplace. Too often, violent crimes committed against women are not even reported to law enforcement agencies. That's why I'm very pleased to note that the bill provides a substantial increase in funding for the Violence Against Women Act, a step which recognizes the importance of combatting the many forms of domestic violence despite the budget constraints that we face this year.

This bill does provide a reasonable and responsible increase in funding over last year's level, with all increases going to critical law enforcement purposes, it is still within the subcommittee's budget allocation. And that, Mr. Speaker, is vitally important to keeping us on the glidepath toward a balanced Federal budget.

Mr. Speaker, Chairman Rogers and the subcommittee have worked very hard this year to craft a bill that balances the need for continued fiscal responsibility with the need to provide

adequate funding for law enforcement, diplomatic missions, trade, and many other related activities.

In closing, let me just emphasize that the rule before us is both fair and open. Any Member can be heard on any germane amendment to the bill at the appropriate time, as long as it is consistent with the normal rules of the House. This rule was reported unanimously by the Rules Committee yesterday and I urge its expeditious adoption by the House.

Mr. Speaker, the information I am submitting for the RECORD is as follows:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of July 11, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-Open[2]	46	44	78	60
Structured/Modified Closed[3]	49	47	35	27
Closed[4]	9	9	17	13
Total	104	100	130	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of July 11, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–199; A: 227–197 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 11, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 249–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands	PQ: 221–197 A: voice vote (5/15/96).
H. Res. 309 (12/18/95)	C	H. Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	Tabled (4/17/96).
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	C	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/19/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/21/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	C	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	PQ: 227–196 A: voice vote (5/16/96).
H. Res. 436 (5/16/96)	C	H.R. 3415	Repeal 4.3 cent fuel tax	PQ: 221–181 A: voice vote (5/21/96).
H. Res. 437 (5/16/96)	MO	H.R. 3259	Intell. Auth. FY 1997	A: voice vote (5/21/96).
H. Res. 438 (5/16/96)	MC	H.R. 3144	Defend America Act	
H. Res. 440 (5/21/96)	MC	H.R. 3448	Small Bus. Job Protection	A: 219–211 (5/22/96).
	MC	H.R. 1227	Employee Commuting Flexibility	
H. Res. 442 (5/29/96)	O	H.R. 3517	Mil. Const. Approps. FY 1997	A: voice vote (5/30/96).
H. Res. 445 (5/30/96)	O	H.R. 3540	For. Ops. Approps. FY 1997	A: voice vote (6/5/96).
H. Res. 446 (6/5/96)	MC	H.R. 3562	WI Works Waiver Approval	A: 363–59 (6/6/96).
H. Res. 448 (6/6/96)	MC	H.R. 2754	Shipbuilding Trade Agreement	A: voice vote (6/12/96).
H. Res. 451 (6/10/96)	O	H.R. 3603	Agriculture Appropriations, FY 1997	A: voice vote (6/11/96).
H. Res. 453 (6/12/96)	O	H.R. 3610	Defense Appropriations, FY 1997	A: voice vote (6/13/96).
H. Res. 455 (6/18/96)	O	H.R. 3662	Interior Approps, FY 1997	A: voice vote (6/19/96).
H. Res. 456 (6/19/96)	O	H.R. 3666	VA/HUD Approps	A: 246–166 (6/25/96).
H. Res. 460 (6/25/96)	O	H.R. 3675	Transportation Approps	A: voice vote (6/26/96).
H. Res. 472 (7/9/96)	O	H.R. 3755	Labor/HHS Approps	PQ: 218–202 A: voice vote (7/10/96).
H. Res. 473 (7/9/96)	MC	H.R. 3754	Leg. Branch Approps	A: voice vote (7/10/96).
H. Res. 474 (7/10/96)	MC	H.R. 3396	Defense of Marriage Act	A: 290–133 (7/11/96).
H. Res. 475 (7/11/96)	O	H.R. 3756	Treasury/Postal Approps	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; S/C-structured/closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Ms. PRYCE. Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I thank the distinguished gentlewoman from Ohio [Ms. PRYCE] for her yielding the customary 30 minutes of debate time to me, and I yield myself such time as I may consume.

Mr. Speaker, we do not object to the rule for H.R. 3814, the appropriations bill for the Departments of Commerce, Justice, State, the Judiciary and Related Agencies for fiscal year 1997.

As the gentlewoman from Ohio has explained, this can be described as an open rule. As with other appropriations bills we have considered, however, it does not contain a number of waivers of points of order for violations of House rules. We do not support all the provisions in the bill that are being protected by those waivers but we do not object to the waivers themselves.

Mr. Speaker, we are particularly troubled by the provision in the bill limiting the President's ability to negotiate issues related to the ABM Treaty that are so important to the national security of the United States. We believe that that is an entirely inappropriate matter to include in the bill. It may even be unconstitutional.

Mr. Speaker, the bill does contain a number of other provisions that are similarly of great concern to us. We oppose the decision to slash the legal services program even further. We should be ensuring equal access to the court system to all Americans. What we are doing here is ensuring that low-income Americans are unable to enjoy the benefits of full and equal access to our legal system.

Many of us are also disappointed that the bill extends the fight against safe and legal abortions and against a woman's right to choose by denying Federal prisoners reproductive choice. It is difficult to think of women who are more dependent on the Federal Government for all their medical care and have no way to choose other services. We regret we are continuing the efforts to fight abortion, a legal medical procedure, Mr. Speaker, in yet another appropriations bill.

The bill also severely underfunds our peacekeeping missions. This inadequate level of funding is an affront to U.S. leadership in the international arena and will, I believe, prejudice our efforts to promote U.S. global interests.

I would, Mr. Speaker, like to take this opportunity to thank the committee for continuing its strong support, first begun under the leadership of the gentleman from West Virginia [Mr. MOLLOHAN], of funding to help control illegal immigration. The increased funding for the INS and for the border patrol are very important to the country and, of course, to the States that are most affected by immigration.

The committee is to be commended, too, Mr. Speaker, for continuing to increase the appropriation for reimbursing States for the costs of incarcerating criminal illegal aliens, a program first funded as a result of an amendment that this gentleman and other Members offered 2 years ago to the 1994 crime bill.

After years of seeking help to fight illegal immigration, Congress has, over the past 3 or 4 years, through the leadership of this particular appropriations subcommittee, finally recognized the severe problems caused by illegal immigration, especially in such States as California, New York, Florida, New Jersey, Illinois, and Texas. Immigration is, after all, a Federal responsibility, and I would like to say to the chairman and to the ranking member that we very much appreciate the committee's support for the programs that

many of us have been advocating for a good many years.

I would also finally like to congratulate the gentleman from Kentucky [Mr. ROGERS] and the gentleman from West Virginia [Mr. MOLLOHAN] for their bipartisan cooperation in working on this bill. This is a difficult process, this appropriations process, with such great fiscal restraint, and the House is appreciative of the spirit of comity and the good example of being able to work together so well that these two gentleman have shown to the rest of us.

Mr. Speaker, under the rule we hope to have the opportunity to fully debate the bill and address our major concerns about it. For the moment, as I said, we have no objections to the rule.

Ms. PRYCE. Mr. Speaker, I continue to reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from West Virginia [Mr. MOLLOHAN].

(Mr. MOLLOHAN asked and was given permission to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, I simply rise in support of the rule and express appreciation to my chairman, Mr. ROGERS, for the hard work that he has put into this bill and for the spirit of cooperation that he has approached it. We appreciate his accommodations in a number of areas.

Mr. MOLLOHAN. Mr. Speaker, I rise today in support of the rule.

However, actions taken yesterday at the Rules Committee hearing almost precluded my support for this measure. The authorizing chairman had asked that two programs extremely important to the administration not be afforded protection by the rule.

As a result, the rule before us today does not protect the Commerce Department's Advanced Technology Program or Technology Administration from points of order raised during floor consideration. These programs are not authorized—but then again neither are most programs in our bill.

Because the rule would have allowed the striking of funding provided for these programs—$110.5 million for ATP and $5 million for the TA—I intended to speak today in opposition to this rule.

However, I now understand that an agreement has been reached which accommodates the concerns of the authorizing chairman. I would like to express my appreciation to Chairman ROGERS and to Chairman WALKER for their efforts to reach a reasonable resolution of this matter. As a result of this agreement, I am acting under the assumption that an amendment will be offered to the bill to allow funding for the ATP under different conditions and that the TA will be protected from points of order.

In its current form, the bill restricts ATP funding from being used to hold new grant competitions. The agreed upon amendment would add bill language stating that all funds must be used only to fund fiscal year 1995 and prior year grant awards which involve small businesses. Additionally, it would add report and bill language stating that the funding provided in the bill is to be used for ''close out commitments.''

Obviously, I personally do not agree with these new as well as the old restrictions. However, restricted funding for ATP is better than no funding at all. And funding for the Technology Administration is extremely important.

Both ATP and the Technology Administration are critical components of President Clinton's competitive agenda.

The Technology Administration serves as an advocate for American industries—ensuring that Government policies, programs, and regulations promote U.S. competitiveness. Additionally, TA is the only Federal agency that analyzes the civilian technology activities of our foreign competitors, working to promote and protect U.S. technology interests in global research and development efforts.

Similarly, ATP is about investing in our Nation's competitiveness in the global marketplace. It does nothing more than put U.S. industry on a level playing field with our major global competitors. As we sit here today placing additional restrictions on ATP, our foreign competitors are pouring money into similar programs. In fact, the European nations are accelerating investment in commercial technologies. Japan has plans to double its government science and technology budget by the year 2000. China is planning to triple its investment in R&D by 2000, targeting computers, software, telecommunications, pharmaceuticals, and infrastructure. And the Republic of Korea has considerably boosted its R&D efforts in key technology areas and is actively acquiring foreign technologies.

Simply stated, the United States is in a battle for global markets, where the spoils are jobs and national prosperity—and we are in a dead heat. Investing in programs like APT and the Technology Administration will make all the difference.

So, with reservation, I ask my colleagues to support the rule before us today. While the agreement reached will place further restrictions on the ATP Program, it will ensure that at least some funding is provided for this important initiative.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Speaker, I thank the gentleman from California [Mr. BEILENSON] for yielding me so much time. I hope I will not consume it all.

Mr. Speaker, it had been my original intention to oppose both the rule and the bill as the result of a number of deficiencies which I found in them. However, I want to pay tribute to the fact that a number of negotiations have taken place, some in the last few minutes, aimed at alleviating some of my problems, and I will not take the same position as a result of those actions.

Part of the agreements that were made were reflected in the approval of the unanimous consent request that was made earlier, which made it possible to continue the technology program in the Department of Commerce, the Advanced Technology Program, which I think has tremendous value to the people of the United States in terms of enhancing our ability to have a more effective and efficient manufacturing sector in the United States, and which I think will add to the productivity and economic growth of this country.

I think we all recognize that this is vital to our future prosperity, to our future ability to get out of the deficit bind that we are in, and to create jobs to absorb those who are without jobs in this country.

I was a little puzzled at the fact that the Committee on Rules had apparently, by some forethought, protected every portion of this bill except the technology programs, and I rather wondered how that had been brought about, but I will not ruminate too much on that.

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I am happy that the threat seems to have disappeared of erasing these programs through raising a point of order. Under the circumstances, I am going to support the rule and I am going to do my best to improve the bill to whatever slight degree I may when it is up for discussion. But I am reconciled to the fact that the present budgetary pressures may preclude us from doing too much to enhance some of these programs because the only way to do that is to take funds away from other sometimes equally deserving programs.

So let me conclude by paying my respects to both the chairman of the subcommittee and the ranking minority member, who have done so much and worked so hard to bring about some consensus with regard to a reasonable way to handle these problems.

I think that what we have seen represents the best in the art of politics, which is to get the most you can from a lemon when you cannot do anything else. I, therefore, will look forward to the debate on the bill, but I will not oppose the rule.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to conclude by thanking the chairman and the ranking member for their hard work and bipartisan cooperation through this process. I once again urge my colleagues to support this fair and open rule.

Mr. ROGERS. Mr. Speaker, will the gentlewoman yield?

Ms. PRYCE. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Speaker, I wanted to thank the gentlewoman and the gentleman from California from the Committee on Rules who have been very cooperative with us on this rule, not only the Members that are represented here from the Committee on Rules but those who are not. The Committee on Rules has a hard job, harder than anyone realizes. We appreciate very much their accommodation to us on the Committee on Appropriations on this bill. I support the rule.

Ms. PRYCE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

the resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT CONCERNING EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–246)

The SPEAKER pro tempore (Mr. BARRETT of Nebraska) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

On June 3, 1993, I determined and reported to the Congress that Bulgaria is in full compliance with the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. This action allowed for the continuation of most-favored-nation (MFN) status for Bulgaria and certain other activities without the requirement of a waiver.

As required by law, I am submitting an updated report to the Congress concerning emigration laws and policies of the Republic of Bulgaria. The report indicates continued Bulgarian compliance with U.S. and international standards in the area of emigration policy.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 17, 1996.*

REPORT OF PRESIDENT'S ADVISORY BOARD ON ARMS PROLIFERATION POLICY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

To the Congress of the United States:

As required by section 1601(d) of Public Law 103–160 (the ''Act'') I transmit herewith the report of the President's Advisory Board on Arms Proliferation Policy. The Board was established by Executive Order 12946 (January 20, 1995), pursuant to section 1601(c) of the Act.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 17, 1996.*

SAFE DRINKING WATER ACT AMENDMENTS OF 1995

Mr. BLILEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1316) to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act''), and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Safe Drinking Water Act Amendments of 1995''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

(c) REFERENCES TO TITLE XIV OF THE PUBLIC HEALTH SERVICE ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.).

SEC. 2. FINDINGS.

Congress finds that—

(1) safe drinking water is essential to the protection of public health;

(2) because the requirements of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.) now exceed the financial and technical capacity of some public water systems, especially many small public water systems, the Federal Government needs to provide assistance to communities to help the communities meet Federal drinking water requirements;

(3) the Federal Government commits to take steps to foster and maintain a genuine partnership with the States in the administration and implementation of the Safe Drinking Water Act;

(4) States play a central role in the implementation of safe drinking water programs, and States need increased financial resources and appropriate flexibility to ensure the prompt and effective development and implementation of drinking water programs;

(5) the existing process for the assessment and regulation of additional drinking water contaminants needs to be revised and improved to ensure that there is a sound scientific basis for drinking water regulations and that the standards established address the health risks posed by contaminants;

(6) procedures for assessing the health effects of contaminants and establishing drinking water standards should be revised to provide greater opportunity for public education and participation;

(7) in setting priorities with respect to the health risks from drinking water to be addressed and in selecting the appropriate level of regulation for contaminants in drinking water, risk assessment and benefit-cost analysis are important and useful tools for improving the efficiency and effectiveness of drinking water regulations to protect human health;

(8) more effective protection of public health requires—

(A) a Federal commitment to set priorities that will allow scarce Federal, State, and local resources to be targeted toward the drinking water problems of greatest public health concern; and

(B) maximizing the value of the different and complementary strengths and responsibilities of the Federal and State governments in those States that have primary enforcement responsibility for the Safe Drinking Water Act; and

(9) compliance with the requirements of the Safe Drinking Water Act continues to be a concern at public water systems experiencing technical and financial limitations, and Federal, State, and local governments need more resources and more effective authority to attain the objectives of the Safe Drinking Water Act.

SEC. 3. STATE REVOLVING LOAN FUNDS.

The title (42 U.S.C. 300f et seq.) is amended by adding at the end the following:

''PART G—STATE REVOLVING LOAN FUNDS

''GENERAL AUTHORITY

''SEC. 1471. (a) CAPITALIZATION GRANT AGREEMENTS.—The Administrator shall offer to enter into an agreement with each State to make capitalization grants to the State pursuant to section 1472 (referred to in this part as 'capitalization grants') to establish a drinking water treatment State revolving loan fund (referred to in this part as a 'State loan fund').

''(b) REQUIREMENTS OF AGREEMENTS.—An agreement entered into pursuant to this section shall establish, to the satisfaction of the Administrator, that—

''(1) the State has established a State loan fund that complies with the requirements of this part;

''(2) the State loan fund will be administered by an instrumentality of the State that has the powers and authorities that are required to operate the State loan fund in accordance with this part;

''(3) the State will deposit the capitalization grants into the State loan fund;

''(4) the State will deposit all loan repayments received, and interest earned on the amounts deposited into the State loan fund under this part, into the State loan fund;

''(5) the State will deposit into the State loan fund an amount equal to at least 20 percent of the total amount of each payment to be made to the State on or before the date on which the payment is made to the State, except as provided in subsection (c)(4);

''(6) the State will use funds in the State loan fund in accordance with an intended use plan prepared pursuant to section 1474(b);

''(7) the State and loan recipients that receive funds that the State makes available from the State loan fund will use accounting procedures that conform to generally accepted accounting principles, auditing procedures that conform to chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act of 1984'), and such fiscal procedures as the Administrator may prescribe; and

''(8) the State has adopted policies and procedures to ensure that loan recipients are reasonably likely to be able to repay a loan.

''(c) ADMINISTRATION OF STATE LOAN FUNDS.—

''(1) IN GENERAL.—The authority to establish assistance priorities for financial assistance provided with amounts deposited into the State loan fund shall reside in the State agency that has primary responsibility for the administration of the State program under section 1413, after consultation with other appropriate State agencies (as determined by the State): *Provided further,* That in nonprimacy States, the Governor shall determine which State agency will have the authority to establish assistance priorities for financial assistance provided with amounts deposited into the State loan fund.

''(2) FINANCIAL ADMINISTRATION.—A State may combine the financial administration of the State loan fund pursuant to this part with the financial administration of a State water pollution control revolving fund established by the State pursuant to title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.), or other State revolving funds providing financing for similar purposes, if the Administrator determines that the grants to be provided to the State under this part, and the loan repayments and interest deposited into the State loan fund pursuant to this part, will be separately accounted for and used solely for the purposes of and in compliance with the requirements of this part.

''(3) TRANSFER OF FUNDS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, a Governor of a State may—

''(i) reserve up to 50 percent of a capitalization grant made pursuant to section 1472 and add the funds reserved to any funds provided to the State pursuant to section 601 of the Federal Water Pollution Control Act (33 U.S.C. 1381); and

''(ii) reserve in any year a dollar amount up to the dollar amount that may be reserved under clause (i) for that year from capitalization grants made pursuant to section 601 of such Act (33 U.S.C. 1381) and add the reserved funds to any funds provided to the State pursuant to section 1472.

''(B) STATE MATCH.—Funds reserved pursuant to this paragraph shall not be considered to be a State match of a capitalization grant required pursuant to this title or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

''(4) EXTENDED PERIOD.—Notwithstanding subsection (b)(5), a State shall not be required to deposit a State matching amount into the fund prior to the date on which each payment is made for payments from funds appropriated for fiscal years 1994, 1995, and 1996, if the matching amounts for the payments are deposited into the State fund prior to September 30, 1998.

''CAPITALIZATION GRANTS

''SEC. 1472. (a) GENERAL AUTHORITY.—The Administrator may make grants to capitalize State loan funds to a State that has entered into an agreement pursuant to section 1471.

''(b) FORMULA FOR ALLOTMENT OF FUNDS.—

''(1) IN GENERAL.—Subject to subsection (c) and paragraph (2), funds made available to carry out this part shall be allotted to States that have entered into an agreement pursuant to section 1471 in accordance with—

''(A) for each of fiscal years 1995 through 1997, a formula that is the same as the formula used to distribute public water system supervision grant funds under section 1443 in fiscal year 1995, except that the minimum proportionate share established in the formula shall be 1 percent of available funds and the formula shall be adjusted to include a minimum proportionate share for the State of Wyoming; and

''(B) for fiscal year 1998 and each subsequent fiscal year, a formula that allocates to each State the proportional share of the State needs identified in the most recent survey conducted pursuant to section 1475(c), except that the minimum proportionate share provided to each State shall be the same as the minimum proportionate share provided under subparagraph (A).

''(2) OTHER JURISDICTIONS.—The formula established pursuant to paragraph (1) shall reserve 0.5 percent of the amounts made available to carry out this part for a fiscal year for providing direct grants to the jurisdictions, other than Indian Tribes, referred to in subsection (f).

''(c) RESERVATION OF FUNDS FOR INDIAN TRIBES.—

''(1) IN GENERAL.—For each fiscal year, prior to the allotment of funds made available to carry out this part, the Administrator shall reserve 1.5 percent of the funds for providing financial assistance to Indian Tribes pursuant to subsection (f).

''(2) USE OF FUNDS.—Funds reserved pursuant to paragraph (1) shall be used to address the most significant threats to public health associated with public water systems that serve Indian Tribes, as determined by the Administrator in consultation with the Director of the Indian Health Service and Indian Tribes.

''(3) NEEDS ASSESSMENT.—The Administrator, in consultation with the Director of the Indian Health Service and Indian Tribes, shall, in accordance with a schedule that is consistent with the needs surveys conducted pursuant to section 1475(c), prepare surveys and assess the needs of drinking water treatment facilities to serve Indian Tribes, including an evaluation of the public water systems that pose the most significant threats to public health.

''(d) TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.—

''(1) DEFINITIONS.—In this subsection:

''(A) SMALL SYSTEM.—The term 'small system' means a public water system that serves a population of 10,000 or fewer.

''(B) TECHNICAL ASSISTANCE.—The term 'technical assistance' means assistance provided by a State to a small system, including assistance to potential loan recipients and assistance for planning and design, development and implementation of a source water quality protection partnership program, alternative supplies of drinking water, restructuring or consolidation of a small system, and treatment to comply with a national primary drinking water regulation.

''(2) RESERVATION OF FUNDS.—To provide technical assistance pursuant to this subsection, each State may reserve from capitalization grants received in any year an amount that does not exceed the greater of—

''(A) an amount equal to 2 percent of the amount of the capitalization grants received by the State pursuant to this section; or

''(B) $300,000.

''(e) ALLOTMENT PERIOD.—

''(1) PERIOD OF AVAILABILITY FOR FINANCIAL ASSISTANCE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the sums allotted to a State pursuant to subsection (b) for a fiscal year shall be available to the State for obligation during the fiscal year for which the sums are authorized and during the following fiscal year.

''(B) FUNDS MADE AVAILABLE FOR FISCAL YEARS 1995 AND 1996.—The sums allotted to a State pursuant to subsection (b) from funds that are made available by appropriations for each of fiscal years 1995 and 1996 shall be available to the State for obligation during each of fiscal years 1995 through 1998.

''(2) REALLOTMENT OF UNOBLIGATED FUNDS.—Prior to obligating new allotments made available to the State pursuant to subsection (b), each State shall obligate funds accumulated before a date that is 1 year prior to the date of the obligation of a new allotment from loan repayments and interest earned on amounts deposited into a State loan fund. The amount of any allotment that is not obligated by a State by the last day of the period of availability established by paragraph (1) shall be immediately reallotted by the Administrator on the basis of the same ratio as is applicable to sums allotted under subsection (b), except that the Administrator may reserve and allocate 10 percent of the remaining amount for financial assistance to Indian Tribes in addition to the amount allotted under subsection (c). None of the funds reallotted by the Administrator shall be reallotted to any State that has not obligated all sums allotted to the State pursuant to this section during the period in which the sums were available for obligation.

''(3) ALLOTMENT OF WITHHELD FUNDS.—All funds withheld by the Administrator pursuant to subsection (g) and section 1442(e)(3) shall be allotted by the Administrator on the basis of the same ratio as is applicable to funds allotted under subsection (b). None of the funds allotted by the Administrator pursuant to this paragraph shall be allotted to a State unless the State has met the requirements of section 1418(a).

''(f) DIRECT GRANTS.—

''(1) IN GENERAL.—The Administrator is authorized to make grants for the improvement of public water systems of Indian Tribes, the District of Columbia, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and Guam and, if funds are appropriated to carry out this part for fiscal year 1995, the Republic of Palau.

''(2) ALASKA NATIVE VILLAGES.—In the case of a grant for a project under this subsection in an Alaska Native village, the Administrator is also authorized to make grants to the State of Alaska for the benefit of Native villages. An amount not to exceed 4 percent of the grant amount may be used by the State of Alaska for project management.

''(g) NEW SYSTEM CAPACITY.—Beginning in fiscal year 1999, the Administrator shall withhold the percentage prescribed in the following sentence of each capitalization grant made pursuant to this section to a State unless the State has met the requirements of section 1418(a). The percentage withheld shall be 5 percent for fiscal year 1999, 10 percent for fiscal year 2000, and 15 percent for each subsequent fiscal year.

''ELIGIBLE ASSISTANCE

''SEC. 1473. (a) IN GENERAL.—The amounts deposited into a State loan fund, including any amounts equal to the amounts of loan repayments and interest earned on the amounts deposited, may be used by the State to carry out projects that are consistent with this section.

''(b) PROJECTS ELIGIBLE FOR ASSISTANCE.—

''(1) IN GENERAL.—The amounts deposited into a State loan fund shall be used only for

providing financial assistance for capital expenditures and associated costs (but excluding the cost of land acquisition unless the cost is incurred to acquire land for the construction of a treatment facility or for a consolidation project) for—

''(A) a project that will facilitate compliance with national primary drinking water regulations promulgated pursuant to section 1412;

''(B) a project that will facilitate the consolidation of public water systems or the use of an alternative source of water supply;

''(C) a project that will upgrade a drinking water treatment system; and

''(D) the development of a public water system to replace private drinking water supplies if the private water supplies pose a significant threat to human health.

''(2) OPERATOR TRAINING.—Associated costs eligible for assistance under this part include the costs of training and certifying the persons who will operate facilities that receive assistance pursuant to paragraph (1).

''(3) LIMITATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no assistance under this part shall be provided to a public water system that—

''(i) does not have the technical, managerial, and financial capability to ensure compliance with the requirements of this title; and

''(ii) has a history of—

''(I) past violations of any maximum contaminant level or treatment technique established by a regulation or a variance; or

''(II) significant noncompliance with monitoring requirements or any other requirement of a national primary drinking water regulation or variance.

''(B) RESTRUCTURING.—A public water system described in subparagraph (A) may receive assistance under this part if—

''(i) the owner or operator of the system agrees to undertake feasible and appropriate changes in operations (including ownership, management, accounting, rates, maintenance, consolidation, alternative water supply, or other procedures) if the State determines that such measures are necessary to ensure that the system has the technical, managerial, and financial capability to comply with the requirements of this title over the long term; and

''(ii) the use of the assistance will ensure compliance.

''(c) ELIGIBLE PUBLIC WATER SYSTEMS.—A State loan fund, or the Administrator in the case of direct grants under section 1472(f), may provide financial assistance only to community water systems, publicly owned water systems (other than systems owned by Federal agencies), and nonprofit noncommunity water systems.

''(d) TYPES OF ASSISTANCE.—Except as otherwise limited by State law, the amounts deposited into a State loan fund under this section may be used only—

''(1) to make loans, on the condition that—

''(A) the interest rate for each loan is less than or equal to the market interest rate, including an interest free loan;

''(B) principal and interest payments on each loan will commence not later than 1 year after completion of the project for which the loan was made, and each loan will be fully amortized not later than 20 years after the completion of the project, except that in the case of a disadvantaged community (as defined in subsection (e)(1)), a State may provide an extended term for a loan, if the extended term—

''(i) terminates not later than the date that is 30 years after the date of project completion; and

''(ii) does not exceed the expected design life of the project;

''(C) the recipient of each loan will establish a dedicated source of revenue (or, in the case of a privately-owned system, demonstrate that there is adequate security) for the repayment of the loan; and

''(D) the State loan fund will be credited with all payments of principal and interest on each loan;

''(2) to buy or refinance the debt obligation of a municipality or an intermunicipal or interstate agency within the State at an interest rate that is less than or equal to the market interest rate in any case in which a debt obligation is incurred after October 14, 1993, or to refinance a debt obligation for a project constructed to comply with a regulation established pursuant to an amendment to this title made by the Safe Drinking Water Act Amendments of 1986 (Public Law 99–339; 100 Stat. 642);

''(3) to guarantee, or purchase insurance for, a local obligation (all of the proceeds of which finance a project eligible for assistance under subsection (b)) if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation;

''(4) as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of the bonds will be deposited into the State loan fund; and

''(5) to earn interest on the amounts deposited into the State loan fund.

''(e) ASSISTANCE FOR DISADVANTAGED COMMUNITIES.—

''(1) DEFINITION OF DISADVANTAGED COMMUNITY.—In this subsection, the term 'disadvantaged community' means the service area of a public water system that meets affordability criteria established after public review and comment by the State in which the public water system is located. The Administrator may publish information to assist States in establishing affordability criteria.

''(2) LOAN SUBSIDY.—Notwithstanding subsection (d), in any case in which the State makes a loan pursuant to subsection (d) to a disadvantaged community or to a community that the State expects to become a disadvantaged community as the result of a proposed project, the State may provide additional subsidization (including forgiveness of principal).

''(3) TOTAL AMOUNT OF SUBSIDIES.—For each fiscal year, the total amount of loan subsidies made by a State pursuant to paragraph (2) may not exceed 30 percent of the amount of the capitalization grant received by the State for the year.

''(f) SOURCE WATER QUALITY PROTECTION AND CAPACITY DEVELOPMENT.—

''(1) IN GENERAL.—Notwithstanding subsection (b)(1), a State may—

''(A) provide assistance, only in the form of a loan, to—

''(i) any public water system described in subsection (c) to acquire land or a conservation easement from a willing seller or grantor, if the purpose of the acquisition is to protect the source water of the system from contamination; or

''(ii) any community water system described in subsection (c) to provide funding in accordance with section 1419(d)(1)(C)(i);

''(B) provide assistance, including technical and financial assistance, to any public water system as part of a capacity development strategy developed and implemented in accordance with section 1418(c); and

''(C) make expenditures from the capitalization grant of the State for fiscal years 1996 and 1997 to delineate and assess source water protection areas in accordance with section 1419, except that funds set aside for such expenditure shall be obligated within 4 fiscal years.

''(2) LIMITATION.—For each fiscal year, the total amount of assistance provided and expenditures made by a State under this subsection may not exceed 15 percent of the amount of the capitalization grant received by the State for that year and may not exceed 10 percent of that amount for any one of the following activities:

''(A) To acquire land or conservation easements pursuant to paragraph (1)(A)(i).

''(B) To provide funding to implement recommendations of source water quality protection partnerships pursuant to paragraph (1)(A)(ii).

''(C) To provide assistance through a capacity development strategy pursuant to paragraph (1)(B).

''(D) To make expenditures to delineate or assess source water protection areas pursuant to paragraph (1)(C).

''STATE LOAN FUND ADMINISTRATION

''SEC. 1474. (a) ADMINISTRATION, TECHNICAL ASSISTANCE, AND MANAGEMENT.—

''(1) ADMINISTRATION.—Each State that has a State loan fund is authorized to expend from the annual capitalization grant of the State a reasonable amount, not to exceed 4 percent of the capitalization grant made to the State, for the costs of the administration of the State loan fund.

''(2) STATE PROGRAM MANAGEMENT ASSISTANCE.—

''(A) IN GENERAL.—Each State that has a loan fund is authorized to expend from the annual capitalization grant of the State an amount, determined pursuant to this paragraph, to carry out the public water system supervision program under section 1443(a) and to—

''(i) administer, or provide technical assistance through, source water quality protection programs, including a partnership program under section 1419; and

''(ii) develop and implement a capacity development strategy under section 1418(c) in the State.

''(B) LIMITATION.—Amounts expended by a State pursuant to this paragraph for any fiscal year may not exceed an amount that is equal to the amount of the grant funds available to the State for that fiscal year under section 1443(a).

''(C) STATE FUNDS.—For any fiscal year, funds may not be expended pursuant to this paragraph unless the Administrator determines that the amount of State funds made available to carry out the public water system supervision program under section 1443(a) for the fiscal year is not less than the amount of State funds made available to carry out the program for fiscal year 1993.

''(b) INTENDED USE PLANS.—

''(1) IN GENERAL.—After providing for public review and comment, each State that has entered into a capitalization agreement pursuant to this part shall annually prepare a plan that identifies the intended uses of the amounts available to the State loan fund of the State.

''(2) CONTENTS.—An intended use plan shall include—

''(A) a list of the projects to be assisted in the first fiscal year that begins after the date of the plan, including a description of the project, the expected terms of financial assistance, and the size of the community served;

''(B) the criteria and methods established for the distribution of funds; and

''(C) a description of the financial status of the State loan fund and the short-term and long-term goals of the State loan fund.

''(3) USE OF FUNDS.—

''(A) IN GENERAL.—An intended use plan shall provide, to the maximum extent practicable, that priority for the use of funds be given to projects that—

''(i) address the most serious risk to human health;

''(ii) are necessary to ensure compliance with the requirements of this title (including requirements for filtration); and

''(iii) assist systems most in need on a per household basis according to State affordability criteria.

''(B) LIST OF PROJECTS.—Each State shall, after notice and opportunity for public comment, publish and periodically update a list of projects in the State that are eligible for assistance under this part, including the priority assigned to each project and, to the extent known, the expected funding schedule for each project.

''STATE LOAN FUND MANAGEMENT

''SEC. 1475. (a) IN GENERAL.—Not later than 1 year after the date of enactment of this part, and annually thereafter, the Administrator shall conduct such reviews and audits as the Administrator considers appropriate, or require each State to have the reviews and audits independently conducted, in accordance with the single audit requirements of chapter 75 of title 31, United States Code.

''(b) STATE REPORTS.—Not later than 2 years after the date of enactment of this part, and every 2 years thereafter, each State that administers a State loan fund shall publish and submit to the Administrator a report on the activities of the State under this part, including the findings of the most recent audit of the State loan fund.

''(c) DRINKING WATER NEEDS SURVEY AND ASSESSMENT.—Not later than 1 year after the date of enactment of this part, and every 4 years thereafter, the Administrator shall submit to Congress a survey and assessment of the needs for facilities in each State eligible for assistance under this part (including, in the case of the State of Alaska, the needs of Native villages (as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c))). The survey and assessment conducted pursuant to this subsection shall—

''(1) identify, by State, the needs for projects or facilities owned or controlled by community water systems eligible for assistance under this part on the date of the assessment (other than refinancing for a project pursuant to section 1473(d)(2));

''(2) estimate the needs for eligible facilities over the 20-year period following the date of the assessment;

''(3) identify, by size category, the population served by public water systems with needs identified pursuant to paragraph (1); and

''(4) include such other information as the Administrator determines to be appropriate.

''(d) EVALUATION.—The Administrator shall conduct an evaluation of the effectiveness of the State loan funds through fiscal year 1999. The evaluation shall be submitted to Congress at the same time as the President submits to Congress, pursuant to section 1108 of title 31, United States Code, an appropriations request for fiscal year 2001 relating to the budget of the Environmental Protection Agency.

''ENFORCEMENT

''SEC. 1476. The failure or inability of any public water system to receive funds under this part or any other loan or grant program, or any delay in obtaining the funds, shall not alter the obligation of the system to comply in a timely manner with all applicable drinking water standards and requirements of this title.

''REGULATIONS AND GUIDANCE

''SEC. 1477. The Administrator shall publish such guidance and promulgate such regulations as are necessary to carry out this part, including guidance and regulations to ensure that—

''(1) each State commits and expends funds from the State loan fund in accordance with the requirements of this part and applicable Federal and State laws; and

''(2) the States and eligible public water systems that receive funds under this part use accounting procedures that conform to generally accepted accounting principles, auditing procedures that conform to chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act of 1984'), and such fiscal procedures as the Administrator may prescribe.

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 1478. (a) GENERAL AUTHORIZATION.—There are authorized to be appropriated to the Environmental Protection Agency to carry out this part $600,000,000 for fiscal year 1994 and $1,000,000,000 for each of fiscal years 1995 through 2003.

''(b) HEALTH EFFECTS RESEARCH.—From funds appropriated pursuant to this section for each fiscal year, the Administrator shall reserve $10,000,000 for health effects research on drinking water contaminants authorized by section 1442. In allocating funds made available under this subsection, the Administrator shall give priority to research concerning the health effects of cryptosporidium, disinfection byproducts, and arsenic, and the implementation of a research plan for subpopulations at greater risk of adverse effects pursuant to section 1442(l).

''(c) MONITORING FOR UNREGULATED CONTAMINANTS.—From funds appropriated pursuant to this section for each fiscal year beginning with fiscal year 1997, the Administrator shall reserve $2,000,000 to pay the costs of monitoring for unregulated contaminants under section 1445(a)(2)(D).

''(d) SMALL SYSTEM TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), from funds appropriated pursuant to this section for each fiscal year for which the appropriation made pursuant to subsection (a) exceeds $800,000,000, the Administrator shall reserve to carry out section 1442(g) an amount that is equal to any amount by which the amount made available to carry out section 1442(g) is less than the amount referred to in the third sentence of section 1442(g).

''(2) MAXIMUM AMOUNT.—For each fiscal year, the amount reserved under paragraph (1) shall be not greater than an amount equal to the lesser of—

''(A) 2 percent of the funds appropriated pursuant to this section for the fiscal year; or

''(B) $10,000,000.''.

SEC. 4. SELECTION OF CONTAMINANTS; SCHEDULE.

(a) STANDARDS.—Section 1412(b) (42 U.S.C. 300g–1(b)) is amended by striking ''(b)(1)'' and all that follows through the end of paragraph (3) and inserting the following:

''(b) STANDARDS.—

''(1) IDENTIFICATION OF CONTAMINANTS FOR LISTING.—

''(A) GENERAL AUTHORITY.—The Administrator shall publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for each contaminant (other than a contaminant referred to in paragraph (2) for which a national primary drinking water regulation has been promulgated as of the date of enactment of the Safe Drinking Water Act Amendments of 1995) if the Administrator determines, based on adequate data and appropriate peer-reviewed scientific information and an assessment of health risks, conducted in accordance with sound and objective scientific practices, that—

''(i) the contaminant may have an adverse effect on the health of persons; and

''(ii) the contaminant is known to occur or there is a substantial likelihood that the contaminant will occur in public water systems with a frequency and at levels of public health concern.

''(B) SELECTION AND LISTING OF CONTAMINANTS FOR CONSIDERATION.—

''(i) IN GENERAL.—Not later than July 1, 1997, the Administrator (after consultation with the Secretary of Health and Human Services) shall publish and periodically, but not less often than every 5 years, update a list of contaminants that are known or anticipated to occur in drinking water provided by public water systems and that may warrant regulation under this title.

''(ii) RESEARCH AND STUDY PLAN.—At such time as a list is published under clause (i), the Administrator shall describe available and needed information and research with respect to—

''(I) the health effects of the contaminants;

''(II) the occurrence of the contaminants in drinking water; and

''(III) treatment techniques and other means that may be feasible to control the contaminants.

''(iii) COMMENT.—The Administrator shall seek comment on each list and any research plan that is published from officials of State and local governments, operators of public water systems, the scientific community, and the general public.

''(C) DETERMINATION.—

''(i) IN GENERAL.—Except as provided in clause (ii), not later than July 1, 2001, and every 5 years thereafter, the Administrator shall take one of the following actions for not fewer than 5 contaminants:

''(I) Publish a determination that information available to the Administrator does not warrant the issuance of a national primary drinking water regulation.

''(II) Publish a determination that a national primary drinking water regulation is warranted based on information available to the Administrator, and proceed to propose a maximum contaminant level goal and national primary drinking water regulation not later than 2 years after the date of publication of the determination.

''(III) Propose a maximum contaminant level goal and national primary drinking water regulation.

''(ii) INSUFFICIENT INFORMATION.—If the Administrator determines that available information is insufficient to make a determination for a contaminant under clause (i), the Administrator may publish a determination to continue to study the contaminant. Not later than 5 years after the Administrator determines that further study is necessary for a contaminant pursuant to this clause, the Administrator shall make a determination under clause (i).

''(iii) ASSESSMENT.—The determinations under clause (i) shall be based on an assessment of—

''(I) the available scientific knowledge that is consistent with the requirements of paragraph (3)(A) and useful in determining the nature and extent of adverse effects on the health of persons that may occur due to the presence of the contaminant in drinking water;

''(II) information on the occurrence of the contaminant in drinking water; and

''(III) the treatment technologies, treatment techniques, or other means that may be feasible in reducing the contaminant in drinking water provided by public water systems.

''(iv) PRIORITIES.—In making determinations under this subparagraph, the Administrator shall give priority to those contaminants not currently regulated that are associated with the most serious adverse health effects and that present the greatest potential risk to the health of persons due to the presence of the contaminant in drinking water provided by public water systems.

''(v) REVIEW.—Each document setting forth the determination for a contaminant under clause (i) shall be available for public comment at such time as the determination is published.

''(vi) JUDICIAL REVIEW.—Determinations made by the Administrator pursuant to clause (i)(I) shall be considered final agency actions for the purposes of section 1448. No determination under clause (i)(I) shall be set aside by a court pursuant to a review authorized under that section, unless the court finds that the determination is arbitrary and capricious.

''(D) URGENT THREATS TO PUBLIC HEALTH.—The Administrator may promulgate an interim national primary drinking water regulation for a contaminant without listing the contaminant under subparagraph (B) or publishing a determination for the contaminant under subparagraph (C) to address an urgent threat to public health as determined by the Administrator after consultation with and written response to any comments provided by the Secretary of Health and Human Services, acting through the director of the Centers for Disease Control and Prevention or the director of the National Institutes of Health. A determination for any contaminant in accordance with subparagraph (C) subject to an interim regulation under this subparagraph shall be issued not later than 3 years after the date on which the regulation is promulgated and the regulation shall be repromulgated, or revised if appropriate, not later than 5 years after that date.

''(E) MONITORING DATA AND OTHER INFORMATION.—The Administrator may require, in accordance with section 1445(a)(2), the submission of monitoring data and other information necessary for the development of studies, research plans, or national primary drinking water regulations.

''(2) SCHEDULES AND DEADLINES.—

''(A) IN GENERAL.—In the case of the contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, and in volume 48, Federal Register, page 45502, the Administrator shall publish maximum contaminant level goals and promulgate national primary drinking water regulations—

''(i) not later than 1 year after June 19, 1986, for not fewer than 9 of the listed contaminants;

''(ii) not later than 2 years after June 19, 1986, for not fewer than 40 of the listed contaminants; and

''(iii) not later than 3 years after June 19, 1986, for the remainder of the listed contaminants.

''(B) SUBSTITUTION OF CONTAMINANTS.—If the Administrator identifies a drinking water contaminant the regulation of which, in the judgment of the Administrator, is more likely to be protective of public health (taking into account the schedule for regulation under subparagraph (A)) than a contaminant referred to in subparagraph (A), the Administrator may publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for the identified contaminant in lieu of regulating the contaminant referred to in subparagraph (A). Substitutions may be made for not more than 7 contaminants referred to in subparagraph (A). Regulation of a contaminant identified under this subparagraph shall be in accordance with the schedule applicable to the contaminant for which the substitution is made.

''(C) DISINFECTANTS AND DISINFECTION BYPRODUCTS.—

''(i) INFORMATION COLLECTION RULE.—

''(I) IN GENERAL.—Not later than December 31, 1995, the Administrator shall, after notice and opportunity for public comment, promulgate an information collection rule to obtain information that will facilitate further revisions to the national primary drinking water regulation for disinfectants and disinfection byproducts, including information on microbial contaminants such as cryptosporidium.

''(II) EXTENSION.—The Administrator may extend the deadline under subclause (I) for up to 180 days if the Administrator determines that progress toward approval of an appropriate analytical method to screen for cryptosporidium is sufficiently advanced and approval is likely to be completed within the additional time period.

''(ii) ADDITIONAL DEADLINES.—The time intervals between promulgation of a final information collection rule, an Interim Enhanced Surface Water Treatment Rule, a Final Enhanced Surface Water Treatment Rule, a Stage I Disinfectants and Disinfection Byproducts Rule, and a Stage II Disinfectants and Disinfection Byproducts Rule shall be in accordance with the schedule published in volume 59, Federal Register, page 6361 (February 10, 1994), in table III.13 of the proposed Information Collection Rule. If a delay occurs with respect to the promulgation of any rule in the timetable established by this subparagraph, all subsequent rules shall be completed as expeditiously as practicable subject to agreement by all the parties to the negotiated rulemaking, but no later than a revised date that reflects the interval or intervals for the rules in the timetable.

''(D) PRIOR REQUIREMENTS.—The requirements of subparagraphs (C) and (D) of section 1412(b)(3) (as in effect before the amendment made by section 4(a) of the Safe Drinking Water Act Amendments of 1995), and any obligation to promulgate regulations pursuant to such subparagraphs not promulgated as of the date of enactment of the Safe Drinking Water Act Amendments of 1995, are superseded by this paragraph and paragraph (1).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1412(a)(3) (42 U.S.C. 300g–1(a)(3)) is amended by striking ''paragraph (1), (2), or (3) of subsection (b)'' each place it appears and inserting ''paragraph (1) or (2) of subsection (b)''.

(2) Section 1415(d) (42 U.S.C. 300g–4(d)) is amended by striking ''section 1412(b)(3)'' and inserting ''section 1412(b)(7)(A)''.

SEC. 5. RISK ASSESSMENT, MANAGEMENT, AND COMMUNICATION.

Section 1412(b) (42 U.S.C. 300g–1(b)) (as amended by section 4) is further amended by inserting after paragraph (2) the following:

''(3) RISK ASSESSMENT, MANAGEMENT AND COMMUNICATION.—

''(A) USE OF SCIENCE IN DECISIONMAKING.—In carrying out this section, and, to the degree that an Agency action is based on science in carrying out this title, the Administrator shall use—

''(i) the best available, peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices; and

''(ii) data collected by accepted methods or best available methods (if the reliability of the method and the nature of the decision justifies use of the data).

''(B) PUBLIC INFORMATION.—In carrying out this section, the Administrator shall ensure that the presentation of information on public health effects is comprehensive, informative and understandable. The Administrator shall, in a document made available to the public in support of a regulation promulgated under this section, specify, to the extent practicable—

''(i) each population addressed by any estimate of public health effects;

''(ii) the expected risk or central estimate of risk for the specific populations;

''(iii) each appropriate upper-bound or lower-bound estimate of risk;

''(iv) each uncertainty identified in the process of the assessment of public health effects and research that would assist in resolving the uncertainty; and

''(v) peer-reviewed studies known to the Administrator that support, are directly relevant to, or fail to support any estimate of public health effects and the methodology used to reconcile inconsistencies in the scientific data.

''(C) HEALTH RISK REDUCTION AND COST ANALYSIS.—

''(i) MAXIMUM CONTAMINANT LEVELS.—Not later than 90 days prior to proposing any national primary drinking water regulation that includes a maximum contaminant level, the Administrator shall, with respect to a maximum contaminant level that would be considered in accordance with paragraph (4) in a proposed regulation and each alternative maximum contaminant level that would be considered in a proposed regulation pursuant to paragraph (5) or (6)(A), publish, seek public comment on, and use for the purposes of paragraphs (4), (5), and (6) an analysis of—

''(I) the health risk reduction benefits (including non-quantifiable health benefits identified and described by the Administrator, except that such benefits shall not be used by the Administrator for purposes of determining whether a maximum contaminant level is or is not justified unless there is a factual basis in the rulemaking record to conclude that such benefits are likely to occur) expected as the result of treatment to comply with each level;

''(II) the health risk reduction benefits (including non-quantifiable health benefits identified and described by the Administrator, except that such benefits shall not be used by the Administrator for purposes of determining whether a maximum contaminant level is or is not justified unless there is a factual basis in the rulemaking record to conclude that such benefits are likely to occur) expected from reductions in co-occurring contaminants that may be attributed solely to compliance with the maximum contaminant level, excluding benefits resulting from compliance with other proposed or promulgated regulations;

''(III) the costs (including non-quantifiable costs identified and described by the Administrator, except that such costs shall not be used by the Administrator for purposes of determining whether a maximum contaminant level is or is not justified unless there is a factual basis in the rulemaking record to conclude that such costs are likely to occur) expected solely as a result of compliance with the maximum contaminant level, including monitoring, treatment, and other costs and excluding costs resulting from compliance with other proposed or promulgated regulations;

''(IV) the incremental costs and benefits associated with each alternative maximum contaminant level considered;

''(V) the effects of the contaminant on the general population and on groups within the general population such as infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulations that are identified as likely to be at greater risk of adverse health effects

due to exposure to contaminants in drinking water than the general population;

''(VI) any increased health risk that may occur as the result of compliance, including risks associated with co-occurring contaminants; and

''(VII) other relevant factors, including the quality and extent of the information, the uncertainties in the analysis supporting subclauses (I) through (VI), and factors with respect to the degree and nature of the risk.

''(ii) TREATMENT TECHNIQUES.—Not later than 90 days prior to proposing a national primary drinking water regulation that includes a treatment technique in accordance with paragraph (7)(A), the Administrator shall publish and seek public comment on an analysis of the health risk reduction benefits and costs likely to be experienced as the result of compliance with the treatment technique and alternative treatment techniques that would be considered in a proposed regulation, taking into account, as appropriate, the factors described in clause (i).

''(iii) APPROACHES TO MEASURE AND VALUE BENEFITS.—The Administrator may identify valid approaches for the measurement and valuation of benefits under this subparagraph, including approaches to identify consumer willingness to pay for reductions in health risks from drinking water contaminants.

''(iv) FORM OF NOTICE.—Whenever a national primary drinking water regulation is expected to result in compliance costs greater than $75,000,000 per year, the Administrator shall provide the notice required by clause (i) or (ii) through an advanced notice of proposed rulemaking.

''(v) AUTHORIZATION.—There are authorized to be appropriated to the Administrator, acting through the Office of Ground Water and Drinking Water, to conduct studies, assessments, and analyses in support of regulations or the development of methods, $35,000,000 for each of fiscal years 1996 through 2003.''.

SEC. 6. STANDARD-SETTING; REVIEW OF STANDARDS.

(a) IN GENERAL.—Section 1412(b) (42 U.S.C. 300g–1(b)) is amended—

(1) in paragraph (4)—

(A) by striking ''(4) Each'' and inserting the following:

''(4) GOALS AND STANDARDS.—

''(A) MAXIMUM CONTAMINANT LEVEL GOALS.—Each'';

(B) in subparagraph (A) (as so designated), by inserting after the first sentence the following: ''The maximum contaminant level goal for contaminants that are known or likely to cause cancer in humans may be set at a level other than zero, if the Administrator determines, based on the best available, peer-reviewed science, that there is a threshold level below which there is unlikely to be any increase in cancer risk and the Administrator sets the maximum contaminant level goal at that level with an adequate margin of safety.'';

(C) in the last sentence—

(i) by striking ''Each national'' and inserting the following:

''(B) MAXIMUM CONTAMINANT LEVELS.— Except as provided in paragraphs (5) and (6), each national''; and

(ii) by striking ''maximum level'' and inserting ''maximum contaminant level''; and

(D) by adding at the end the following:

''(C) DETERMINATION.—At the time the Administrator proposes a national primary drinking water regulation under this paragraph, the Administrator shall publish a determination as to whether the benefits of the maximum contaminant level justify, or do not justify, the costs based on the analysis conducted under paragraph (3)(C).'';

(2) by striking ''(5) For the'' and inserting the following:

''(D) DEFINITION OF FEASIBLE.—For the'';

(3) in the second sentence of paragraph (4)(D) (as so designated), by striking ''paragraph (4)'' and inserting ''this paragraph'';

(4) by striking ''(6) Each national'' and inserting the following:

''(E) FEASIBLE TECHNOLOGIES.—Each national'';

(5) in paragraph (4)(E) (as so designated), by striking ''this paragraph'' and inserting ''this subsection''; and

(6) by inserting after paragraph (4) (as so amended) the following:

''(5) ADDITIONAL HEALTH RISK CONSIDERATIONS.—

''(A) IN GENERAL.—Notwithstanding paragraph (4), the Administrator may establish a maximum contaminant level for a contaminant at a level other than the feasible level, if the technology, treatment techniques, and other means used to determine the feasible level would result in an increase in the health risk from drinking water by—

''(i) increasing the concentration of other contaminants in drinking water; or

''(ii) interfering with the efficacy of drinking water treatment techniques or processes that are used to comply with other national primary drinking water regulations.

''(B) ESTABLISHMENT OF LEVEL.—If the Administrator establishes a maximum contaminant level or levels or requires the use of treatment techniques for any contaminant or contaminants pursuant to the authority of this paragraph—

''(i) the level or levels or treatment techniques shall minimize the overall risk of adverse health effects by balancing the risk from the contaminant and the risk from other contaminants the concentrations of which may be affected by the use of a treatment technique or process that would be employed to attain the maximum contaminant level or levels; and

''(ii) the combination of technology, treatment techniques, or other means required to meet the level or levels shall not be more stringent than is feasible (as defined in paragraph (4)(D)).

''(6) ADDITIONAL HEALTH RISK REDUCTION AND COST CONSIDERATIONS.—

''(A) IN GENERAL.—Notwithstanding paragraph (4), if the Administrator determines based on an analysis conducted under paragraph (3)(C) that the benefits of a maximum contaminant level promulgated in accordance with paragraph (4) would not justify the costs of complying with the level, the Administrator may, after notice and opportunity for public comment, promulgate a maximum contaminant level for the contaminant that maximizes health risk reduction benefits at a cost that is justified by the benefits.

''(B) EXCEPTION.—The Administrator shall not use the authority of this paragraph to promulgate a maximum contaminant level for a contaminant, if the benefits of compliance with a national primary drinking water regulation for the contaminant that would be promulgated in accordance with paragraph (4) experienced by—

''(i) persons served by large public water systems; and

''(ii) persons served by such other systems as are unlikely, based on information provided by the States, to receive a variance under section 1415(e);

would justify the costs to the systems of complying with the regulation. This subparagraph shall not apply if the contaminant is found almost exclusively in small systems (as defined in section 1415(e)).

''(C) DISINFECTANTS AND DISINFECTION BYPRODUCTS.—The Administrator may not use the authority of this paragraph to establish a maximum contaminant level in a Stage I or Stage II national primary drinking water regulation for contaminants that are disinfectants or disinfection byproducts (as described in paragraph (2)), or to establish a maximum contaminant level or treatment technique requirement for the control of cryptosporidium. The authority of this paragraph may be used to establish regulations for the use of disinfection by systems relying on ground water sources as required by paragraph (8).

''(D) JUDICIAL REVIEW.—A determination by the Administrator that the benefits of a maximum contaminant level or treatment requirement justify or do not justify the costs of complying with the level shall be reviewed by the court pursuant to section 1448 only as part of a review of a final national primary drinking water regulation that has been promulgated based on the determination and shall not be set aside by the court under that section, unless the court finds that the determination is arbitrary and capricious.''.

(b) DISINFECTANTS AND DISINFECTION BYPRODUCTS.—The Administrator of the Environmental Protection Agency may use the authority of section 1412(b)(5) of the Public Health Service Act (as amended by subsection (a)) to promulgate the Stage I rulemaking for disinfectants and disinfection byproducts as proposed in volume 59, Federal Register, page 38668 (July 29, 1994). Unless new information warrants a modification of the proposal as provided for in the ''Disinfection and Disinfection Byproducts Negotiated Rulemaking Committee Agreement'', nothing in such section shall be construed to require the Administrator to modify the provisions of the rulemaking as proposed.

(c) REVIEW OF STANDARDS.—Section 1412(b) (42 U.S.C. 300g–1(b)) is amended by striking paragraph (9) and inserting the following:

''(9) REVIEW AND REVISION.—The Administrator shall, not less often than every 6 years, review and revise, as appropriate, each national primary drinking water regulation promulgated under this title. Any revision of a national primary drinking water regulation shall be promulgated in accordance with this section, except that each revision shall maintain or provide for greater protection of the health of persons.''.

SEC. 7. ARSENIC.

Section 1412(b) (42 U.S.C. 300g–1(b)) is amended by adding at the end the following:

''(12) ARSENIC.—

''(A) SCHEDULE AND STANDARD.—Notwithstanding paragraph (2), the Administrator shall promulgate a national primary drinking water regulation for arsenic in accordance with the schedule established by this paragraph and pursuant to this subsection.

''(B) RESEARCH PLAN.—Not later than 180 days after the date of enactment of this paragraph, the Administrator shall develop a comprehensive plan for research in support of drinking water rulemaking to reduce the uncertainty in assessing health risks associated with exposure to low levels of arsenic. The Administrator shall consult with the Science Advisory Board established by section 8 of the Environmental Research, Development, and Demonstration Act of 1978 (42 U.S.C. 4365), other Federal agencies, and interested public and private entities.

''(C) RESEARCH PROJECTS.—The Administrator shall carry out the research plan, taking care to avoid duplication of other research in progress. The Administrator may enter into cooperative research agreements with other Federal agencies, State and local governments, and other interested public and private entities to carry out the research plan.

''(D) ASSESSMENT.—Not later than 3½ years after the date of enactment of this

paragraph, the Administrator shall review the progress of the research to determine whether the health risks associated with exposure to low levels of arsenic are sufficiently well understood to proceed with a national primary drinking water regulation. The Administrator shall consult with the Science Advisory Board, other Federal agencies, and other interested public and private entities as part of the review.

''(E) PROPOSED REGULATION.—The Administrator shall propose a national primary drinking water regulation for arsenic not later than January 1, 2000.

''(F) FINAL REGULATION.—Not later than January 1, 2001, after notice and opportunity for public comment, the Administrator shall promulgate a national primary drinking water regulation for arsenic.''.

SEC. 8. RADON.

Section 1412(b) (42 U.S.C. 300g–1(b)) (as amended by section 7) is further amended by adding at the end the following:

''(13) RADON IN DRINKING WATER.—

''(A) REGULATION.—Notwithstanding paragraph (2), not later than 180 days after the date of enactment of this paragraph, the Administrator shall promulgate a national primary drinking water regulation for radon.

''(B) MAXIMUM CONTAMINANT LEVEL.—Notwithstanding any other provision of law, the regulation shall provide for a maximum contaminant level for radon of 3,000 picocuries per liter.

''(C) REVISION.—

''(i) IN GENERAL.—Subject to clause (ii), a revision to the regulation promulgated under subparagraph (A) may be made pursuant to this subsection. The revision may include a maximum contaminant level less stringent than 3,000 picocuries per liter as provided in paragraphs (4) and (9) or a maximum contaminant level more stringent than 3,000 picocuries per liter as provided in clause (ii).

''(ii) MAXIMUM CONTAMINANT LEVEL.—

''(I) CRITERIA FOR REVISION.—The Administrator shall not revise the maximum contaminant level for radon to a more stringent level than the level established under subparagraph (B) unless—

''(aa) the revision is made to reflect consideration of risks from the ingestion of radon in drinking water and episodic uses of drinking water;

''(bb) the revision is supported by peer-reviewed scientific studies conducted in accordance with sound and objective scientific practices; and

''(cc) based on the studies, the National Academy of Sciences and the Science Advisory Board, established by section 8 of the Environmental Research, Development, and Demonstration Act of 1978 (42 U.S.C. 4365), consider a revision of the maximum contaminant level to be appropriate.

''(II) AMOUNT OF REVISION.—If the Administrator determines to revise the maximum contaminant level for radon in accordance with subclause (I), the maximum contaminant level shall be revised to a level that is no more stringent than is necessary to reduce risks to human health from radon in drinking water to a level that is equivalent to risks to human health from radon in outdoor air based on the national average concentration of radon in outdoor air.''.

SEC. 9. SULFATE.

Section 1412(b) (42 U.S.C. 300g–1(b)) (as amended by section 8) is further amended by adding at the end the following:

''(14) SULFATE.—

''(A) ADDITIONAL RESEARCH.—Prior to promulgating a national primary drinking water regulation for sulfate the Administrator and the Director of the Centers for Disease Control shall jointly conduct additional research to establish a reliable dose-response relationship for the adverse health effects that may result from exposure to sulfate in drinking water, including the health effects that may be experienced by groups within the general population (including infants and travelers) that are potentially at greater risk of adverse health effects as the result of such exposure. The research shall be conducted in consultation with interested States, shall be based on the best available, peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices and shall be completed not later than 30 months after the date of enactment of this paragraph.

''(B) PROPOSED AND FINAL RULE.—Prior to promulgating a national primary drinking water regulation for sulfate and after consultation with interested States, the Administrator shall publish a notice of proposed rulemaking that shall supersede the proposal published in December, 1994. For purposes of the proposed and final rule, the Administrator may specify in the regulation requirements for public notification and options for the provision of alternative water supplies to populations at risk as a means of complying with the regulation in lieu of a best available treatment technology or other means. The Administrator shall, pursuant to the authorities of this subsection and after notice and opportunity for public comment, promulgate a final national primary drinking water regulation for sulfate not later than 48 months after the date of enactment of this paragraph.

''(C) EFFECT ON OTHER LAWS.—

''(i) FEDERAL LAWS.—Notwithstanding part C, section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321), subtitle C or D of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.), or section 107 or 121(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607 and 9621(d)), no national primary drinking water regulation for sulfate shall be—

''(I) used as a standard for determining compliance with any provision of any law other than this subsection;

''(II) used as a standard for determining appropriate cleanup levels or whether cleanup should be undertaken with respect to any facility or site;

''(III) considered to be an applicable or relevant and appropriate requirement for any such cleanup; or

''(IV) used for the purpose of defining injury to a natural resource;

unless the Administrator, by rule and after notice and opportunity for public comment, determines that the regulation is appropriate for a use described in subclause (I), (II), (III), or (IV).

''(ii) STATE LAWS.—This subparagraph shall not affect any requirement of State law, including the applicability of any State standard similar to the regulation published under this paragraph as a standard for any cleanup action, compliance action, or natural resource damage action taken pursuant to such a law.''.

SEC. 10. FILTRATION AND DISINFECTION.

(a) FILTRATION CRITERIA.—Section 1412(b)(7)(C)(i) is amended by adding at the end thereof the following: ''Not later than 18 months after the date of enactment of the Safe Drinking Water Act Amendments of 1995, the Administrator shall amend the criteria issued under this clause to provide that a State exercising primary enforcement responsibility for public water systems may, on a case-by-case basis, establish treatment requirements as an alternative to filtration in the case of systems having uninhabited, undeveloped watersheds in consolidated ownership, and having control over access to, and activities in, those watersheds, if the State determines (and the Administrator concurs) that the quality of the source water and the alternative treatment requirements established by the State ensure significantly greater removal efficiencies of pathogenic organisms for which national primary drinking water regulations have been promulgated or that are of public health concern than would be achieved by the combination of filtration and chlorine disinfection (in compliance with this paragraph and paragraph (8)).''.

(b) FILTRATION TECHNOLOGY FOR SMALL SYSTEMS.—Section 1412(b)(7)(C) (42 U.S.C. 300g–1(b)(7)(C)) is amended by adding at the end the following:

''(v) FILTRATION TECHNOLOGY FOR SMALL SYSTEMS.—At the same time as the Administrator proposes an Interim Enhanced Surface Water Treatment Rule pursuant to paragraph (2)(C)(ii), the Administrator shall propose a regulation that describes treatment techniques that meet the requirements for filtration pursuant to this subparagraph and are feasible for community water systems serving a population of 3,300 or fewer and noncommunity water systems.''.

(c) GROUND WATER DISINFECTION.—The first sentence of section 1412(b)(8) (42 U.S.C. 300g–1(b)(8)) is amended—

(1) by striking ''Not later than 36 months after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall propose and promulgate'' and inserting ''At any time after the end of the 3-year period that begins on the date of enactment of the Safe Drinking Water Act Amendments of 1995 but not later than the date on which the Administrator promulgates a Stage II rulemaking for disinfectants and disinfection byproducts (as described in paragraph (2)), the Administrator shall also promulgate''; and

(2) by striking the period at the end and inserting the following: '', including surface water systems and, as necessary, ground water systems. After consultation with the States, the Administrator shall (as part of the regulations) promulgate criteria that the Administrator, or a State that has primary enforcement responsibility under section 1413, shall apply to determine whether disinfection shall be required as a treatment technique for any public water system served by ground water.''.

SEC. 11. EFFECTIVE DATE FOR REGULATIONS.

Section 1412(b) (42 U.S.C. 300g–1(b)) is amended by striking paragraph (10) and inserting the following:

''(10) EFFECTIVE DATE.—A national primary drinking water regulation promulgated under this section shall take effect on the date that is 3 years after the date on which the regulation is promulgated unless the Administrator determines that an earlier date is practicable, except that the Administrator, or a State in the case of an individual system, may allow up to 2 additional years to comply with a maximum contaminant level or treatment technique if the Administrator or State determines that additional time is necessary for capital improvements.''.

SEC. 12. TECHNOLOGY AND TREATMENT TECHNIQUES; TECHNOLOGY CENTERS.

(a) SYSTEM TREATMENT TECHNOLOGIES.—Section 1412(b) (42 U.S.C. 300g–1(b)) (as amended by section 9) is further amended by adding at the end the following:

''(15) SYSTEM TREATMENT TECHNOLOGIES.—

''(A) GUIDANCE OR REGULATIONS.—

''(i) IN GENERAL.—At the same time as the Administrator promulgates a national primary drinking water regulation pursuant to this section, the Administrator shall issue guidance or regulations describing all treatment technologies for the contaminant that

is the subject of the regulation that are feasible with the use of best technology, treatment techniques, or other means that the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available taking cost into consideration for public water systems serving—

''(I) a population of 10,000 or fewer but more than 3,300;

''(II) a population of 3,300 or fewer but more than 500; and

''(III) a population of 500 or fewer but more than 25.

''(ii) CONTENTS.—The guidance or regulations shall identify the effectiveness of the technology, the cost of the technology, and other factors related to the use of the technology, including requirements for the quality of source water to ensure adequate protection of human health, considering removal efficiencies of the technology, and installation and operation and maintenance requirements for the technology.

''(iii) LIMITATION.—The Administrator shall not issue guidance or regulations for a technology under this paragraph unless the technology adequately protects human health, considering the expected useful life of the technology and the source waters available to systems for which the technology is considered to be feasible.

''(B) REGULATIONS AND GUIDANCE.—Not later than 2 years after the date of enactment of this paragraph and after consultation with the States, the Administrator shall issue guidance or regulations under subparagraph (A) for each national primary drinking water regulation promulgated prior to the date of enactment of this paragraph for which a variance may be granted under section 1415(e). The Administrator may, at any time after a national primary drinking water regulation has been promulgated, issue guidance or regulations describing additional or new or innovative treatment technologies that meet the requirements of subparagraph (A) for public water systems described in subparagraph (A)(i) that are subject to the regulation.

''(C) NO SPECIFIED TECHNOLOGY.—A description under subparagraph (A) of the best technology or other means available shall not be considered to require or authorize that the specified technology or other means be used for the purpose of meeting the requirements of any national primary drinking water regulation.''.

(b) TECHNOLOGIES AND TREATMENT TECHNIQUES FOR SMALL SYSTEMS.—Section 1412(b)(4)(E) (as amended by section 6(a)) is further amended by adding at the end the following: ''The Administrator shall include in the list any technology, treatment technique, or other means that is feasible for small public water systems serving—

''(i) a population of 10,000 or fewer but more than 3,300;

''(ii) a population of 3,300 or fewer but more than 500; and

''(iii) a population of 500 or fewer but more than 25;

and that achieves compliance with the maximum contaminant level or treatment technique, including packaged or modular systems and point-of-entry or point-of-use treatment units that are owned, controlled and maintained by the public water system or by a person under contract with the public water system to ensure proper operation and maintenance and compliance with the maximum contaminant level and equipped with mechanical warnings to ensure that customers are automatically notified of operational problems. The Administrator shall not include in the list any point-of-use treatment technology, treatment technique, or other means to achieve compliance with a maximum contaminant level or treatment technique requirement for a microbial contaminant (or an indicator of a microbial contaminant). If the American National Standards Institute has issued product standards applicable to a specific type of point-of-entry or point-of-use treatment device, individual units of that type shall not be accepted for compliance with a maximum contaminant level or treatment technique requirement unless they are independently certified in accordance with such standards.''.

(c) AVAILABILITY OF INFORMATION ON SMALL SYSTEM TECHNOLOGIES.—Section 1445 (42 U.S.C. 300j–4) is amended by adding at the end the following:

''(g) AVAILABILITY OF INFORMATION ON SMALL SYSTEM TECHNOLOGIES.—For purposes of paragraphs (4)(E) and (15) of section 1412(b), the Administrator may request information on the characteristics of commercially available treatment systems and technologies, including the effectiveness and performance of the systems and technologies under various operating conditions. The Administrator may specify the form, content, and date by which information shall be submitted by manufacturers, States, and other interested persons for the purpose of considering the systems and technologies in the development of regulations or guidance under paragraph (4)(E) or (15) of section 1412(b).''.

(d) SMALL WATER SYSTEMS TECHNOLOGY CENTERS.—Section 1442 (42 U.S.C. 300j–1) is amended by adding at the end the following:

''(h) SMALL PUBLIC WATER SYSTEMS TECHNOLOGY ASSISTANCE CENTERS.—

''(1) GRANT PROGRAM.—The Administrator is authorized to make grants to institutions of higher learning to establish and operate not fewer than 5 small public water system technology assistance centers in the United States.

''(2) RESPONSIBILITIES OF THE CENTERS.—The responsibilities of the small public water system technology assistance centers established under this subsection shall include the conduct of research, training, and technical assistance relating to the information, performance, and technical needs of small public water systems or public water systems that serve Indian Tribes.

''(3) APPLICATIONS.—Any institution of higher learning interested in receiving a grant under this subsection shall submit to the Administrator an application in such form and containing such information as the Administrator may require by regulation.

''(4) SELECTION CRITERIA.—The Administrator shall select recipients of grants under this subsection on the basis of the following criteria:

''(A) The small public water system technology assistance center shall be located in a State that is representative of the needs of the region in which the State is located for addressing the drinking water needs of rural small communities or Indian Tribes.

''(B) The grant recipient shall be located in a region that has experienced problems with rural water supplies.

''(C) There is available to the grant recipient for carrying out this subsection demonstrated expertise in water resources research, technical assistance, and training.

''(D) The grant recipient shall have the capability to provide leadership in making national and regional contributions to the solution of both long-range and intermediate-range rural water system technology management problems.

''(E) The grant recipient shall have a demonstrated interdisciplinary capability with expertise in small public water system technology management and research.

''(F) The grant recipient shall have a demonstrated capability to disseminate the results of small public water system technology research and training programs through an interdisciplinary continuing education program.

''(G) The projects that the grant recipient proposes to carry out under the grant are necessary and appropriate.

''(H) The grant recipient has regional support beyond the host institution.

''(I) The grant recipient shall include the participation of water resources research institutes established under section 104 of the Water Resources Research Act of 1984 (42 U.S.C. 10303).

''(5) ALASKA.—For purposes of this subsection, the State of Alaska shall be considered to be a region.

''(6) CONSORTIA OF STATES.—At least 2 of the grants under this subsection shall be made to consortia of States with low population densities. In this paragraph, the term 'consortium of States with low population densities' means a consortium of States, each State of which has an average population density of less than 12.3 persons per square mile, based on data for 1993 from the Bureau of the Census.

''(7) ADDITIONAL CONSIDERATIONS.—At least one center established under this subsection shall focus primarily on the development and evaluation of new technologies and new combinations of existing technologies that are likely to provide more reliable or lower cost options for providing safe drinking water. This center shall be located in a geographic region of the country with a high density of small systems, at a university with an established record of developing and piloting small treatment technologies in cooperation with industry, States, communities, and water system associations.

''(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this subsection $10,000,000 for each of fiscal years 1995 through 2003.''.

SEC. 13. VARIANCES AND EXEMPTIONS.

(a) TECHNOLOGY AND TREATMENT TECHNIQUES FOR SYSTEMS ISSUED VARIANCES.—The second sentence of section 1415(a)(1)(A) (42 U.S.C. 300g–4(a)(1)(A)) is amended—

(1) by striking ''only be issued to a system after the system's application of'' and inserting ''be issued to a system on condition that the system install''; and

(2) by inserting before the period at the end the following: '', and based upon an evaluation satisfactory to the State that indicates that alternative sources of water are not reasonably available to the system''.

(b) EXEMPTIONS.—Section 1416 (42 U.S.C. 300g–5) is amended—

(1) in subsection (a)(1)—

(A) by inserting after ''(which may include economic factors'' the following: '', including qualification of the public water system as a system serving a disadvantaged community pursuant to section 1473(e)(1)''; and

(B) by inserting after ''treatment technique requirement,'' the following: ''or to implement measures to develop an alternative source of water supply,'';

(2) in subsection (b)(1)(A)—

(A) by striking ''(including increments of progress)'' and inserting ''(including increments of progress or measures to develop an alternative source of water supply)''; and

(B) by striking ''requirement and treatment'' and inserting ''requirement or treatment''; and

(3) in subsection (b)(2)—

(A) by striking ''(except as provided in subparagraph (B))'' in subparagraph (A) and all that follows through ''3 years after the date of the issuance of the exemption if'' in subparagraph (B) and inserting the following: ''not later than 3 years after the otherwise applicable compliance date established in section 1412(b)(10).

''(B) No exemption shall be granted unless'';

(B) in subparagraph (B)(i), by striking ''within the period of such exemption'' and inserting ''prior to the date established pursuant to section 1412(b)(10)'';

(C) in subparagraph (B)(ii), by inserting after ''such financial assistance'' the following: ''or assistance pursuant to part G, or any other Federal or State program is reasonably likely to be available within the period of the exemption'';

(D) in subparagraph (C)—

(i) by striking ''500 service connections'' and inserting ''a population of 3,300''; and

(ii) by inserting '', but not to exceed a total of 6 years,'' after ''for one or more additional 2-year periods''; and

(E) by adding at the end the following:

''(D) LIMITATION.—A public water system may not receive an exemption under this section if the system was granted a variance under section 1415(e).''.

SEC. 14. SMALL SYSTEMS; TECHNICAL ASSISTANCE.

(a) SMALL SYSTEM VARIANCES.—Section 1415 (42 U.S.C. 300g–4) is amended by adding at the end the following:

''(e) SMALL SYSTEM VARIANCES.—

''(1) IN GENERAL.—The Administrator (or a State with primary enforcement responsibility for public water systems under section 1413) may grant to a public water system serving a population of 10,000 or fewer (referred to in this subsection as a 'small system') a variance under this subsection for compliance with a requirement specifying a maximum contaminant level or treatment technique contained in a national primary drinking water regulation, if the variance meets each requirement of this subsection.

''(2) AVAILABILITY OF VARIANCES.—A small system may receive a variance under this subsection if the system installs, operates, and maintains, in accordance with guidance or regulations issued by the Administrator, treatment technology that is feasible for small systems as determined by the Administrator pursuant to section 1412(b)(15).

''(3) CONDITIONS FOR GRANTING VARIANCES.—A variance under this subsection shall be available only to a system—

''(A) that cannot afford to comply, in accordance with affordability criteria established by the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413), with a national primary drinking water regulation, including compliance through—

''(i) treatment;

''(ii) alternative source of water supply; or

''(iii) restructuring or consolidation (unless the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) makes a written determination that restructuring or consolidation is not feasible or appropriate based on other specified public policy considerations); and

''(B) for which the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) determines that the terms of the variance ensure adequate protection of human health, considering the quality of the source water for the system and the removal efficiencies and expected useful life of the treatment technology required by the variance.

''(4) APPLICATIONS.—An application for a variance for a national primary drinking water regulation under this subsection shall be submitted to the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) not later than the date that is the later of—

''(A) 3 years after the date of enactment of this subsection; or

''(B) 1 year after the compliance date of the national primary drinking water regulation as established under section 1412(b)(10) for which a variance is requested.

''(5) VARIANCE REVIEW AND DECISION.—

''(A) TIMETABLE.—The Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) shall grant or deny a variance not later than 1 year after the date of receipt of the application.

''(B) PENALTY MORATORIUM.—Each public water system that submits a timely application for a variance under this subsection shall not be subject to a penalty in an enforcement action under section 1414 for a violation of a maximum contaminant level or treatment technique in the national primary drinking water regulation with respect to which the variance application was submitted prior to the date of a decision to grant or deny the variance.

''(6) COMPLIANCE SCHEDULES.—

''(A) VARIANCES.—A variance granted under this subsection shall require compliance with the conditions of the variance not later than 3 years after the date on which the variance is granted, except that the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) may allow up to 2 additional years to comply with a treatment technique, secure an alternative source of water, or restructure if the Administrator (or the State) determines that additional time is necessary for capital improvements, or to allow for financial assistance provided pursuant to part G or any other Federal or State program.

''(B) DENIED APPLICATIONS.—If the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) denies a variance application under this subsection, the public water system shall come into compliance with the requirements of the national primary drinking water regulation for which the variance was requested not later than 4 years after the date on which the national primary drinking water regulation was promulgated.

''(7) DURATION OF VARIANCES.—

''(A) IN GENERAL.—The Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) shall review each variance granted under this subsection not less often than every 5 years after the compliance date established in the variance to determine whether the system remains eligible for the variance and is conforming to each condition of the variance.

''(B) REVOCATION OF VARIANCES.—The Administrator (or the State in the case of a State that has primary enforcement responsibility under section 1413) shall revoke a variance in effect under this subsection if the Administrator (or the State) determines that—

''(i) the system is no longer eligible for a variance;

''(ii) the system has failed to comply with any term or condition of the variance, other than a reporting or monitoring requirement, unless the failure is caused by circumstances outside the control of the system; or

''(iii) the terms of the variance do not ensure adequate protection of human health, considering the quality of source water available to the system and the removal efficiencies and expected useful life of the treatment technology required by the variance.

''(8) INELIGIBILITY FOR VARIANCES.—A variance shall not be available under this subsection for—

''(A) any maximum contaminant level or treatment technique for a contaminant with respect to which a national primary drinking water regulation was promulgated prior to January 1, 1986; or

''(B) a national primary drinking water regulation for a microbial contaminant (including a bacterium, virus, or other organism) or an indicator or treatment technique for a microbial contaminant.

''(9) REGULATIONS AND GUIDANCE.—

''(A) IN GENERAL.—Not later than 2 years after the date of enactment of this subsection and in consultation with the States, the Administrator shall promulgate regulations for variances to be granted under this subsection. The regulations shall, at a minimum, specify—

''(i) procedures to be used by the Administrator or a State to grant or deny variances, including requirements for notifying the Administrator and consumers of the public water system applying for a variance and requirements for a public hearing on the variance before the variance is granted;

''(ii) requirements for the installation and proper operation of treatment technology that is feasible (pursuant to section 1412(b)(15)) for small systems and the financial and technical capability to operate the treatment system, including operator training and certification;

''(iii) eligibility criteria for a variance for each national primary drinking water regulation, including requirements for the quality of the source water (pursuant to section 1412(b)(15)(A)); and

''(iv) information requirements for variance applications.

''(B) AFFORDABILITY CRITERIA.—Not later than 18 months after the date of enactment of the Safe Drinking Water Act Amendments of 1995, the Administrator, in consultation with the States and the Rural Utilities Service of the Department of Agriculture, shall publish information to assist the States in developing affordability criteria. The affordability criteria shall be reviewed by the States not less often than every 5 years to determine if changes are needed to the criteria.

''(10) REVIEW BY THE ADMINISTRATOR.—

''(A) IN GENERAL.—The Administrator shall periodically review the program of each State that has primary enforcement responsibility for public water systems under section 1413 with respect to variances to determine whether the variances granted by the State comply with the requirements of this subsection. With respect to affordability, the determination of the Administrator shall be limited to whether the variances granted by the State comply with the affordability criteria developed by the State.

''(B) NOTICE AND PUBLICATION.—If the Administrator determines that variances granted by a State are not in compliance with affordability criteria developed by the State and the requirements of this subsection, the Administrator shall notify the State in writing of the deficiencies and make public the determination.

''(C) OBJECTIONS TO VARIANCES.—

''(i) BY THE ADMINISTRATOR.—The Administrator may review and object to any variance proposed to be granted by a State, if the objection is communicated to the State not later than 90 days after the State proposes to grant the variance. If the Administrator objects to the granting of a variance, the Administrator shall notify the State in writing of each basis for the objection and propose a modification to the variance to resolve the concerns of the Administrator. The State shall make the recommended modification or respond in writing to each objection. If the State issues the variance without resolving the concerns of the Administrator, the Administrator may overturn the State

decision to grant the variance if the Administrator determines that the State decision does not comply with this subsection.

''(ii) PETITION BY CONSUMERS.—Not later than 30 days after a State with primary enforcement responsibility for public water systems under section 1413 proposes to grant a variance for a public water system, any person served by the system may petition the Administrator to object to the granting of a variance. The Administrator shall respond to the petition not later than 60 days after the receipt of the petition. The State shall not grant the variance during the 60-day period. The petition shall be based on comments made by the petitioner during public review of the variance by the State.''.

(b) TECHNICAL ASSISTANCE.—Section 1442(g) (42 U.S.C. 300j–1(g)) is amended—

(1) in the second sentence, by inserting ''and multi-State regional technical assistance'' after '' 'circuit-rider' ''; and

(2) by striking the third sentence and inserting the following: ''The Administrator shall ensure that funds made available for technical assistance pursuant to this subsection are allocated among the States equally. Each nonprofit organization receiving assistance under this subsection shall consult with the State in which the assistance is to be expended or otherwise made available before using the assistance to undertake activities to carry out this subsection. There are authorized to be appropriated to carry out this subsection $15,000,000 for each of fiscal years 1992 through 2003.''.

SEC. 15. CAPACITY DEVELOPMENT; FINANCE CENTERS.

Part B (42 U.S.C. 300g et seq.) is amended by adding at the end the following:

''CAPACITY DEVELOPMENT

''SEC. 1418. (a) STATE AUTHORITY FOR NEW SYSTEMS.—Each State shall obtain the legal authority or other means to ensure that all new community water systems and new nontransient, noncommunity water systems commencing operation after October 1, 1998, demonstrate technical, managerial, and financial capacity with respect to each national primary drinking water regulation in effect, or likely to be in effect, on the date of commencement of operations.

''(b) SYSTEMS IN SIGNIFICANT NONCOMPLIANCE.—

''(1) LIST.—Beginning not later than 1 year after the date of enactment of this section, each State shall prepare, periodically update, and submit to the Administrator a list of community water systems and nontransient, noncommunity water systems that have a history of significant noncompliance with this title (as defined in guidelines issued prior to the date of enactment of this section or any revisions of the guidelines that have been made in consultation with the States) and, to the extent practicable, the reasons for noncompliance.

''(2) REPORT.—Not later than 5 years after the date of enactment of this section and as part of the capacity development strategy of the State, each State shall report to the Administrator on the success of enforcement mechanisms and initial capacity development efforts in assisting the public water systems listed under paragraph (1) to improve technical, managerial, and financial capacity.

''(c) CAPACITY DEVELOPMENT STRATEGY.—

''(1) IN GENERAL.—Not later than 4 years after the date of enactment of this section, each State shall develop and implement a strategy to assist public water systems in acquiring and maintaining technical, managerial, and financial capacity.

''(2) CONTENT.—In preparing the capacity development strategy, the State shall consider, solicit public comment on, and include as appropriate—

''(A) the methods or criteria that the State will use to identify and prioritize the public water systems most in need of improving technical, managerial, and financial capacity;

''(B) a description of the institutional, regulatory, financial, tax, or legal factors at the Federal, State, or local level that encourage or impair capacity development;

''(C) a description of how the State will use the authorities and resources of this title or other means to—

''(i) assist public water systems in complying with national primary drinking water regulations;

''(ii) encourage the development of partnerships between public water systems to enhance the technical, managerial, and financial capacity of the systems; and

''(iii) assist public water systems in the training and certification of operators;

''(D) a description of how the State will establish a baseline and measure improvements in capacity with respect to national primary drinking water regulations and State drinking water law; and

''(E) an identification of the persons that have an interest in and are involved in the development and implementation of the capacity development strategy (including all appropriate agencies of Federal, State, and local governments, private and nonprofit public water systems, and public water system customers).

''(3) REPORT.—Not later than 2 years after the date on which a State first adopts a capacity development strategy under this subsection, and every 3 years thereafter, the head of the State agency that has primary responsibility to carry out this title in the State shall submit to the Governor a report that shall also be available to the public on the efficacy of the strategy and progress made toward improving the technical, managerial, and financial capacity of public water systems in the State.

''(d) FEDERAL ASSISTANCE.—

''(1) IN GENERAL.—The Administrator shall support the States in developing capacity development strategies.

''(2) INFORMATIONAL ASSISTANCE.—

''(A) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Administrator shall—

''(i) conduct a review of State capacity development efforts in existence on the date of enactment of this section and publish information to assist States and public water systems in capacity development efforts; and

''(ii) initiate a partnership with States, public water systems, and the public to develop information for States on recommended operator certification requirements.

''(B) PUBLICATION OF INFORMATION.—The Administrator shall publish the information developed through the partnership under subparagraph (A)(ii) not later than 18 months after the date of enactment of this section.

''(3) VARIANCES AND EXEMPTIONS.—Based on information obtained under subsection (c)(2)(B), the Administrator shall, as appropriate, modify regulations concerning variances and exemptions for small public water systems to ensure flexibility in the use of the variances and exemptions. Nothing in this paragraph shall be interpreted, construed, or applied to affect or alter the requirements of section 1415 or 1416.

''(4) PROMULGATION OF DRINKING WATER REGULATIONS.—In promulgating a national primary drinking water regulation, the Administrator shall include an analysis of the likely effect of compliance with the regulation on the technical, financial, and managerial capacity of public water systems.

''(5) GUIDANCE FOR NEW SYSTEMS.—Not later than 2 years after the date of enactment of this section, the Administrator shall publish guidance developed in consultation with the States describing legal authorities and other means to ensure that all new community water systems and new nontransient, noncommunity water systems demonstrate technical, managerial, and financial capacity with respect to national primary drinking water regulations.

''(e) ENVIRONMENTAL FINANCE CENTERS.—

''(1) IN GENERAL.—The Administrator shall support the network of university-based Environmental Finance Centers in providing training and technical assistance to State and local officials in developing capacity of public water systems.

''(2) NATIONAL CAPACITY DEVELOPMENT CLEARINGHOUSE.—Within the Environmental Finance Center network in existence on the date of enactment of this section, the Administrator shall establish a national public water systems capacity development clearinghouse to receive, coordinate, and disseminate research and reports on projects funded under this title and from other sources with respect to developing, improving, and maintaining technical, financial, and managerial capacity at public water systems to Federal and State agencies, universities, water suppliers, and other interested persons.

''(3) CAPACITY DEVELOPMENT TECHNIQUES.—

''(A) IN GENERAL.—The Environmental Finance Centers shall develop and test managerial, financial, and institutional techniques—

''(i) to ensure that new public water systems have the technical, managerial, and financial capacity before commencing operation;

''(ii) to identify public water systems in need of capacity development; and

''(iii) to bring public water systems with a history of significant noncompliance with national primary drinking water regulations into compliance.

''(B) TECHNIQUES.—The techniques may include capacity assessment methodologies, manual and computer-based public water system rate models and capital planning models, public water system consolidation procedures, and regionalization models.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subsection (e) $2,500,000 for each of fiscal years 1995 through 2003.''.

SEC. 16. OPERATOR AND LABORATORY CERTIFICATION.

Section 1442 (42 U.S.C. 300j–1) is amended by inserting after subsection (d) the following:

''(e) CERTIFICATION OF OPERATORS AND LABORATORIES.—

''(1) REQUIREMENT.—Beginning 3 years after the date of enactment of the Safe Drinking Water Act Amendments of 1995—

''(A) no assistance may be provided to a public water system under part G unless the system has entered into an enforceable commitment with the State providing that any person who operates the system will be trained and certified according to requirements established by the Administrator or the State (in the case of a State with primary enforcement responsibility under section 1413) not later than the date of completion of the capital project for which the assistance is provided; and

''(B) a public water system that has received assistance under part G may be operated only by a person who has been trained and certified according to requirements established by the Administrator or the State (in the case of a State with primary enforcement responsibility under section 1413).

''(2) GUIDELINES.—Not later than 18 months after the date of enactment of the Safe Drinking Water Act Amendments of 1995 and after consultation with the States, the Administrator shall publish information to assist States in carrying out paragraph (1). In the case of a State with primary enforcement responsibility under section 1413 or any other State that has established a training program that is consistent with the guidance issued under this paragraph, the authority to prescribe the appropriate level of training for certification for all systems shall be solely the responsibility of the State. The guidance issued under this paragraph shall also include information to assist States in certifying laboratories engaged in testing for the purpose of compliance with sections 1445 and 1401(1).

''(3) NONCOMPLIANCE.—If a public water system in a State is not operated in accordance with paragraph (1), the Administrator is authorized to withhold from funds that would otherwise be allocated to the State under section 1472 or require the repayment of an amount equal to the amount of any assistance under part G provided to the public water system.''.

SEC. 17. SOURCE WATER QUALITY PROTECTION PARTNERSHIPS.

Part B (42 U.S.C. 300g et seq.) (as amended by section 15) is further amended by adding at the end the following:

''SOURCE WATER QUALITY PROTECTION PARTNERSHIP PROGRAM

''SEC. 1419. (a) SOURCE WATER AREA DELINEATIONS.—Except as provided in subsection (c), not later than 5 years after the date of enactment of this section, and after an opportunity for public comment, each State shall—

''(1) delineate (directly or through delegation) the source water protection areas for community water systems in the State using hydrogeologic information considered to be reasonably available and appropriate by the State; and

''(2) conduct, to the extent practicable, vulnerability assessments in source water areas determined to be a priority by the State, including, to the extent practicable, identification of risks in source water protection areas to drinking water.

''(b) ALTERNATIVE DELINEATIONS AND VULNERABILITY ASSESSMENTS.—For the purposes of satisfying the requirements of subsection (a), a State may use delineations and vulnerability assessments conducted for—

''(1) ground water sources under a State wellhead protection program developed pursuant to section 1428;

''(2) surface or ground water sources under a State pesticide management plan developed pursuant to the Pesticide and Ground Water State Management Plan Regulation (subparts I and J of part 152 of title 40, Code of Federal Regulations), promulgated under section 3(d) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a(d)); or

''(3) surface water sources under a State watershed initiative or to satisfy the watershed criterion for determining if filtration is required under the Surface Water Treatment Rule (section 141.70 of title 40, Code of Federal Regulations).

''(c) FUNDING.—To carry out the delineations and assessments described in subsection (a), a State may use funds made available for that purpose pursuant to section 1473(f). If funds available under that section are insufficient to meet the minimum requirements of subsection (a), the State shall establish a priority-based schedule for the delineations and assessments within available resources.

''(d) PETITION PROGRAM.—

''(1) IN GENERAL.—

''(A) ESTABLISHMENT.—A State may establish a program under which an owner or operator of a community water system in the State, or a municipal or local government or political subdivision of a government in the State, may submit a source water quality protection partnership petition to the State requesting that the State assist in the local development of a voluntary, incentive-based partnership, among the owner, operator, or government and other persons likely to be affected by the recommendations of the partnership, to—

''(i) reduce the presence in drinking water of contaminants that may be addressed by a petition by considering the origins of the contaminants, including to the maximum extent practicable the specific activities that affect the drinking water supply of a community;

''(ii) obtain financial or technical assistance necessary to facilitate establishment of a partnership, or to develop and implement recommendations of a partnership for the protection of source water to assist in the provision of drinking water that complies with national primary drinking water regulations with respect to contaminants addressed by a petition; and

''(iii) develop recommendations regarding voluntary and incentive-based strategies for the long-term protection of the source water of community water systems.

''(B) STATE DETERMINATION.—Not later than 1 year after the date of enactment of this section, each State shall provide public notice and solicit public comment on the question of whether to develop a source water quality protection partnership petition program in the State, and publicly announce the determination of the State thereafter. If so requested by any public water system or local governmental entity, prior to making the determination, the State shall hold at least one public hearing to assess the level of interest in the State for development and implementation of a State source water quality partnership petition program.

''(C) FUNDING.—Each State may—

''(i) use funds set aside pursuant to section 1473(f) by the State to carry out a program described in subparagraph (A), including assistance to voluntary local partnerships for the development and implementation of partnership recommendations for the protection of source water such as source water quality assessment, contingency plans, and demonstration projects for partners within a source water area delineated under subsection (a); and

''(ii) provide assistance in response to a petition submitted under this subsection using funds referred to in subsections (e)(2)(B) and (g).

''(2) OBJECTIVES.—The objectives of a petition submitted under this subsection shall be to—

''(A) facilitate the local development of voluntary, incentive-based partnerships among owners and operators of community water systems, governments, and other persons in source water areas; and

''(B) obtain assistance from the State in directing or redirecting resources under Federal or State water quality programs to implement the recommendations of the partnerships to address the origins of drinking water contaminants that may be addressed by a petition (including to the maximum extent practicable the specific activities) that affect the drinking water supply of a community.

''(3) CONTAMINANTS ADDRESSED BY A PETITION.—A petition submitted to a State under this section may address only those contaminants—

''(A) that are pathogenic organisms for which a national primary drinking water regulation has been established or is required under section 1412(b)(2)(C); or

''(B) for which a national primary drinking water regulation has been promulgated or proposed and—

''(i) that are detected in the community water system for which the petition is submitted at levels above the maximum contaminant level; or

''(ii) that are detected by adequate monitoring methods at levels that are not reliably and consistently below the maximum contaminant level.

''(4) CONTENTS.—A petition submitted under this subsection shall, at a minimum—

''(A) include a delineation of the source water area in the State that is the subject of the petition;

''(B) identify, to the maximum extent practicable, the origins of the drinking water contaminants that may be addressed by a petition (including to the maximum extent practicable the specific activities contributing to the presence of the contaminants) in the source water area delineated under subparagraph (A);

''(C) identify any deficiencies in information that will impair the development of recommendations by the voluntary local partnership to address drinking water contaminants that may be addressed by a petition;

''(D) specify the efforts made to establish the voluntary local partnership and obtain the participation of—

''(i) the municipal or local government or other political subdivision of the State with jurisdiction over the source water area delineated under subparagraph (A); and

''(ii) each person in the source water area delineated under subparagraph (A)—

''(I) who is likely to be affected by recommendations of the voluntary local partnership; and

''(II) whose participation is essential to the success of the partnership;

''(E) outline how the voluntary local partnership has or will, during development and implementation of recommendations of the voluntary local partnership, identify, recognize and take into account any voluntary or other activities already being undertaken by persons in the source water area delineated under subparagraph (A) under Federal or State law to reduce the likelihood that contaminants will occur in drinking water at levels of public health concern; and

''(F) specify the technical, financial, or other assistance that the voluntary local partnership requests of the State to develop the partnership or to implement recommendations of the partnership.

''(e) APPROVAL OR DISAPPROVAL OF PETITIONS.—

''(1) IN GENERAL.—After providing notice and an opportunity for public comment on a petition submitted under subsection (d), the State shall approve or disapprove the petition, in whole or in part, not later than 120 days after the date of submission of the petition.

''(2) APPROVAL.—The State may approve a petition if the petition meets the requirements established under subsection (d). The notice of approval shall, at a minimum, include—

''(A) an identification of technical, financial, or other assistance that the State will provide to assist in addressing the drinking water contaminants that may be addressed by a petition based on—

''(i) the relative priority of the public health concern identified in the petition with respect to the other water quality needs identified by the State;

''(ii) any necessary coordination that the State will perform of the program established under this section with programs implemented or planned by other States under this section; and

''(iii) funds available (including funds available from a State revolving loan fund established under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or part G and the appropriate distribution of the funds to assist in implementing the recommendations of the partnership;

''(B) a description of technical or financial assistance pursuant to Federal and State programs that is available to assist in implementing recommendations of the partnership in the petition, including—

''(i) any program established under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

''(ii) the program established under section 6217 of the Coastal Zone Act Reauthorization Amendments of 1990 (16 U.S.C. 1455b);

''(iii) the agricultural water quality protection program established under chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.);

''(iv) the sole source aquifer protection program established under section 1427;

''(v) the community wellhead protection program established under section 1428;

''(vi) any pesticide or ground water management plan;

''(vii) any voluntary agricultural resource management plan or voluntary whole farm or whole ranch management plan developed and implemented under a process established by the Secretary of Agriculture; and

''(viii) any abandoned well closure program; and

''(C) a description of activities that will be undertaken to coordinate Federal and State programs to respond to the petition.

''(3) DISAPPROVAL.—If the State disapproves a petition submitted under subsection (d), the State shall notify the entity submitting the petition in writing of the reasons for disapproval. A petition may be resubmitted at any time if—

''(A) new information becomes available;

''(B) conditions affecting the source water that is the subject of the petition change; or

''(C) modifications are made in the type of assistance being requested.

''(f) ELIGIBILITY FOR WATER QUALITY PROTECTION ASSISTANCE.—A sole source aquifer plan developed under section 1427, a wellhead protection plan developed under section 1428, and a source water quality protection measure assisted in response to a petition submitted under subsection (d) shall be eligible for assistance under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), including assistance provided under section 319 and title VI of such Act (33 U.S.C. 1329 and 1381 et seq.), if the project, measure, or practice would be eligible for assistance under such Act. In the case of funds made available under such section 319 to assist a source water quality protection measure in response to a petition submitted under subsection (d), the funds may be used only for a measure that addresses nonpoint source pollution.

''(g) GRANTS TO SUPPORT STATE PROGRAMS.—

''(1) IN GENERAL.—The Administrator may make a grant to each State that establishes a program under this section that is approved under paragraph (2). The amount of each grant shall not exceed 50 percent of the cost of administering the program for the year in which the grant is available.

''(2) APPROVAL.—In order to receive grant assistance under this subsection, a State shall submit to the Administrator for approval a plan for a source water quality protection partnership program that is consistent with the guidance published under paragraph (3). The Administrator shall approve the plan if the plan is consistent with the guidance published under paragraph (3).

''(3) GUIDANCE.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator, in consultation with the States, shall publish guidance to assist—

''(i) States in the development of a source water quality protection partnership program; and

''(ii) municipal or local governments or political subdivisions of the governments and community water systems in the development of source water quality protection partnerships and in the assessment of source water quality.

''(B) CONTENTS OF THE GUIDANCE.—The guidance shall, at a minimum—

''(i) recommend procedures for the approval or disapproval by a State of a petition submitted under subsection (d);

''(ii) recommend procedures for the submission of petitions developed under subsection (d);

''(iii) recommend criteria for the assessment of source water areas within a State;

''(iv) describe technical or financial assistance pursuant to Federal and State programs that is available to address the contamination of sources of drinking water and to develop and respond to petitions submitted under subsection (d); and

''(v) specify actions taken by the Administrator to ensure the coordination of the programs referred to in clause (iv) with the goals and objectives of this title to the maximum extent practicable.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for fiscal years 1995 through 2003. Each State with a plan for a program approved under paragraph (2) shall receive an equitable portion of the funds available for any fiscal year.

''(h) STATUTORY CONSTRUCTION.—Nothing in this section—

''(1)(A) creates or conveys new authority to a State, political subdivision of a State, or community water system for any new regulatory measure; or

''(B) limits any authority of a State, political subdivision, or community water system; or

''(2) precludes a community water system, municipal or local government, or political subdivision of a government from locally developing and carrying out a voluntary, incentive-based, source water quality protection partnership to address the origins of drinking water contaminants of public health concern.''.

SEC. 18. STATE PRIMACY; STATE FUNDING.

(a) STATE PRIMARY ENFORCEMENT RESPONSIBILITY.—Section 1413 (42 U.S.C. 300g–2) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

''(1) has adopted drinking water regulations that are no less stringent than the national primary drinking water regulations promulgated by the Administrator under section 1412 not later than 2 years after the date on which the regulations are promulgated by the Administrator except that the Administrator may provide for an extension of not more than 2 years if, after submission and review of appropriate, adequate documentation from the State, the Administrator determines that the extension is necessary and justified;''; and

(2) by adding at the end the following:

''(c) INTERIM PRIMARY ENFORCEMENT AUTHORITY.—A State that has primary enforcement authority under this section with respect to each existing national primary drinking water regulation shall be considered to have primary enforcement authority with respect to each new or revised national primary drinking water regulation during the period beginning on the effective date of a regulation adopted and submitted by the State with respect to the new or revised national primary drinking water regulation in accordance with subsection (b)(1) and ending at such time as the Administrator makes a determination under subsection (b)(2) with respect to the regulation.''.

(b) PUBLIC WATER SYSTEM SUPERVISION PROGRAM.—Section 1443(a) (42 U.S.C. 300j–2(a)) is amended—

(1) in paragraph (3)—

(A) by striking ''(3) A grant'' and inserting the following:

''(3) AMOUNT OF GRANT.—

''(A) IN GENERAL.—A grant''; and

(B) by adding at the end the following:

''(B) DETERMINATION OF COSTS.—To determine the costs of a grant recipient pursuant to this paragraph, the Administrator shall, in cooperation with the States and not later than 180 days after the date of enactment of this subparagraph, establish a resource model for the public water system supervision program and review and revise the model as necessary.

''(C) STATE COST ADJUSTMENTS.—The Administrator shall revise cost estimates used in the resource model for any particular State to reflect costs more likely to be experienced in that State, if—

''(i) the State requests the modification; and

''(ii) the revised estimates ensure full and effective administration of the public water system supervision program in the State and the revised estimates do not overstate the resources needed to administer the program.'';

(2) in paragraph (7), by adding at the end a period and the following:

''For the purpose of making grants under paragraph (1), there are authorized to be appropriated such sums as are necessary for each of fiscal years 1992 and 1993 and $100,000,000 for each of fiscal years 1994 through 2003.''; and

(3) by adding at the end the following:

''(8) RESERVATION OF FUNDS BY THE ADMINISTRATOR.—If the Administrator assumes the primary enforcement responsibility of a State public water system supervision program, the Administrator may reserve from funds made available pursuant to this subsection, an amount equal to the amount that would otherwise have been provided to the State pursuant to this subsection. The Administrator shall use the funds reserved pursuant to this paragraph to ensure the full and effective administration of a public water system supervision program in the State.

''(9) STATE LOAN FUNDS.—

''(A) RESERVATION OF FUNDS.—For any fiscal year for which the amount made available to the Administrator by appropriations to carry out this subsection is less than the amount that the Administrator determines is necessary to supplement funds made available pursuant to paragraph (8) to ensure the full and effective administration of a public water system supervision program in a State (based on the resource model developed under paragraph (3)(B)), the Administrator may reserve from the funds made available to the State under section 1472 an amount that is equal to the amount of the shortfall.

''(B) DUTY OF ADMINISTRATOR.—If the Administrator reserves funds from the allocation of a State under subparagraph (A), the Administrator shall carry out in the State—

''(i) each of the activities that would be required of the State if the State had primary enforcement authority under section 1413; and

''(ii) each of the activities required of the State by this title, other than part C, but not made a condition of the authority.''.

SEC. 19. MONITORING AND INFORMATION GATHERING.

(a) REGULATED CONTAMINANTS.—

(1) REVIEW OF EXISTING REQUIREMENTS.—Section 1445(a)(1) (42 U.S.C. 300j–4(a)(1)) is amended—

(A) by designating the first and second sentences as subparagraphs (A) and (B), respectively; and

(B) by adding at the end the following:

''(C) REVIEW.—The Administrator shall not later than 2 years after the date of enactment of this subparagraph, after consultation with public health experts, representatives of the general public, and officials of State and local governments, review the monitoring requirements for not fewer than 12 contaminants identified by the Administrator, and promulgate any necessary modifications.''.

(2) ALTERNATIVE MONITORING PROGRAMS.—Section 1445(a)(1) (42 U.S.C. 300j–4(a)(1)) (as amended by paragraph (1)(B)) is further amended by adding at the end the following:

''(D) STATE-ESTABLISHED REQUIREMENTS.—

''(i) IN GENERAL.—Each State with primary enforcement responsibility under section 1413 may, by rule, establish alternative monitoring requirements for any national primary drinking water regulation, other than a regulation applicable to a microbial contaminant (or an indicator of a microbial contaminant). The alternative monitoring requirements established by a State under this clause may not take effect for any national primary drinking water regulation until after completion of at least 1 full cycle of monitoring in the State satisfying the requirements of paragraphs (1) and (2) of section 1413(a). The alternative monitoring requirements may be applicable to public water systems or classes of public water systems identified by the State, in lieu of the monitoring requirements that would otherwise be applicable under the regulation, if the alternative monitoring requirements—

''(I) are based on use of the best available science conducted in accordance with sound and objective scientific practices and data collected by accepted methods;

''(II) are based on the potential for the contaminant to occur in the source water based on use patterns and other relevant characteristics of the contaminant or the systems subject to the requirements;

''(III) in the case of a public water system or class of public water systems in which a contaminant has been detected at quantifiable levels that are not reliably and consistently below the maximum contaminant level, include monitoring frequencies that are not less frequent than the frequencies required in the national primary drinking water regulation for the contaminant for a period of 5 years after the detection; and

''(IV) in the case of each contaminant formed in the distribution system, are not applicable to public water systems for which treatment is necessary to comply with the national primary drinking water regulation.

''(ii) COMPLIANCE AND ENFORCEMENT.—The alternative monitoring requirements established by the State shall be adequate to ensure compliance with, and enforcement of, each national primary drinking water regulation. The State may review and update the alternative monitoring requirements as necessary.

''(iii) APPLICATION OF SECTION 1413.—

''(I) IN GENERAL.—Each State establishing alternative monitoring requirements under this subparagraph shall submit the rule to the Administrator as provided in section 1413(b)(1). Any requirements for a State to provide information supporting a submission shall be defined only in consultation with the States, and shall address only such information as is necessary to make a decision to approve or disapprove an alternative monitoring rule in accordance with the following sentence. The Administrator shall approve an alternative monitoring rule submitted under this clause for the purposes of section 1413, unless the Administrator determines in writing that the State rule for alternative monitoring does not ensure compliance with, and enforcement of, the national primary drinking water regulation for the contaminant or contaminants to which the rule applies.

''(II) EXCEPTIONS.—The requirements of section 1413(a)(1) that a rule be no less stringent than the national primary drinking water regulation for the contaminant or contaminants to which the rule applies shall not apply to the decision of the Administrator to approve or disapprove a rule submitted under this clause. Notwithstanding the requirements of section 1413(b)(2), the Administrator shall approve or disapprove a rule submitted under this clause within 180 days of submission. In the absence of a determination to disapprove a rule made by the Administrator within 180 days, the rule shall be deemed to be approved under section 1413(b)(2).

''(III) ADDITIONAL CONSIDERATIONS.—A State shall be considered to have primary enforcement authority with regard to an alternative monitoring rule, and the rule shall be effective, on a date (determined by the State) any time on or after submission of the rule, consistent with section 1413(c). A decision by the Administrator to disapprove an alternative monitoring rule under section 1413 or to withdraw the authority of the State to carry out the rule under clause (iv) may not be the basis for withdrawing primary enforcement responsibility for a national primary drinking water regulation or regulations from the State under section 1413.

''(iv) OVERSIGHT BY THE ADMINISTRATOR.—The Administrator shall review, not less often than every 5 years, any alternative monitoring requirements established by a State under clause (i) to determine whether the requirements are adequate to ensure compliance with, and enforcement of, national primary drinking water regulations. If the Administrator determines that the alternative monitoring requirements of a State are inadequate with respect to a contaminant, and after providing the State with an opportunity to respond to the determination of the Administrator and to correct any inadequacies, the Administrator may withdraw the authority of the State to carry out the alternative monitoring requirements with respect to the contaminant. If the Administrator withdraws the authority, the monitoring requirements contained in the national primary drinking water regulation for the contaminant shall apply to public water systems in the State.

''(v) NONPRIMACY STATES.—The Governor of any State that does not have primary enforcement responsibility under section 1413 on the date of enactment of this clause may submit to the Administrator a request that the Administrator modify the monitoring requirements established by the Administrator and applicable to public water systems in that State. After consultation with the Governor, the Administrator shall modify the requirements for public water systems in that State if the request of the Governor is in accordance with each of the requirements of this subparagraph that apply to alternative monitoring requirements established by States that have primary enforcement responsibility. A decision by the Administrator to approve a request under this clause shall be for a period of 3 years and may subsequently be extended for periods of 5 years.

''(vi) GUIDANCE.—The Administrator shall issue guidance in consultation with the States that States may use to develop State-established requirements pursuant to this subparagraph and subparagraph (E). The guidance shall identify options for alternative monitoring designs that meet the criteria identified in clause (i) and the requirements of clause (ii).''.

(3) SMALL SYSTEM MONITORING.—Section 1445(a)(1) (42 U.S.C. 300j–4(a)(1)) (as amended by paragraph (2)) is further amended by adding at the end the following:

''(E) SMALL SYSTEM MONITORING.—The Administrator or a State that has primary enforcement responsibility under section 1413 may modify the monitoring requirements for any contaminant, other than a microbial contaminant or an indicator of a microbial contaminant, a contaminant regulated on the basis of an acute health effect, or a contaminant formed in the treatment process or in the distribution system, to provide that any public water system that serves a population of 10,000 or fewer shall not be required to conduct additional quarterly monitoring during any 3-year period for a specific contaminant if monitoring conducted at the beginning of the period for the contaminant fails to detect the presence of the contaminant in the water supplied by the public water system, and the Administrator or the State determines that the contaminant is unlikely to be detected by further monitoring in the period.''.

(b) UNREGULATED CONTAMINANTS.—Section 1445(a) (42 U.S.C. 300j–4(a)) is amended by striking paragraphs (2) through (8) and inserting the following:

''(2) MONITORING PROGRAM FOR UNREGULATED CONTAMINANTS.—

''(A) ESTABLISHMENT.—The Administrator shall promulgate regulations establishing the criteria for a monitoring program for unregulated contaminants. The regulations shall require monitoring of drinking water supplied by public water systems and shall vary the frequency and schedule for monitoring requirements for systems based on the number of persons served by the system, the source of supply, and the contaminants likely to be found.

''(B) MONITORING PROGRAM FOR CERTAIN UNREGULATED CONTAMINANTS.—

''(i) INITIAL LIST.—Not later than 3 years after the date of enactment of the Safe Drinking Water Amendments of 1995 and every 5 years thereafter, the Administrator shall issue a list pursuant to subparagraph (A) of not more than 20 unregulated contaminants to be monitored by public water systems and to be included in the national drinking water occurrence data base maintained pursuant to paragraph (3).

''(ii) GOVERNORS' PETITION.—The Administrator shall include among the list of contaminants for which monitoring is required under this paragraph each contaminant recommended in a petition signed by the Governor of each of 7 or more States, unless the Administrator determines that the action would prevent the listing of other contaminants of a higher public health concern.

''(C) MONITORING BY LARGE SYSTEMS.—A public water system that serves a population of more than 10,000 shall conduct monitoring for all contaminants listed under subparagraph (B).

''(D) MONITORING PLAN FOR SMALL AND MEDIUM SYSTEMS.—

''(i) IN GENERAL.—Based on the regulations promulgated by the Administrator, each

State shall develop a representative monitoring plan to assess the occurrence of unregulated contaminants in public water systems that serve a population of 10,000 or fewer. The plan shall require monitoring for systems representative of different sizes, types, and geographic locations in the State.

''(ii) GRANTS FOR SMALL SYSTEM COSTS.—From funds reserved under section 1478(c), the Administrator shall pay the reasonable cost of such testing and laboratory analysis as are necessary to carry out monitoring under the plan.

''(E) MONITORING RESULTS.—Each public water system that conducts monitoring of unregulated contaminants pursuant to this paragraph shall provide the results of the monitoring to the primary enforcement authority for the system.

''(F) WAIVER OF MONITORING REQUIREMENT.—The Administrator shall waive the requirement for monitoring for a contaminant under this paragraph in a State, if the State demonstrates that the criteria for listing the contaminant do not apply in that State.

''(G) ANALYTICAL METHODS.—The State may use screening methods approved by the Administrator under subsection (h) in lieu of monitoring for particular contaminants under this paragraph.

''(H) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph $10,000,000 for each of fiscal years 1995 through 2003.''.

(c) NATIONAL DRINKING WATER OCCURRENCE DATABASE.—Section 1445(a) (42 U.S.C. 300j–4(a)) (as amended by subsection (b)) is further amended by adding at the end the following:

''(3) NATIONAL DRINKING WATER OCCURRENCE DATABASE.—

''(A) IN GENERAL.—Not later than 3 years after the date of enactment of the Safe Drinking Water Act Amendments of 1995, the Administrator shall assemble and maintain a national drinking water occurrence data base, using information on the occurrence of both regulated and unregulated contaminants in public water systems obtained under paragraph (2) and reliable information from other public and private sources.

''(B) USE.—The data shall be used by the Administrator in making determinations under section 1412(b)(1) with respect to the occurrence of a contaminant in drinking water at a level of public health concern.

''(C) PUBLIC RECOMMENDATIONS.—The Administrator shall periodically solicit recommendations from the appropriate officials of the National Academy of Sciences and the States, and any person may submit recommendations to the Administrator, with respect to contaminants that should be included in the national drinking water occurrence data base, including recommendations with respect to additional unregulated contaminants that should be listed under paragraph (2). Any recommendation submitted under this clause shall be accompanied by reasonable documentation that—

''(i) the contaminant occurs or is likely to occur in drinking water; and

''(ii) the contaminant poses a risk to public health.

''(D) PUBLIC AVAILABILITY.—The information from the data base shall be available to the public in readily accessible form.

''(E) REGULATED CONTAMINANTS.—With respect to each contaminant for which a national primary drinking water regulation has been established, the data base shall include information on the detection of the contaminant at a quantifiable level in public water systems (including detection of the contaminant at levels not constituting a violation of the maximum contaminant level for the contaminant).

''(F) UNREGULATED CONTAMINANTS.—With respect to contaminants for which a national primary drinking water regulation has not been established, the data base shall include—

''(i) monitoring information collected by public water systems that serve a population of more than 10,000, as required by the Administrator under paragraph (2);

''(ii) monitoring information collected by the States from a representative sampling of public water systems that serve a population of 10,000 or fewer; and

''(iii) other reliable and appropriate monitoring information on the occurrence of the contaminants in public water systems that is available to the Administrator.''.

(d) INFORMATION.—

(1) MONITORING AND TESTING AUTHORITY.—Subparagraph (A) of section 1445(a)(1) (42 U.S.C. 300j–4(a)(1)) (as designated by subsection (a)(1)(A)) is amended—

(A) by inserting ''by accepted methods'' after ''conduct such monitoring''; and

(B) by striking ''such information as the Administrator may reasonably require'' and all that follows through the period at the end and inserting the following: ''such information as the Administrator may reasonably require—

''(i) to assist the Administrator in establishing regulations under this title or to assist the Administrator in determining, on a case-by-case basis, whether the person has acted or is acting in compliance with this title; and

''(ii) by regulation to assist the Administrator in determining compliance with national primary drinking water regulations promulgated under section 1412 or in administering any program of financial assistance under this title.

If the Administrator is requiring monitoring for purposes of testing new or alternative methods, the Administrator may require the use of other than accepted methods. Information requirements imposed by the Administrator pursuant to the authority of this subparagraph that require monitoring, the establishment or maintenance of records or reporting, by a substantial number of public water systems (determined in the sole discretion of the Administrator), shall be established by regulation as provided in clause (ii).''.

(2) SCREENING METHODS.—Section 1445 (42 U.S.C. 300j–4) (as amended by section 12(c)) is further amended by adding at the end the following:

''(h) SCREENING METHODS.—The Administrator shall review new analytical methods to screen for regulated contaminants and may approve such methods as are more accurate or cost-effective than established reference methods for use in compliance monitoring.''.

SEC. 20. PUBLIC NOTIFICATION.

Section 1414 (42 U.S.C. 300g–3) is amended by striking subsection (c) and inserting the following:

''(c) NOTICE TO PERSONS SERVED.—

''(1) IN GENERAL.—Each owner or operator of a public water system shall give notice to the persons served by the system—

''(A) of any failure on the part of the public water system to—

''(i) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation; or

''(ii) perform monitoring required by section 1445(a);

''(B) if the public water system is subject to a variance granted under section 1415(a)(1)(A), 1415(a)(2), or 1415(e) for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 1416, of—

''(i) the existence of the variance or exemption; and

''(ii) any failure to comply with the requirements of any schedule prescribed pursuant to the variance or exemption; and

''(C) of the concentration level of any unregulated contaminant for which the Administrator has required public notice pursuant to paragraph (2)(E).

''(2) FORM, MANNER, AND FREQUENCY OF NOTICE.—

''(A) IN GENERAL.—The Administrator shall, by regulation, and after consultation with the States, prescribe the manner, frequency, form, and content for giving notice under this subsection. The regulations shall—

''(i) provide for different frequencies of notice based on the differences between violations that are intermittent or infrequent and violations that are continuous or frequent; and

''(ii) take into account the seriousness of any potential adverse health effects that may be involved.

''(B) STATE REQUIREMENTS.—

''(i) IN GENERAL.—A State may, by rule, establish alternative notification requirements—

''(I) with respect to the form and content of notice given under and in a manner in accordance with subparagraph (C); and

''(II) with respect to the form and content of notice given under subparagraph (D).

''(ii) CONTENTS.—The alternative requirements shall provide the same type and amount of information as required pursuant to this subsection and regulations issued under subparagraph (A).

''(iii) RELATIONSHIP TO SECTION 1413.—Nothing in this subparagraph shall be construed or applied to modify the requirements of section 1413.

''(C) VIOLATIONS WITH POTENTIAL TO HAVE SERIOUS ADVERSE EFFECTS ON HUMAN HEALTH.—Regulations issued under subparagraph (A) shall specify notification procedures for each violation by a public water system that has the potential to have serious adverse effects on human health as a result of short-term exposure. Each notice of violation provided under this subparagraph shall—

''(i) be distributed as soon as practicable after the occurrence of the violation, but not later than 24 hours after the occurrence of the violation;

''(ii) provide a clear and readily understandable explanation of—

''(I) the violation;

''(II) the potential adverse effects on human health;

''(III) the steps that the public water system is taking to correct the violation; and

''(IV) the necessity of seeking alternative water supplies until the violation is corrected;

''(iii) be provided to the Administrator or the head of the State agency that has primary enforcement responsibility under section 1413 as soon as practicable, but not later than 24 hours after the occurrence of the violation; and

''(iv) as required by the State agency in general regulations of the State agency, or on a case-by-case basis after the consultation referred to in clause (iii), considering the health risks involved—

''(I) be provided to appropriate broadcast media;

''(II) be prominently published in a newspaper of general circulation serving the area not later than 1 day after distribution of a notice pursuant to clause (i) or the date of publication of the next issue of the newspaper; or

''(III) be provided by posting or door-to-door notification in lieu of notification by means of broadcast media or newspaper.

''(D) WRITTEN NOTICE.—

''(i) IN GENERAL.—Regulations issued under subparagraph (A) shall specify notification procedures for violations other than the violations covered by subparagraph (C). The procedures shall specify that a public water system shall provide written notice to each person served by the system by notice—

''(I) in the first bill (if any) prepared after the date of occurrence of the violation;

''(II) in an annual report issued not later than 1 year after the date of occurrence of the violation; or

''(III) by mail or direct delivery as soon as practicable, but not later than 1 year after the date of occurrence of the violation.

''(ii) FORM AND MANNER OF NOTICE.—The Administrator shall prescribe the form and manner of the notice to provide a clear and readily understandable explanation of—

''(I) the violation;

''(II) any potential adverse health effects; and

''(III) the steps that the system is taking to seek alternative water supplies, if any, until the violation is corrected.

''(E) UNREGULATED CONTAMINANTS.—The Administrator may require the owner or operator of a public water system to give notice to the persons served by the system of the concentration levels of an unregulated contaminant required to be monitored under section 1445(a).

''(3) REPORTS.—

''(A) ANNUAL REPORT BY STATE.—

''(i) IN GENERAL.—Not later than January 1, 1997, and annually thereafter, each State that has primary enforcement responsibility under section 1413 shall prepare, make readily available to the public, and submit to the Administrator an annual report on violations of national primary drinking water regulations by public water systems in the State, including violations with respect to—

''(I) maximum contaminant levels;

''(II) treatment requirements;

''(III) variances and exemptions; and

''(IV) monitoring requirements determined to be significant by the Administrator after consultation with the States.

''(ii) DISTRIBUTION.—The State shall publish and distribute summaries of the report and indicate where the full report is available for review.

''(B) ANNUAL REPORT BY ADMINISTRATOR.—Not later than July 1, 1997, and annually thereafter, the Administrator shall prepare and make available to the public an annual report summarizing and evaluating reports submitted by States pursuant to subparagraph (A) and notices submitted by public water systems serving Indian Tribes provided to the Administrator pursuant to subparagraph (C) or (D) of paragraph (2) and making recommendations concerning the resources needed to improve compliance with this title. The report shall include information about public water system compliance on Indian reservations and about enforcement activities undertaken and financial assistance provided by the Administrator on Indian reservations, and shall make specific recommendations concerning the resources needed to improve compliance with this title on Indian reservations.''.

SEC. 21. ENFORCEMENT; JUDICIAL REVIEW.

(a) IN GENERAL.—Section 1414 (42 U.S.C. 300g–3) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) in clause (i), by striking ''any national primary drinking water regulation in effect under section 1412'' and inserting ''any applicable requirement''; and

(II) by striking ''with such regulation or requirement'' and inserting ''with the requirement''; and

(ii) in subparagraph (B), by striking ''regulation or'' and inserting ''applicable''; and

(B) by striking paragraph (2) and inserting the following:

''(2) ENFORCEMENT IN NONPRIMACY STATES.—

''(A) IN GENERAL.—If, on the basis of information available to the Administrator, the Administrator finds, with respect to a period in which a State does not have primary enforcement responsibility for public water systems, that a public water system in the State—

''(i) for which a variance under section 1415 or an exemption under section 1416 is not in effect, does not comply with any applicable requirement; or

''(ii) for which a variance under section 1415 or an exemption under section 1416 is in effect, does not comply with any schedule or other requirement imposed pursuant to the variance or exemption;

the Administrator shall issue an order under subsection (g) requiring the public water system to comply with the requirement, or commence a civil action under subsection (b).

''(B) NOTICE.—If the Administrator takes any action pursuant to this paragraph, the Administrator shall notify an appropriate local elected official, if any, with jurisdiction over the public water system of the action prior to the time that the action is taken.'';

(2) in the first sentence of subsection (b), by striking ''a national primary drinking water regulation'' and inserting ''any applicable requirement'';

(3) in subsection (g)—

(A) in paragraph (1), by striking ''regulation, schedule, or other'' each place it appears and inserting ''applicable'';

(B) in paragraph (2)—

(i) in the first sentence—

(I) by striking ''effect until after notice and opportunity for public hearing and,'' and inserting ''effect,''; and

(II) by striking ''proposed order'' and inserting ''order''; and

(ii) in the second sentence, by striking ''proposed to be''; and

(C) in paragraph (3)—

(i) by striking subparagraph (B) and inserting the following:

''(B) EFFECT OF PENALTY AMOUNTS.—In a case in which a civil penalty sought by the Administrator under this paragraph does not exceed $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a public hearing (unless the person against whom the penalty is assessed requests a hearing on the record in accordance with section 554 of title 5, United States Code). In a case in which a civil penalty sought by the Administrator under this paragraph exceeds $5,000, but does not exceed $25,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code.''; and

(ii) in subparagraph (C), by striking ''paragraph exceeds $5,000'' and inserting ''subsection for a violation of an applicable requirement exceeds $25,000''; and

(4) by adding at the end the following:

''(h) CONSOLIDATION INCENTIVE.—

''(1) IN GENERAL.—An owner or operator of a public water system may submit to the State in which the system is located (if the State has primary enforcement responsibility under section 1413) or to the Administrator (if the State does not have primary enforcement responsibility) a plan (including specific measures and schedules) for—

''(A) the physical consolidation of the system with 1 or more other systems;

''(B) the consolidation of significant management and administrative functions of the system with 1 or more other systems; or

''(C) the transfer of ownership of the system that may reasonably be expected to improve drinking water quality.

''(2) CONSEQUENCES OF APPROVAL.—If the State or the Administrator approves a plan pursuant to paragraph (1), no enforcement action shall be taken pursuant to this part with respect to a specific violation identified in the approved plan prior to the date that is the earlier of the date on which consolidation is completed according to the plan or the date that is 2 years after the plan is approved.

''(i) DEFINITION OF APPLICABLE REQUIREMENT.—In this section, the term 'applicable requirement' means—

''(1) a requirement of section 1412, 1414, 1415, 1416, 1417, 1441, or 1445;

''(2) a regulation promulgated pursuant to a section referred to in paragraph (1);

''(3) a schedule or requirement imposed pursuant to a section referred to in paragraph (1); and

''(4) a requirement of, or permit issued under, an applicable State program for which the Administrator has made a determination that the requirements of section 1413 have been satisfied, or an applicable State program approved pursuant to this part.''.

(b) STATE AUTHORITY FOR ADMINISTRATIVE PENALTIES.—Section 1413(a) (42 U.S.C. 300g–2(a)) is amended—

(1) by striking ''and'' at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting ''; and''; and

(3) by adding at the end the following:

''(6) has adopted authority for administrative penalties (unless the constitution of the State prohibits the adoption of the authority) in a maximum amount—

''(A) in the case of a system serving a population of more than 10,000, that is not less than $1,000 per day per violation; and

''(B) in the case of any other system, that is adequate to ensure compliance (as determined by the State);

except that a State may establish a maximum limitation on the total amount of administrative penalties that may be imposed on a public water system per violation.''.

(c) JUDICIAL REVIEW.—Section 1448(a) (42 U.S.C. 300j–7(a)) is amended—

(1) in paragraph (2) of the first sentence, by inserting ''final'' after ''any other'';

(2) in the second sentence, by striking ''or issuance of the order'' and inserting ''or any other final Agency action''; and

(3) by adding at the end the following ''In any petition concerning the assessment of a civil penalty pursuant to section 1414(g)(3)(B), the petitioner shall simultaneously send a copy of the complaint by certified mail to the Administrator and the Attorney General. The court shall set aside and remand the penalty order if the court finds that there is not substantial evidence in the record to support the finding of a violation or that the assessment of the penalty by the Administrator constitutes an abuse of discretion.''.

SEC. 22. FEDERAL AGENCIES.

(a) IN GENERAL.—Subsections (a) and (b) of section 1447 (42 U.S.C. 300j–6) are amended to read as follows:

''(a) COMPLIANCE.—

''(1) IN GENERAL.—Each Federal agency shall be subject to, and comply with, all Federal, State, interstate, and local substantive and procedural requirements, administrative authorities, and process and sanctions concerning the provision of safe drinking water

or underground injection in the same manner, and to the same extent, as any nongovernmental entity is subject to, and shall comply with, the requirements, authorities, and process and sanctions.

''(2) ADMINISTRATIVE ORDERS AND PENALTIES.—The Federal, State, interstate, and local substantive and procedural requirements, administrative authorities, and process and sanctions referred to in paragraph (1) include all administrative orders and all civil and administrative penalties or fines, regardless of whether the penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations.

''(3) LIMITED WAIVER OF SOVEREIGN IMMUNITY.—The United States expressly waives any immunity otherwise applicable to the United States with respect to any requirement, administrative authority, or process or sanction referred to in paragraph (2) (including any injunctive relief, administrative order, or civil or administrative penalty or fine referred to in paragraph (2), or reasonable service charge). The reasonable service charge referred to in the preceding sentence includes—

''(A) a fee or charge assessed in connection with the processing, issuance, renewal, or amendment of a permit, variance, or exemption, review of a plan, study, or other document, or inspection or monitoring of a facility; and

''(B) any other nondiscriminatory charge that is assessed in connection with a Federal, State, interstate, or local safe drinking water regulatory program.

''(4) CIVIL PENALTIES.—No agent, employee, or officer of the United States shall be personally liable for any civil penalty under this subsection with respect to any act or omission within the scope of the official duties of the agent, employee, or officer.

''(5) CRIMINAL SANCTIONS.—An agent, employee, or officer of the United States may be subject to a criminal sanction under a State, interstate, or local law concerning the provision of drinking water or underground injection. No department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to a sanction referred to in the preceding sentence.

''(b) WAIVER OF COMPLIANCE.—

''(1) IN GENERAL.—The President may waive compliance with subsection (a) by any department, agency, or instrumentality in the executive branch if the President determines waiving compliance with such subsection to be in the paramount interest of the United States.

''(2) WAIVERS DUE TO LACK OF APPROPRIATIONS.—No waiver described in paragraph (1) shall be granted due to the lack of an appropriation unless the President has specifically requested the appropriation as part of the budgetary process and Congress has failed to make available the requested appropriation.

''(3) PERIOD OF WAIVER.—A waiver under this subsection shall be for a period of not to exceed 1 year, but an additional waiver may be granted for a period of not to exceed 1 year on the termination of a waiver if the President reviews the waiver and makes a determination that it is in the paramount interest of the United States to grant an additional waiver.

''(4) REPORT.—Not later than January 31 of each year, the President shall report to Congress on each waiver granted pursuant to this subsection during the preceding calendar year, together with the reason for granting the waiver.''.

(b) ADMINISTRATIVE PENALTY ORDERS.—Section 1447 (42 U.S.C. 300j–6) is amended by adding at the end the following:

''(d) ADMINISTRATIVE PENALTY ORDERS.—

''(1) IN GENERAL.—If the Administrator finds that a Federal agency has violated an applicable requirement under this title, the Administrator may issue a penalty order assessing a penalty against the Federal agency.

''(2) PENALTIES.—The Administrator may, after notice to the agency, assess a civil penalty against the agency in an amount not to exceed $25,000 per day per violation.

''(3) PROCEDURE.—Before an administrative penalty order issued under this subsection becomes final, the Administrator shall provide the agency an opportunity to confer with the Administrator and shall provide the agency notice and an opportunity for a hearing on the record in accordance with chapters 5 and 7 of title 5, United States Code.

''(4) PUBLIC REVIEW.—

''(A) IN GENERAL.—Any interested person may obtain review of an administrative penalty order issued under this subsection. The review may be obtained in the United States District Court for the District of Columbia or in the United States District Court for the district in which the violation is alleged to have occurred by the filing of a complaint with the court within the 30-day period beginning on the date the penalty order becomes final. The person filing the complaint shall simultaneously send a copy of the complaint by certified mail to the Administrator and the Attorney General.

''(B) RECORD.—The Administrator shall promptly file in the court a certified copy of the record on which the order was issued.

''(C) STANDARD OF REVIEW.—The court shall not set aside or remand the order unless the court finds that there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or that the assessment of the penalty by the Administrator constitutes an abuse of discretion.

''(D) PROHIBITION ON ADDITIONAL PENALTIES.—The court may not impose an additional civil penalty for a violation that is subject to the order unless the court finds that the assessment constitutes an abuse of discretion by the Administrator.''.

(c) CITIZEN ENFORCEMENT.—The first sentence of section 1449(a) (42 U.S.C. 300j–8(a)) is amended—

(1) in paragraph (1), by striking '', or'' and inserting a semicolon;

(2) in paragraph (2), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(3) for the collection of a penalty (and associated costs and interest) against any Federal agency that fails, by the date that is 1 year after the effective date of a final order to pay a penalty assessed by the Administrator under section 1447(d), to pay the penalty.''.

(d) WASHINGTON AQUEDUCT.—Section 1447 (42 U.S.C. 300j–6) (as amended by subsection (b)) is further amended by adding at the end the following:

''(e) WASHINGTON AQUEDUCT.—The Washington Aqueduct Authority, the Army Corps of Engineers, and the Secretary of the Army shall not pass the cost of any penalty assessed under this title on to any customer, user, or other purchaser of drinking water from the Washington Aqueduct system, including finished water from the Dalecarlia or McMillan treatment plant.''.

SEC. 23. RESEARCH.

Section 1442 (42 U.S.C. 300j–1) (as amended by section 12(d)) is further amended—

(1) by redesignating paragraph (3) of subsection (b) as paragraph (3) of subsection (d) and moving such paragraph to appear after paragraph (2) of subsection (d);

(2) by striking subsection (b) (as so amended);

(3) by redesignating subparagraph (B) of subsection (a)(2) as subsection (b) and moving such subsection to appear after subsection (a);

(4) in subsection (a)—

(A) by striking paragraph (2) (as so amended) and inserting the following:

''(2) INFORMATION AND RESEARCH FACILITIES.—In carrying out this title, the Administrator is authorized to—

''(A) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water, together with appropriate recommendations in connection with the information; and

''(B) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to this title.'';

(B) by striking paragraph (3);

(C) by redesignating paragraph (11) as paragraph (3) and moving such paragraph to appear before paragraph (4); and

(D) by adding at the end the following:

''(11) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator to carry out research authorized by this section $25,000,000 for each of fiscal years 1994 through 2003, of which $4,000,000 shall be available for each fiscal year for research on the health effects of arsenic in drinking water.'';

(5) in subsection (b) (as so amended)—

(A) by striking ''subparagraph'' each place it appears and inserting ''subsection''; and

(B) by adding at the end the following: ''There are authorized to be appropriated to carry out this subsection $8,000,000 for each of fiscal years 1995 through 2003.'';

(6) in the first sentence of subsection (c), by striking ''eighteen months after the date of enactment of this subsection'' and inserting ''2 years after the date of enactment of the Safe Drinking Water Act Amendments of 1995, and every 5 years thereafter'';

(7) in subsection (d) (as amended by paragraph (1))—

(A) in paragraph (1), by striking '', and'' at the end and inserting a semicolon;

(B) in paragraph (2), by striking the period at the end and inserting a semicolon;

(C) in paragraph (3), by striking the period at the end and inserting ''; and'';

(D) by inserting after paragraph (3) the following:

''(4) develop and maintain a system for forecasting the supply of, and demand for, various professional occupational categories and other occupational categories needed for the protection and treatment of drinking water in each region of the United States.''; and

(E) by adding at the end the following: ''There are authorized to be appropriated to carry out this subsection $10,000,000 for each of fiscal years 1994 through 2003.''; and

(8) by adding at the end the following:

''(i) BIOLOGICAL MECHANISMS.—In carrying out this section, the Administrator shall conduct studies to—

''(1) understand the mechanisms by which chemical contaminants are absorbed, distributed, metabolized, and eliminated from the human body, so as to develop more accurate physiologically based models of the phenomena;

''(2) understand the effects of contaminants and the mechanisms by which the contaminants cause adverse effects (especially noncancer and infectious effects) and the variations in the effects among humans, especially subpopulations at greater risk of adverse effects, and between test animals and humans; and

''(3) develop new approaches to the study of complex mixtures, such as mixtures found in drinking water, especially to determine the prospects for synergistic or antagonistic

interactions that may affect the shape of the dose-response relationship of the individual chemicals and microbes, and to examine noncancer endpoints and infectious diseases, and susceptible individuals and subpopulations.

''(j) RESEARCH PRIORITIES.—To establish long-term priorities for research under this section, the Administrator shall develop, and periodically update, an integrated risk characterization strategy for drinking water quality. The strategy shall identify unmet needs, priorities for study, and needed improvements in the scientific basis for activities carried out under this title. The initial strategy shall be made available to the public not later than 3 years after the date of enactment of this subsection.

''(k) RESEARCH PLAN FOR HARMFUL SUBSTANCES IN DRINKING WATER.—

''(1) DEVELOPMENT OF PLAN.—The Administrator shall—

''(A) not later than 180 days after the date of enactment of this subsection, after consultation with the Secretary of Health and Human Services, the Secretary of Agriculture, and, as appropriate, the heads of other Federal agencies, develop a research plan to support the development and implementation of the most current version of the—

''(i) enhanced surface water treatment rule (59 Fed. Reg. 38832 (July 29, 1994));

''(ii) disinfectant and disinfection byproducts rule (Stage 2) (59 Fed. Reg. 38668 (July 29, 1994)); and

''(iii) ground water disinfection rule (availability of draft summary announced at 57 Fed. Reg. 33960 (July 31, 1992)); and

''(B) carry out the research plan, after consultation and appropriate coordination with the Secretary of Agriculture and the heads of other Federal agencies.

''(2) CONTENTS OF PLAN.—

''(A) IN GENERAL.—The research plan shall include, at a minimum—

''(i) an identification and characterization of new disinfection byproducts associated with the use of different disinfectants;

''(ii) toxicological studies and, if warranted, epidemiological studies to determine what levels of exposure from disinfectants and disinfection byproducts, if any, may be associated with developmental and birth defects and other potential toxic end points;

''(iii) toxicological studies and, if warranted, epidemiological studies to quantify the carcinogenic potential from exposure to disinfection byproducts resulting from different disinfectants;

''(iv) the development of practical analytical methods for detecting and enumerating microbial contaminants, including giardia, cryptosporidium, and viruses;

''(v) the development of reliable, efficient, and economical methods to determine the viability of individual cryptosporidium oocysts;

''(vi) the development of dose-response curves for pathogens, including cryptosporidium and the Norwalk virus;

''(vii) the development of indicators that define treatment effectiveness for pathogens and disinfection byproducts; and

''(viii) bench, pilot, and full-scale studies and demonstration projects to evaluate optimized conventional treatment, ozone, granular activated carbon, and membrane technology for controlling pathogens (including cryptosporidium) and disinfection byproducts.

''(B) RISK DEFINITION STRATEGY.—The research plan shall include a strategy for determining the risks and estimated extent of disease resulting from pathogens, disinfectants, and disinfection byproducts in drinking water, and the costs and removal efficiencies associated with various control methods for pathogens, disinfectants, and disinfection byproducts.

''(3) IMPLEMENTATION OF PLAN.—In carrying out the research plan, the Administrator shall use the most cost-effective mechanisms available, including coordination of research with, and use of matching funds from, institutions and utilities.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $12,500,000 for each of fiscal years 1997 through 2003.

''(l) SUBPOPULATIONS AT GREATER RISK.—

''(1) RESEARCH PLAN.—The Administrator shall conduct a continuing program of peer-reviewed research to identify groups within the general population that may be at greater risk than the general population of adverse health effects from exposure to contaminants in drinking water. Not later than 1 year after the date of enactment of this subsection, the Administrator shall develop and implement a research plan to establish whether and to what degree infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulations that can be identified and characterized are likely to experience elevated health risks, including risks of cancer, from contaminants in drinking water.

''(2) CONTENTS OF PLAN.—To the extent appropriate, the research shall be—

''(A) integrated into the health effects research plan carried out by the Administrator to support the regulation of specific contaminants under this Act; and

''(B) designed to identify—

''(i) the nature and extent of the elevated health risks, if any;

''(ii) the groups likely to experience the elevated health risks;

''(iii) biological mechanisms and other factors that may contribute to elevated health risks for groups within the general population;

''(iv) the degree of variability of the health risks to the groups from the health risks to the general population;

''(v) the threshold, if any, at which the elevated health risks for a specific contaminant occur; and

''(vi) the probability of the exposure to the contaminants by the identified group.

''(3) REPORT.—Not later than 4 years after the date of enactment of this subsection and periodically thereafter as new and significant information becomes available, the Administrator shall report to Congress on the results of the research.

''(4) USE OF RESEARCH.—In characterizing the health effects of drinking water contaminants under this Act, the Administrator shall consider all relevant factors, including the results of research under this subsection, the margin of safety for variability in the general population, and sound scientific practices (including the 1993 and 1994 reports of the National Academy of Sciences) regarding subpopulations at greater risk for adverse health effects.''.

SEC. 24. DEFINITIONS.

(a) IN GENERAL.—Section 1401 (42 U.S.C. 300f) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D), by inserting ''accepted methods for'' before ''quality control''; and

(B) by adding at the end the following:

''At any time after promulgation of a regulation referred to in this paragraph, the Administrator may add equally effective quality control and testing procedures by guidance published in the Federal Register. The procedures shall be treated as an alternative for public water systems to the quality control and testing procedures listed in the regulation.'';

(2) in paragraph (13)—

(A) by striking ''The'' and inserting ''(A) Except as provided in subparagraph (B), the''; and

(B) by adding at the end the following:

''(B) For purposes of part G, the term 'State' means each of the 50 States and the Commonwealth of Puerto Rico.'';

(3) in paragraph (14), by adding at the end the following: ''For purposes of part G, the term includes any Native village (as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c))).''; and

(4) by adding at the end the following:

''(15) COMMUNITY WATER SYSTEM.—The term 'community water system' means a public water system that—

''(A) serves at least 15 service connections used by year-round residents of the area served by the system; or

''(B) regularly serves at least 25 year-round residents.

''(16) NONCOMMUNITY WATER SYSTEM.—The term 'noncommunity water system' means a public water system that is not a community water system.''.

(b) PUBLIC WATER SYSTEM.—

(1) IN GENERAL.—Section 1401(4) (42 U.S.C. 300f(4)) is amended—

(A) in the first sentence, by striking ''piped water for human consumption'' and inserting ''water for human consumption through pipes or other constructed conveyances'';

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(C) by striking ''(4) The'' and inserting the following:

''(4) PUBLIC WATER SYSTEM.—

''(A) IN GENERAL.—The''; and

(D) by adding at the end the following:

''(B) CONNECTIONS.—

''(i) IN GENERAL.—For purposes of subparagraph (A), a connection to a system that delivers water by a constructed conveyance other than a pipe shall not be considered a connection, if—

''(I) the water is used exclusively for purposes other than residential uses (consisting of drinking, bathing, and cooking, or other similar uses);

''(II) the Administrator or the State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that alternative water to achieve the equivalent level of public health protection provided by the applicable national primary drinking water regulation is provided for residential or similar uses for drinking and cooking; or

''(III) the Administrator or the State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that the water provided for residential or similar uses for drinking and cooking is centrally treated or treated at the point of entry by the provider, a pass-through entity, or the user to achieve the equivalent level of protection provided by the applicable national primary drinking water regulations.

''(ii) IRRIGATION DISTRICTS.—An irrigation district in existence prior to May 18, 1994, that provides primarily agricultural service through a piped water system with only incidental residential use shall not be considered to be a public water system if the system or the residential users of the system comply with subclause (II) or (III) of clause (i).

''(C) TRANSITION PERIOD.—A water supplier that would be a public water system only as a result of modifications made to this paragraph by the Safe Drinking Water Act Amendments of 1995 shall not be considered a public water system for purposes of the Act until the date that is two years after the date of enactment of this subparagraph, if

during such two-year period the water supplier complies with the monitoring requirements of the Surface Water Treatment Rule and no indicator of microbial contamination is exceeded during that period. If a water supplier does not serve 15 service connections (as defined in subparagraphs (A) and (B)) or 25 people at any time after the conclusion of the two-year period, the water supplier shall not be considered a public water system.''.

SEC. 25. WATERSHED AND GROUND WATER PROTECTION.

(a) STATE GROUND WATER PROTECTION GRANTS.—Section 1443 (42 U.S.C. 300j–2) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

''(c) STATE GROUND WATER PROTECTION GRANTS.—

''(1) IN GENERAL.—The Administrator may make a grant to a State for the development and implementation of a State program to ensure the coordinated and comprehensive protection of ground water resources within the State.

''(2) GUIDANCE.—Not later than 1 year after the date of enactment of the Safe Drinking Water Act Amendments of 1995, and annually thereafter, the Administrator shall publish guidance that establishes procedures for application for State ground water protection program assistance and that identifies key elements of State ground water protection programs.

''(3) CONDITIONS OF GRANTS.—

''(A) IN GENERAL.—The Administrator shall award grants to States that submit an application that is approved by the Administrator. The Administrator shall determine the amount of a grant awarded pursuant to this paragraph on the basis of an assessment of the extent of ground water resources in the State and the likelihood that awarding the grant will result in sustained and reliable protection of ground water quality.

''(B) INNOVATIVE PROGRAM GRANTS.—The Administrator may also award a grant pursuant to this paragraph for innovative programs proposed by a State for the prevention of ground water contamination.

''(C) ALLOCATION OF FUNDS.—The Administrator shall, at a minimum, ensure that, for each fiscal year, not less than 1 percent of funds made available to the Administrator by appropriations to carry out this subsection are allocated to each State that submits an application that is approved by the Administrator pursuant to this subsection.

''(D) LIMITATION ON GRANTS.—No grant awarded by the Administrator may be used for a project to remediate ground water contamination.

''(4) COORDINATION WITH OTHER GRANT PROGRAMS.—The awarding of grants by the Administrator pursuant to this subsection shall be coordinated with the awarding of grants pursuant to section 319(i) of the Federal Water Pollution Control Act (33 U.S.C. 1329(i)) and the awarding of other Federal grant assistance that provides funding for programs related to ground water protection.

''(5) AMOUNT OF GRANTS.—The amount of a grant awarded pursuant to paragraph (1) shall not exceed 50 percent of the eligible costs of carrying out the ground water protection program that is the subject of the grant (as determined by the Administrator) for the 1-year period beginning on the date that the grant is awarded. The State shall pay a State share to cover the costs of the ground water protection program from State funds in an amount that is not less than 50 percent of the cost of conducting the program.

''(6) EVALUATIONS AND REPORTS.—Not later than 3 years after the date of enactment of the Safe Drinking Water Act Amendments of 1995, and every 3 years thereafter, the Administrator shall evaluate the State ground water protection programs that are the subject of grants awarded pursuant to this subsection and report to Congress on the status of ground water quality in the United States and the effectiveness of State programs for ground water protection.

''(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $20,000,000 for each of fiscal years 1995 through 2003.''.

(b) CRITICAL AQUIFER PROTECTION.—Section 1427 (42 U.S.C. 300h–6) is amended—

(1) in subsection (b)(1), by striking ''not later than 24 months after the enactment of the Safe Drinking Water Act Amendments of 1986''; and

(2) in the first sentence of subsection (n), by adding at the end the following:

''1992–2003 ..... 15,000,000.''.

(c) WELLHEAD PROTECTION AREAS.—Section 1428(k) (42 U.S.C. 300h–7(k)) is amended by adding at the end the following:

''1992–2003 ..... 30,000,000.''.

(d) UNDERGROUND INJECTION CONTROL GRANT.—Section 1443(b)(5) (42 U.S.C. 300j–2(b)(5)) is amended by adding at the end the following:

''1992–2003 ..... 15,000,000.''.

(e) REPORT TO CONGRESS ON PRIVATE DRINKING WATER.—Section 1450 (42 U.S.C. 300j–9) is amended by striking subsection (h) and inserting the following:

''(h) REPORT TO CONGRESS ON PRIVATE DRINKING WATER.—The Administrator shall conduct a study to determine the extent and seriousness of contamination of private sources of drinking water that are not regulated under this title. Not later than 3 years after the date of enactment of the Safe Drinking Water Act Amendments of 1995, the Administrator shall submit to Congress a report that includes the findings of the study and recommendations by the Administrator concerning responses to any problems identified under the study. In designing and conducting the study, including consideration of research design, methodology, and conclusions and recommendations, the Administrator shall consult with experts outside the Agency, including scientists, hydrogeologists, well contractors and suppliers, and other individuals knowledgeable in ground water protection and remediation.''.

(f) NATIONAL CENTER FOR GROUND WATER RESEARCH.—The Administrator of the Environmental Protection Agency, acting through the Robert S. Kerr Environmental Research Laboratory, is authorized to reestablish a partnership between the Laboratory and the National Center for Ground Water Research, a university consortium, to conduct research, training, and technology transfer for ground water quality protection and restoration.

(g) WATERSHED PROTECTION DEMONSTRATION PROGRAM.—

(1) The heading of section 1443 (42 U.S.C.) is amended to read as follows:

''Grants for State and local programs''

(2) Section 1443 (42 U.S.C.) is amended by adding at the end thereof the following:

''(e) WATERSHED PROTECTION DEMONSTRATION PROGRAM.—

''(1) IN GENERAL.—

''(A) ASSISTANCE FOR DEMONSTRATION PROJECTS.—The Administrator is authorized to provide technical and financial assistance to units of State or local government for projects that demonstrate and assess innovative and enhanced methods and practices to develop and implement watershed protection programs including methods and practices that protect both surface and ground water. In selecting projects for assistance under this subsection, the Administrator shall give priority to projects that are carried out to satisfy criteria published under section 1412(b)(7)(C) or that are identified through programs developed and implemented pursuant to section 1428.

''(B) MATCHING REQUIREMENTS.—Federal assistance provided under this subsection shall not exceed 35 percent of the total cost of the protection program being carried out for any particular watershed or ground water recharge area.

''(2) NEW YORK CITY WATERSHED PROTECTION PROGRAM.—

''(A) IN GENERAL.—Pursuant to the authority of paragraph (1), the Administrator is authorized to provide financial assistance to the State of New York for demonstration projects implemented as part of the watershed program for the protection and enhancement of the quality of source waters of the New York City water supply system. Demonstration projects which shall be eligible for financial assistance shall be certified to the Administrator by the State of New York as satisfying the purposes of this subsection and shall include those projects that demonstrate, assess, or provide for comprehensive monitoring, surveillance, and research with respect to the efficacy of phosphorus offsets or trading, wastewater diversion, septic system siting and maintenance, innovative or enhanced wastewater treatment technologies, innovative methodologies for the control of storm water runoff, urban, agricultural, and forestry best management practices for controlling nonpoint source pollution, operator training, compliance surveillance and that establish watershed or basin-wide coordinating, planning or governing organizations. In certifying projects to the Administrator, the State of New York shall give priority to these monitoring and research projects that have undergone peer review.

''(B) REPORT.—Not later than 5 years after the date on which the Administrator first provides assistance pursuant to this paragraph, the Governor of the State of New York shall submit a report to the Administrator on the results of projects assisted.

''(3) AUTHORIZATION.—There are authorized to be appropriated to the Administrator such sums as are necessary to carry out this subsection for each of fiscal years 1997 through 2003 including $15,000,000 for each of such fiscal years for the purpose of providing assistance to the State of New York to carry out paragraph (2).''.

SEC. 26. LEAD PLUMBING AND PIPES; RETURN FLOWS.

(a) FITTINGS AND FIXTURES.—Section 1417 (42 U.S.C. 300g–6) is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following:

''(1) PROHIBITIONS.—

''(A) IN GENERAL.—No person may use any pipe, any pipe or plumbing fitting or fixture, any solder, or any flux, after June 19, 1986, in the installation or repair of—

''(i) any public water system; or

''(ii) any plumbing in a residential or nonresidential facility providing water for human consumption,

that is not lead free (within the meaning of subsection (d)).

''(B) LEADED JOINTS.—Subparagraph (A) shall not apply to leaded joints necessary for the repair of cast iron pipes.'';

(B) in paragraph (2)(A), by inserting after ''Each'' the following: ''owner or operator of a''; and

(C) by adding at the end the following:

''(3) UNLAWFUL ACTS.—Effective 2 years after the date of enactment of this paragraph, it shall be unlawful—

''(A) for any person to introduce into commerce any pipe, or any pipe or plumbing fitting or fixture, that is not lead free, except for a pipe that is used in manufacturing or industrial processing;

''(B) for any person engaged in the business of selling plumbing supplies, except manufacturers, to sell solder or flux that is not lead free; or

''(C) for any person to introduce into commerce any solder or flux that is not lead free unless the solder or flux bears a prominent label stating that it is illegal to use the solder or flux in the installation or repair of any plumbing providing water for human consumption.'';

(2) in subsection (d)—

(A) in paragraph (1), by striking ''lead, and'' and inserting ''lead;'';

(B) in paragraph (2), by striking ''lead.'' and inserting ''lead; and''; and

(C) by adding at the end the following:

''(3) when used with respect to plumbing fittings and fixtures, refers to plumbing fittings and fixtures in compliance with standards established in accordance with subsection (e).''; and

(3) by adding at the end the following:

''(e) PLUMBING FITTINGS AND FIXTURES.—

''(1) IN GENERAL.—The Administrator shall provide accurate and timely technical information and assistance to qualified third-party certifiers in the development of voluntary standards and testing protocols for the leaching of lead from new plumbing fittings and fixtures that are intended by the manufacturer to dispense water for human ingestion.

''(2) STANDARDS.—

''(A) IN GENERAL.—If a voluntary standard for the leaching of lead is not established by the date that is 1 year after the date of enactment of this subsection, the Administrator shall, not later than 2 years after the date of enactment of this subsection, promulgate regulations setting a health-effects-based performance standard establishing maximum leaching levels from new plumbing fittings and fixtures that are intended by the manufacturer to dispense water for human ingestion. The standard shall become effective on the date that is 5 years after the date of promulgation of the standard.

''(B) ALTERNATIVE REQUIREMENT.—If regulations are required to be promulgated under subparagraph (A) and have not been promulgated by the date that is 5 years after the date of enactment of this subsection, no person may import, manufacture, process, or distribute in commerce a new plumbing fitting or fixture, intended by the manufacturer to dispense water for human ingestion, that contains more than 4 percent lead by dry weight.''.

(b) WATER RETURN FLOWS.—Section 3013 of Public Law 102–486 (42 U.S.C. 13551) is repealed.

(c) RECORDS AND INSPECTIONS.—Subparagraph (A) of section 1445(a)(1) (42 U.S.C. 300j–4(a)(1)) (as designated by section 19(a)(1)(A)) is amended by striking ''Every person'' and all that follows through ''is a grantee,'' and inserting ''Every person who is subject to any requirement of this title or who is a grantee''.

SEC. 27. BOTTLED WATER.

Section 410 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 349) is amended—

(1) by striking ''Whenever'' and inserting ''(a) Except as provided in subsection (b), whenever''; and

(2) by adding at the end the following:

''(b)(1) After the Administrator of the Environmental Protection Agency publishes a proposed maximum contaminant level, but not later than 180 days after the Administrator of the Environmental Protection Agency publishes a final maximum contaminant level, for a contaminant under section 1412 of the Public Health Service Act (42 U.S.C. 300g–1), the Secretary, after public notice and comment, shall issue a regulation that establishes a quality level for the contaminant in bottled water or make a finding that a regulation is not necessary to protect the public health because the contaminant is contained in water in the public water systems (as defined under section 1401(4) of such Act (42 U.S.C. 300f(4)) and not in water used for bottled drinking water. In the case of any contaminant for which a national primary drinking water regulation was promulgated before the date of enactment of the Safe Drinking Water Act Amendments of 1995, the Secretary shall issue the regulation or make the finding required by this paragraph not later than 1 year after that date.

''(2) The regulation shall include any monitoring requirements that the Secretary determines to be appropriate for bottled water.

''(3) The regulation—

''(A) shall require that the quality level for the contaminant in bottled water be as stringent as the maximum contaminant level for the contaminant published by the Administrator of the Environmental Protection Agency; and

''(B) may require that the quality level be more stringent than the maximum contaminant level if necessary to provide ample public health protection under this Act.

''(4)(A) If the Secretary fails to establish a regulation within the period described in paragraph (1), the regulation with respect to the final maximum contaminant level published by the Administrator of the Environmental Protection Agency (as described in such paragraph) shall be considered, as of the date on which the Secretary is required to establish a regulation under paragraph (1), as the final regulation for the establishment of the quality level for a contaminant required under paragraph (1) for the purpose of establishing or amending a bottled water quality level standard with respect to the contaminant.

''(B) Not later than 30 days after the end of the period described in paragraph (1), the Secretary shall, with respect to a maximum contaminant level that is considered as a quality level under subparagraph (A), publish a notice in the Federal Register that sets forth the quality level and appropriate monitoring requirements required under paragraphs (1) and (2) and that provides that the quality level standard and requirements shall take effect on the date on which the final regulation of the maximum contaminant level takes effect or 18 months after the notice is issued pursuant to this subparagraph, whichever is later.''.

SEC. 28. OTHER AMENDMENTS.

(a) CAPITAL IMPROVEMENTS FOR THE WASHINGTON AQUEDUCT.—

(1) AUTHORIZATIONS.—

(A) AUTHORIZATION OF MODERNIZATION.—Subject to approval in, and in such amounts as may be provided in appropriations Acts, the Chief of Engineers of the Army Corps of Engineers is authorized to modernize the Washington Aqueduct.

(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Army Corps of Engineers borrowing authority in amounts sufficient to cover the full costs of modernizing the Washington Aqueduct. The borrowing authority shall be provided by the Secretary of the Treasury, under such terms and conditions as are established by the Secretary of the Treasury, after a series of contracts with each public water supply customer has been entered into under paragraph (2).

(2) CONTRACTS WITH PUBLIC WATER SUPPLY CUSTOMERS.—

(A) CONTRACTS TO REPAY CORPS DEBT.—To the extent provided in appropriations Acts, and in accordance with subparagraphs (B) and (C), the Chief of Engineers of the Army Corps of Engineers is authorized to enter into a series of contracts with each public water supply customer under which the customer commits to repay a pro-rata share of the principal and interest owed by the Army Corps of Engineers to the Secretary of the Treasury under paragraph (1). Under each of the contracts, the customer that enters into the contract shall commit to pay any additional amount necessary to fully offset the risk of default on the contract.

(B) OFFSETTING OF RISK OF DEFAULT.—Each contract under subparagraph (A) shall include such additional terms and conditions as the Secretary of the Treasury may require so that the value to the Government of the contracts is estimated to be equal to the obligational authority used by the Army Corps of Engineers for modernizing the Washington Aqueduct at the time that each series of contracts is entered into.

(C) OTHER CONDITIONS.—Each contract entered into under subparagraph (A) shall—

(i) provide that the public water supply customer pledges future income from fees assessed to operate and maintain the Washington Aqueduct;

(ii) provide the United States priority over all other creditors; and

(iii) include other conditions that the Secretary of the Treasury determines to be appropriate.

(3) BORROWING AUTHORITY.—Subject to an appropriation under paragraph (1)(B) and after entering into a series of contracts under paragraph (2), the Secretary, acting through the Chief of Engineers of the Army Corps of Engineers, shall seek borrowing authority from the Secretary of the Treasury under paragraph (1)(B).

(4) DEFINITIONS.—In this subsection:

(A) PUBLIC WATER SUPPLY CUSTOMER.—The term ''public water supply customer'' means the District of Columbia, the county of Arlington, Virginia, and the city of Falls Church, Virginia.

(B) VALUE TO THE GOVERNMENT.—The term ''value to the Government'' means the net present value of a contract under paragraph (2) calculated under the rules set forth in subparagraphs (A) and (B) of section 502(5) of the Congressional Budget Act of 1974 (2 U.S.C. 661a(5)), excluding section 502(5)(B)(i) of such Act, as though the contracts provided for the repayment of direct loans to the public water supply customers.

(C) WASHINGTON AQUEDUCT.—The term ''Washington Aqueduct'' means the water supply system of treatment plants, raw water intakes, conduits, reservoirs, transmission mains, and pumping stations owned by the Federal Government located in the metropolitan Washington, District of Columbia, area.

(b) DRINKING WATER ADVISORY COUNCIL.—The second sentence of section 1446(a) (42 U.S.C. 300j–6(a)) is amended by inserting before the period at the end the following: '', of which two such members shall be associated with small, rural public water systems''.

(c) SHORT TITLE.—

(1) IN GENERAL.—The title (42 U.S.C. 1401 et seq.) is amended by inserting after the title heading the following:

''SHORT TITLE

''SEC. 1400. This title may be cited as the 'Safe Drinking Water Act'.''.

(2) CONFORMING AMENDMENT.—Section 1 of Public Law 93–523 (88 Stat. 1660) is amended by inserting ''of 1974'' after ''Water Act''.

(d) TECHNICAL AMENDMENTS TO SECTION HEADINGS.—

(1) The section heading and subsection designation of subsection (a) of section 1417 (42 U.S.C. 300g–6) are amended to read as follows:

''PROHIBITION ON USE OF LEAD PIPES, FITTINGS, SOLDER, AND FLUX

''SEC. 1417. (a)''.

(2) The section heading and subsection designation of subsection (a) of section 1426 (42 U.S.C. 300h–5) are amended to read as follows:

''REGULATION OF STATE PROGRAMS

''SEC. 1426. (a)''.

(3) The section heading and subsection designation of subsection (a) of section 1427 (42 U.S.C. 300h–6) are amended to read as follows:

''SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM

''SEC. 1427. (a)''.

(4) The section heading and subsection designation of subsection (a) of section 1428 (42 U.S.C. 300h–7) are amended to read as follows:

''STATE PROGRAMS TO ESTABLISH WELLHEAD PROTECTION AREAS

''SEC. 1428. (a)''.

(5) The section heading and subsection designation of subsection (a) of section 1432 (42 U.S.C. 300i–1) are amended to read as follows:

''TAMPERING WITH PUBLIC WATER SYSTEMS

''SEC. 1432. (a)''.

(6) The section heading and subsection designation of subsection (a) of section 1451 (42 U.S.C. 300j–11) are amended to read as follows:

''INDIAN TRIBES

''SEC. 1451. (a)''.

(7) The section heading and first word of section 1461 (42 U.S.C. 300j–21) are amended to read as follows:

''DEFINITIONS

''SEC. 1461. As''.

(8) The section heading and first word of section 1462 (42 U.S.C. 300j–22) are amended to read as follows:

''RECALL OF DRINKING WATER COOLERS WITH LEAD-LINED TANKS

''SEC. 1462. For''.

(9) The section heading and subsection designation of subsection (a) of section 1463 (42 U.S.C. 300j–23) are amended to read as follows:

''DRINKING WATER COOLERS CONTAINING LEAD

''SEC. 1463. (a)''.

(10) The section heading and subsection designation of subsection (a) of section 1464 (42 U.S.C. 300j–24) are amended to read as follows:

''LEAD CONTAMINATION IN SCHOOL DRINKING WATER

''SEC. 1464. (a)''.

(11) The section heading and subsection designation of subsection (a) of section 1465 (42 U.S.C. 300j–25) are amended to read as follows:

''FEDERAL ASSISTANCE FOR STATE PROGRAMS REGARDING LEAD CONTAMINATION IN SCHOOL DRINKING WATER

''SEC. 1465. (a)''.

(e) PREVENTION AND CONTROL OF ZEBRA MUSSEL INFESTATION OF LAKE CHAMPLAIN.—

(1) FINDINGS.—Section 1002(a) of the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (16 U.S.C. 4701(a)) is amended—

(A) by striking ''and'' at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(5) the zebra mussel was discovered on Lake Champlain during 1993 and the opportunity exists to act quickly to establish zebra mussel controls before Lake Champlain is further infested and management costs escalate.''.

(2) EX OFFICIO MEMBERS OF AQUATIC NUISANCE SPECIES TASK FORCE.—Section 1201(c) of such Act (16 U.S.C. 4721(c)) is amended by inserting '', the Lake Champlain Basin Program,'' after ''Great Lakes Commission''.

(3) AQUATIC NUISANCE SPECIES PROGRAM.—Subsections (b)(6) and (i)(1) of section 1202 of such Act (16 U.S.C. 4722) is amended by inserting '', Lake Champlain,'' after ''Great Lakes'' each place it appears.

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 1301(b) of such Act (16 U.S.C. 4741(b)) is amended—

(A) in paragraph (3), by inserting '', and the Lake Champlain Research Consortium,'' after ''Laboratory''; and

(B) in paragraph (4)(A)—

(i) by inserting after ''(33 U.S.C. 1121 et seq.)'' the following: ''and grants to colleges for the benefit of agriculture and the mechanic arts referred to in the first section of the Act of August 30, 1890 (26 Stat 417, chapter 841; 7 U.S.C. 322)''; and

(ii) by inserting ''and the Lake Champlain basin'' after ''Great Lakes region''.

(f) SOUTHWEST CENTER FOR ENVIRONMENTAL RESEARCH AND POLICY.—

(1) ESTABLISHMENT OF CENTER.—The Administrator of the Environmental Protection Agency shall take such action as may be necessary to establish the Southwest Center for Environmental Research and Policy (hereinafter referred to as ''the Center'').

(2) MEMBERS OF THE CENTER.—The Center shall consist of a consortium of American and Mexican universities, including New Mexico State University; the University of Utah; the University of Texas at El Paso; San Diego State University; Arizona State University; and four educational institutions in Mexico.

(3) FUNCTIONS.—Among its functions, the Center shall—

(A) conduct research and development programs, projects and activities, including training and community service, on United States-Mexico border environmental issues, with particular emphasis on water quality and safe drinking water;

(B) provide objective, independent assistance to the EPA and other Federal, State and local agencies involved in environmental policy, research, training and enforcement, including matters affecting water quality and safe drinking water throughout the southwest border region of the United States; and

(C) help to coordinate and facilitate the improvement of environmental policies and programs between the United States and Mexico, including water quality and safe drinking water policies and programs.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator $10,000,000 for each of the fiscal years 1996 through 2003 to carry out the programs, projects and activities of the Center. Funds made available pursuant to this paragraph shall be distributed by the Administrator to the university members of the Center located in the United States.

(g) ESTROGENIC SUBSTANCES SCREENING PROGRAM.—

(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of this subsection, the Administrator shall develop a screening program, using appropriate validated test systems, to determine whether certain substances may have an effect in humans that is similar to an effect produced by a naturally occurring estrogen, or such other endocrine effect as the Administrator may designate.

(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this subsection, after obtaining review of the screening program described in paragraph 1 by the scientific advisory panel established under section 25(d) of the Act of June 25, 1947 (chapter 125), and the Science Advisory Board established by section 8 of the Environmental Research, Development, and Demonstration Act of 1978 (42 U.S.C. 4365), the Administrator shall implement the program.

(3) SUBSTANCES.—In carrying out the screening program described in paragraph (1), the Administrator shall provide for the testing of all active and inert ingredients used in products described in section 103(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9603(e)), and may provide for the testing of any other substance if the Administrator determines that a widespread population may be exposed to the substance.

(4) EXEMPTION.—Notwithstanding paragraph (3), the Administrator may, by regulation, exempt from the requirements of this subsection a biologic substance or other substance if the Administrator determines that the substance does not have any effect in humans similar to an effect produced by a naturally occurring estrogen.

(5) COLLECTION OF INFORMATION.—

(A) IN GENERAL.—The Administrator shall issue an order to a person that manufactures a substance for which testing is required under this subsection to conduct testing in accordance with the screening program described in paragraph (1), and submit information obtained from the testing to the Administrator, within a time period that the Administrator determines is sufficient for the generation of the information.

(B) FAILURE TO SUBMIT INFORMATION.—

(i) SUSPENSION.—If a person referred to in subparagraph (A) fails to submit the information required under such subparagraph within the time period established by the order, the Administrator shall issue a notice of intent to suspend the sale or distribution of the substance by the person. Any suspension proposed under this subparagraph shall become final at the end of the 30-day period beginning on the date that the person receives the notice of intent to suspend, unless during that period a person adversely affected by the notice requests a hearing or the Administrator determines that the person referred to in subparagraph (A) has complied fully with this paragraph.

(ii) HEARING.—If a person requests a hearing under clause (i), the hearing shall be conducted in accordance with section 554 of title 5, United States Code. The only matter for resolution at the hearing shall be whether the person has failed to submit information required under this paragraph. A decision by the Administrator after completion of a hearing shall be considered to be a final agency action.

(iii) TERMINATION OF SUSPENSIONS.—The Administrator shall terminate a suspension under this subparagraph issued with respect to a person if the Administrator determines that the person has complied fully with this paragraph.

(6) AGENCY ACTION.—In the case of any substance that is found to have a potential adverse effect on humans as a result of testing and evaluation under this subsection, the Administrator shall take such action, including appropriate regulatory action by rule or by order under statutory authority available to the Administrator, as is necessary to ensure the protection of public health.

(7) REPORT TO CONGRESS.—Not later than 4 years after the date of enactment of this subsection, the Administrator shall prepare and submit to Congress a report containing—

(A) the findings of the Administrator resulting from the screening program described in paragraph (1);

(B) recommendations for further testing and research needed to evaluate the impact on human health of the substances tested under the screening program; and

(C) recommendations for any further actions (including any action described in paragraph (6)) that the Administrator determines are appropriate based on the findings.

(h) GRANTS TO ALASKA TO IMPROVE SANITATION IN RURAL AND NATIVE VILLAGES.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency may make grants to the State of Alaska for the benefit of rural and Native villages in Alaska to pay the Federal share of the cost of—

(A) the development and construction of water and wastewater systems to improve the health and sanitation conditions in the villages; and

(B) training, technical assistance, and educational programs relating to the operation and management of sanitation services in rural and Native villages.

(2) FEDERAL SHARE.—The Federal share of the cost of the activities described in paragraph (1) shall be 50 percent.

(3) ADMINISTRATIVE EXPENSES.—The State of Alaska may use an amount not to exceed 4 percent of any grant made available under this subsection for administrative expenses necessary to carry out the activities described in paragraph (1).

(4) CONSULTATION WITH THE STATE OF ALASKA.—The Administrator shall consult with the State of Alaska on a method of prioritizing the allocation of grants under paragraph (1) according to the needs of, and relative health and sanitation conditions in, each eligible village.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary for each of the fiscal years 1996 through 2003 to carry out this subsection.

(i) ASSISTANCE TO COLONIAS.—

(1) DEFINITIONS.—As used in this subsection—

(A) ELIGIBLE COMMUNITY.—The term ''eligible community'' means a low-income community with economic hardship that—

(i) is commonly referred to as a colonia;

(ii) is located along the United States-Mexico border (generally in an unincorporated area); and

(iii) lacks basic sanitation facilities such as a safe drinking water supply, household plumbing, and a proper sewage disposal system.

(B) BORDER STATE.—The term ''border State'' means Arizona, California, New Mexico and Texas.

(C) TREATMENT WORKS.—The term ''treatment works'' has the meaning provided in section 212(2) of the Federal Water Pollution Control Act (33 U.S.C. 1292(2)).

(2) GRANTS TO ALLEVIATE HEALTH RISKS.—The Administrator of the Environmental Protection Agency and the heads of other appropriate Federal agencies are authorized to award grants to any appropriate entity or border State to provide assistance to eligible communities for—

(A) the conservation, development, use and control (including the extension or improvement of a water distribution system) of water for the purpose of supplying drinking water; and

(B) the construction or improvement of sewers and treatment works for wastewater treatment.

(3) USE OF FUNDS.—Each grant awarded pursuant to paragraph (2) shall be used to provide assistance to one or more eligible community with respect to which the residents are subject to a significant health risk (as determined by the Administrator or the head of the Federal agency making the grant) attributable to the lack of access to an adequate and affordable drinking water supply system or treatment works for wastewater.

(4) OPERATION AND MAINTENANCE.—The Administrator and the heads of other appropriate Federal agencies, other entities or border States are authorized to use funds appropriated pursuant to this subsection to operate and maintain a treatment works or other project that is constructed with funds made available pursuant to this subsection.

(5) PLANS AND SPECIFICATIONS.—Each treatment works or other project that is funded by a grant awarded pursuant to this subsection shall be constructed in accordance with plans and specifications approved by the Administrator, the head of the Federal agency making the grant, or the border State in which the eligible community is located. The standards for construction applicable to a treatment works or other project eligible for assistance under title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) shall apply to the construction of a treatment works or project under this subsection in the same manner as the standards apply under such title.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal years 1996 through 2003.

MOTION OFFERED BY MR. BILILEY

Mr. BILILEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BLILEY moves to strike all after the enacting clause of S. 1316 and insert in lieu thereof the text of H.R. 3604 as passed by the Hosue, as follows:

[Bill not available at time of printing. Will be printed in a future issue of the RECORD.]

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia [Mr. BLILEY].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: ''A bill to amend title XIV of the Public Health Service Act (the ''Safe Drinking Water Act'') and for other purposes.''

A motion to reconsider was laid on the table.

A similar House bill (H.R. 3604) laid on the table.

APPOINTMENT OF CONFEREES ON S. 1316

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 1316, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. STUPAK

Mr. STUPAK. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. STUPAK moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the bill S. 1316 be instructed to insist upon the provisions contained in section 506 of the House amendment.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. BLILEY] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. STUPAK] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. STUPAK].

□ 1730

Mr. STUPAK. Mr. Speaker, if I may, after I make my statement I ask unanimous consent that any remaining time I have be controlled by the gentleman from Michigan [Mr. DINGELL].

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STUPAK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the subject of this motion to instruct is critical to the success of this conference.

On June 25, 1996, I came to the floor prepared to unequivocally support a bill that protects the environment and provides needed flexibility for local governments.

I was very concerned to learn that $375 million in earmarks were added to the agreed upon bi-partisan bill.

I introduced into the RECORD the administration's position on these earmarks. The administration position states, ''The administration * * * strongly opposes the provisions added in title V which would jeopardize public health and undermine the SRF by limiting states' flexibility to prioritize project funding.''

In addition to inserting this statement, I engaged the gentleman from New York, the chairman of the Water Resources and Environment Subcommittee in a colloquy on this issue. He pledged to maintain the 75-percent trigger in the final conference report.

By supporting this motion, the Members of the House will show their agreement with the gentleman from New York. Please do not let an urgent bill like the Safe Drinking Water Act fall prey to backroom pork politics. I urge the Members of the House to support this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to speak on the motion to instruct conferees.

As my colleagues are aware, H.R. 3604 contains an authorization for a new State Revolving Fund for drinking water projects. This program will provide States with grants which they can use to make loans to public water systems to comply with the requirements of the Safe Drinking Water Act.

This SRF will go a long way to address the fact that the Safe Drinking Water Act imposes significant costs on States and local governments. H.R. 3604 makes other changes in the Safe Drinking Water Act to improve the cost-effectiveness of drinking water regulations. But the fact is that we will continue to need regulations for contaminants in drinking water, so we need this new SRF to help States and local governments pay for the costs of those regulations.

This bill also contains authorization for several grant programs which were developed by the Transportation Committee. The largest of these grant programs would authorize $50 million a year for other types of water projects. The bill contains a provision that says that these grant programs should not be funded unless and until the State Revolving Fund receives at least 75 percent of the authorized amounts. This is to ensure that the new State Revolving Fund for public water systems, which is important to the success of the Safe Drinking Water Act program, does not wither away for lack of funding.

It is my understanding that this motion to instruct conferees simply urges support for the 75 percent funding condition in the House bill. I support this provision and urge my colleagues to support the motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, this motion instructs the House conferees to stand by the firewall provisions of the House safe drinking water bill. The provisions protect the funds established for State-selected and State-controlled safe drinking water projects from any raids to funds from congressionally directed construction projects added to this bill at the last minute by the House leadership. Those cholesterol-rich pork provisions should be a matter of legitimate concern to every Member of this body.

While not everyone will agree with my assessment that these projects are 100 percent U.S. certified pork high in cholesterol, there is fortunately no dispute that they should not receive one cent of funding unless and until the State drinking water revolving fund is capitalized at sufficient levels.

Luckily there is language in this bill which passes the House that provides some firewall protection. I commend my colleagues on the Committee on Transportation and Infrastructure for agreeing to include this language. My motion to instruct makes it clear that the conferees not forget this explicit commitment in the House-passed bill.

Mr. Speaker, 3 weeks ago the House passed a bipartisan reauthorization of the safe Drinking Water Act. This measure makes necessary improvements to the act to ensure that the drinking water of this country is safe today and safe in the future. This measure will improve protection of our drinking water from microbiological contaminants that cause acute illnesses, even death, from single exposures. This measure will reduce the exposures to carcinogens, to endocrine disrupters and other long-term human health threats.

The bill gives the States and the water districts unprecedented flexibility to customize their own safe drinking water programs to meet individual needs in their own special circumstances, but with this progress and with this flexibility will come increased responsibility for the States and for the water districts and other suppliers of water to the communities. For this reason the House bill creates a State revolving fund to help the States and localities to meet the costs of complying with the Safe Drinking Water Act. This State revolving fund is authorized to be funded at $1 billion a year through the year 2003.

The fund is to be divided between the States by an objective formula. States can use money for grants and loans to their own water districts under rules that focus the money on projects that address the most serious health risks, ensure compliance with the Safe Drinking Water Act and assist the several water districts in the States with the greatest need on a per household basis.

Contrasted with this fair and impartial program are $375 million in grants. These were added behind closed doors in dark secrecy to fund projects selected on the basis of pure raw politics. Under this program some 14 projects have already been earmarked. Of these 14 a few represent honest high priorities. Many include water totally unrelated to the Safe Drinking Water Act. Not surprising to observe, the overwhelming majority of these projects are for Republican Members including some of the freshmen from marginal districts.

Now, I want to be very clear with my colleagues on the subcommittee and full Committee on Transportation and Infrastructure. I do not object to Congress properly funding important and desirable projects to the districts of Members. As was pointed out in the debate on the bill itself, my own district has been receiving funds for water projects and other projects which I and my constituents are properly grateful for. But I do think that it is appropriate to raise questions when these projects are inserted without hearings, without cost-benefit analysis and under the cover of darkness rather than in the open light of day and only as an exercise of pure political muscle, and the bill is totally unrelated for the purposes of these projects themselves.

Mr. Speaker, as everyone knows, there is a limited pot of money available for all of our Federal programs. That includes in a very special way the monies available for drinking water assistance. In fact, while the fund is authorized at $1 billion annually, the administration budget provides only $550 million next year, and the Republicans here cut $100 million from that amount leaving a badly starved fund desperately needed by the States and local units of government for the improvement of drinking water safety for the people of this country.

Without some protections, some of the conferees may be tempted to divert some of the money from the drinking water fund so that pet projects selected for no reason other than the political value to particular Members will indeed be funded.

Luckily there is a modest sense of shame left in this body. The proponents of the raid have included language which provides that there will not be any luau, and for the benefit of my colleagues, that is a big Hawaiian dinner where roast pork is served as a principle diet, to consume this scrumptious pork unless and until the drinking water State revolving fund receives an appropriation equal to 75 percent of its authorization. That is the language that this motion addresses.

We are saying to our colleagues on the conference committee, do not make any changes in the firewall. At least have the shame not to go further.

I might add that this instruction becomes all the more crucial given the unprecedented structure that the leadership has created for this conference. In a movement that to the best of my knowledge has never seen any precedent in the House outside of tax legislation, the leadership will make the sponsors of these special projects the exclusive conferees on these provisions. That makes, in other words, the fox the guardian of the hen roost.

We ask the Parliamentarians to give us a list of the bills in this or other Congresses in which such extraordinary and remarkable appointments have been made naming as exclusive or even majority conferees a committee that was not the primary committee on the jurisdiction of the bill. Thus far we have been shown no other examples, and our research finds none. This leaves me to conclude that this was merely an exercise of raw and unadulterated power by the Speaker with no principle basis in the precedents of the House to support it. I trust therefore that it will lack future Presidential value.

What it means in practical terms is that there will be no conference report and no safe drinking water bill enacted into law until the conferees from the Committee on Transportation and Infrastructure have gotten everything they want. That is a holdup, and it is quite shameful.

I want to remind my colleagues we face a critical deadline on this bill. If it is not on the President's desk and signed into law by August 1, there will be a $750 million loss in safe drinking water funds to several States. The

money will not disappear. It will simply spill over into the funding of the Clean Water Act. While I do not doubt that it could be put to good use there, I believe that our States and our local water systems and ultimately the ratepayers want this money used for the safe drinking water revolving fund established by this bill. Thus the sole guardians of the firewall provisions will by the very individuals whose projects received dollar one if the firewall is to be stripped out. I hope our colleagues on the Committee on Transportation and Infrastructure will work with us to ensure quick conference, a quick resolution and a fair and a proper result.

With the firewall in place, the revolving fund should be largely shielded; and with this motion to instruct, the firewall should remain in place. We would then hopefully have a bill that both sides of this House will be proud of. It will also be a bill that can and will be signed by the President.

We can still pass this bill by August 1. I urge my colleagues to join me in voting for this motion to instruct the conferees.

I reserve the balance of my time, Mr. Speaker.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman from Virginia [Mr. BLILEY] for yielding this time to me, and I rise to speak on the motion to instruct.

I think the motion reflects the understandings reached concerning the inclusion of title V within H.R. 3604, the bill to amend and reauthorize the Safe Drinking Water Act approved by the Commerce Committee.

In general, H.R. 3604 provides for a new State revolving fund—or SRF. The express purpose of the SRF is to provide loans and loan guarantees for expenditures that will facilitate compliance with national drinking water standards. SRF funds may only be used for compliance efforts or for other efforts that would significantly further the health protection objectives of the Safe Drinking Water Act.

EPA has estimated that $8.6 billion is currently needed to bring public water systems into compliance with current standards. H.R. 3604 will go a long ways toward meeting this needs, but the fund needs to be insulated from demands which could compete with its basic purpose.

The language offered in the motion to instruct merely reflects the desire expressed by the Transportation and Infrastructure Committee to similarly protect the SRF. Statutory language to this effect was included in H.R. 2747, a bill reported from the Transportation and Infrastructure Committee to provide water supply infrastructure assistance. H.R. 3604 adopted nearly identical provisions. I therefore urge the adoption of the motion to instruct by the full House of Representatives.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT], a member of the Committee on Transportation and Infrastructure.

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

□ 1745

Mr. BOEHLERT. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, the gentleman's motion is a motion to instruct the House conferees to express the House position, a position developed by the Committee on Transportation and Infrastructure, so it is always a pleasure for me to stand on the floor of this House and to thank my colleague, the distinguished gentleman from Michigan [Mr. DINGELL], when he is endorsing a position taken by the subcommittee that I am privileged to chair.

I do not have a problem with his language, not at all. Our committee included that language regarding the 75-percent trigger in the safe drinking water bill precisely to address the same type of concerns, real or perceived, that the gentleman has raised. Title V of the House-passed drinking water bill will supplement, not undermine, let me stress that, supplement, not undermine the State revolving fund.

Everyone agrees our priorities should be to capitalize the State revolving fund. The 75-percent trigger is just one of several safeguards to ensure this remains a priority.

Once again, Mr. Speaker, I want to repeat, I am pleased to stand on this floor and thank the gentleman from Michigan, the senior Democrat on the Committee on Commerce, for recognizing the work of the Committee on Transportation and Infrastructure. It is through these partnerships that we address a very important national problem and get some results.

I want to comfort my colleague by reminding him that there are no earmarks in this bill, that the funding is contingent upon Congress first appropriating adequate amounts for the State revolving fund, and the grants program is intended for hardship communities and areas. My distinguished colleague, the gentleman from Michigan, I think would agree that they are the communities that deserve the most consideration as we try to go forward and guarantee a cleaner, safer, healthier environment for all Americans.

We have worked well together, and I am pleased to support the gentleman's instructions.

Mr. DINGELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I urge an ''aye'' vote, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Michigan [Mr. STUPAK].

The motion to instruct was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on Commerce, for consideration of the Senate bill (except for sections 28(a) and 28(e)) and the House amendment (except for title V), and modifications committed to conference: Messrs. BLILEY, BILIRAKIS, CRAPO, BILBRAY, DINGELL, WAXMAN, and STUPAK.

From the Committee on Commerce, for consideration of sections 28(a) and 28(e) of the Senate bill, and modifications committed to conference: Messrs. BLILEY, BILIRAKIS, and DINGELL.

As additional conferees from the Committee on Science, for consideration of that portion of section 3 that adds a new section 1478 and sections 23, 25(f), and 28(f) of the Senate bill, and that portion of section 308 that adds a new section 1452(n) and section 402 and title VI of the House amendment, and modifications committed to conference: Messrs. WALKER, ROHRABACHER, and ROEMER.

As additional conferees from the Committee on Transportation and Infrastructure, for the consideration of that portion of section 3 that adds a new section 1471(c) and sections 9, 17, 22(d), 25(a), 25(g), 28(a), 28(e), 28(h), and 28(i) of the Senate bill, and title V of the House amendment and modifications committed to conference: Messrs. SHUSTER, BOEHLERT, WAMP, BORSKI, and MENENDEZ, provided, Mr. BLUTE is appointed in lieu of Mr. WAMP for consideration of title V of the House amendment.

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. WELDON of Pennsylvania. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. DELLUMS moves that the managers on the part of the House at the conference on

the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3230 be instructed to insist upon—

(1) a total level of funding for operations and maintenance not less than the total of the amounts provided in section 301 of the House bill;

(2) a level of funding for military personnel not less than the amount provided in section 421 of the House bill; and

(3) a total level of funding for military construction and military family housing not less than the total of the amounts provided in division B of the House bill.

The SPEAKER pro tempore. The gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. WELDON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer a motion to instruct conferees today because of my concern that the resolution of issues between the House-passed defense authorization bill and the Senate amendment not be concluded at the expense of our men and women in uniform and their ability to perform their mission.

I am concerned that the conferees may overlook these vital requirements in favor of the plus-ups in major acquisition programs that the service chiefs have not asked for and for which there exists, in this gentleman's opinion, no legitimate military requirement.

Several important accounts are at stake, Mr. Speaker. We have very real quality-of-life concerns for our men and women in uniform and a need to ensure that our military construction accounts are funded sufficiently to meet those requirements. We are conducting operations and training that demand real resources, and our readiness accounts should not be depleted. Perhaps, most importantly, we need to ensure that our military personnel receive the pay and benefits for which they are more than deserving. The quickest way to a hollow force is the loss of neglected personnel.

Mr. Speaker, a consistent theme of this year's defense debate has been the ''modernization crisis'' caused by a ''procurement holiday.''

In this gentleman's opinion, Mr. Speaker, the testimony before our committee demonstrates the validity of the administration's modernization strategy. By being able to utilize the equipment made excess by the drawdown of our forces, we have been able to forestall procurement expenditures into the future.

Finally, Mr. Speaker, the House should stand by its authorization levels in the personnel, military construction, and readiness accounts, and send a clear message to the other body that in resolving the differences between our two bills that we will make only those investments in modernization that can be justified by requirements, by development and testing, and in relationship to our other priorities.

Last year the House passed, nearly unanimously, a measure instructing conferees not to recede from the House readiness funding level. Nonetheless, some readiness funding was indeed sacrificed to save procurement programs that the service chiefs had not requested.

In offering this motion, Mr. Speaker, it is this gentleman's hope that we will be able again to send a message to the other body that we remain serious about our commitment to our personnel, their quality of life, and their readiness, and that we will not retreat this year from our baseline commitment to meeting those needs.

Mr. Speaker, I reserve the balance of my time.

□ 1800

Mr. WELDON of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise on behalf of the gentleman from South Carolina, FLOYD SPENCE, the distinguished chairman of the Committee on National Security, and agree with my colleague in the motion to instruct. We on this side have looked at the motion and agree with the contents and think it is well stated. Certainly we agree with it, and we think our actions speak to the points raised in the motion to instruct.

The chairman of the full committee would be here, but at this point in time he is joining a number of our colleagues as we in this body pay tribute to the distinguished former chairman of our committee, Les Aspin, in unveiling the portrait of him which will hang in our committee hearing room. So Chairman SPENCE is speaking at this point in time or else he would be here on the floor to lead this discussion.

But I rise to say to my friend and colleague and distinguished ranking member of the full committee that we agree with him and we agree with the motion in terms of the three key issues and areas that he has focused on, and we think our actions in the bill in fact speak to those issues. We think that we have addressed the issue of modernization but, at the same point in time, have taken those steps in terms of readiness, in terms of quality of life, that will allow us to keep up the morale and protect the well-being of those troops that are serving this country today around the world.

In the area of key personnel actions, Mr. Speaker, we have included a 4.6 percent increase in the bachelor allowance for quarters to combine the department's highly touted underfunded 6-year effort to reduce out-of-pocket housing expenses. We support a 3 percent military pay raise. We provide for a substantial package of enhancements for permanent change of station move reimbursements, and we establish a minimum variable housing allowance to ensure all service personnel are compensated at a level sufficient to acquire safe and adequate housing in high-cost areas.

In the area of key infrastructure improvements, Mr. Speaker, we provide $214 million, 38 percent above the President's request, in added funding to the construction of new barracks and dormitories. We provide $303 million, 45 percent above the President's request, in added funding for the construction of new family housing units and the improvement of existing units. We provide $28 million, nearly 5 times the President's request, in added funding to build new child development centers. We provide $25 million, more than double the President's request in added funding to support the ability of the Secretary of Defense to enter into public-private partnerships to produce more military housing at a lower cost to the taxpayer.

Finally, Mr. Speaker, in terms of key morale, welfare and recreation improvements, we provide $60 million in additional funding for high priority MWR programs identified by the Defense Science Board Task Force on Quality of Life.

Mr. Speaker, there are just a few of the highlights, but they are totally consistent with the points raised by the distinguished ranking member of this committee. They are well founded, and therefore, on behalf of FLOYD SPENCE, I would say that the majority agrees with this motion to instruct.

We look forward to working with the distinguished ranking member as we move toward the conference and, as conferees are appointed, to negotiate the differences that we have with our Senate counterparts and reach a final bill that hopefully the President will sign into law.

Mr. PICKETT. Mr. Speaker, I rise in support of the motion offered by my good friend and colleague from California.

The military personnel provisions passed by the House of Representatives as part of the fiscal year 1997 defense authorization bill solidly support quality of life and readiness efforts. These provisions reflect the continued support of this House for our military service members.

To highlight just a few of these provisions, the military personnel titles include a 3 percent military pay raise, requested by the President, as well as a 4.6 percent increase in the basic allowance for quarters—BAQ. This increase in BAQ will fully fund a 1 percent reduction in out-of-pocket housing expenses for service members.

The military personnel titles passed by the House provide the Secretary of Defense with the authority to establish a minimum variable housing allowance so that even very junior service members can acquire safe and adequate housing in high cost areas. Additionally, there are provisions that make several enhancements to the reimbursements for permanent change of station moves. Military members should not be forced to use their personal savings to offset the cost of a Government-directed move.

To minimize the readiness impact of continued shortfalls in the Army military personnel account, the House bill includes nearly $150 million more than the President's budget request for the Army military personnel account.

The House bill also restores the nearly half a billion dollar shortfall in the defense health program. Medical care consistently rates as a top quality of life issue. Not resolving this issue would have dire consequences for active-duty family members and retirees who have a difficult enough time already trying to obtain medical care in military facilities. Failure to meet this need would involve a significant breach of faith with our military members and retirees.

I remind my colleagues that the most important component of readiness is people. The people serving in uniform today were selectively recruited and carefully trained. They are truly the finest force that the United States has ever had.

Readiness must be preserved both in the near-term and in the long-term. Readiness problems compound quickly and cannot be repaired easily or inexpensively. The military personnel that we put in harm's way deserve a full and continuing commitment from this Congress. The House of Representatives has met that commitment in the DOD bill we passed.

The military personnel provisions of the House bill continue the progress toward an improved quality of life for our military men and women while ensuring a well-trained, ready force. It confirms our commitment to readiness, training and taking care of the men and women who serve in our Armed Forces.

I urge my colleagues to ratify their effort by voting for Mr. DELLUM's motion to instruct House conferees to support the higher House figure for military personnel and readiness programs.

Mr. Speaker, I yield back the balance of my time.

Mr. DELLUMS. Mr. Speaker, first I would like to thank my distinguished colleague for his remarks. I appreciate his comments and further appreciate the support. This is a bipartisan motion to instruct conferees.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from California [Mr. DELLUMS].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997, WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. WELDON of Pennsylvania. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. WELDON of Pennsylvania moves, pursuant to clause 6(a) of Rule XXVIII, that conference committee meetings on the bill H.R. 3230, to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the armed forces, and for other purposes, be closed to the public at such times as classified national security information is under consideration, provided, however, that any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. WELDON].

Under the rule, the vote on this motion must be taken by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 412, nays 3, not voting 18, as follows:

[Roll No. 326]

YEAS—412

Abercrombie	Clyburn	Franks (NJ)
Ackerman	Coble	Frelinghuysen
Allard	Coburn	Frisa
Andrews	Coleman	Frost
Archer	Collins (GA)	Funderburk
Armey	Collins (IL)	Furse
Bachus	Collins (MI)	Gallegly
Baesler	Combest	Ganske
Baker (CA)	Condit	Gejdenson
Baker (LA)	Conyers	Gekas
Baldacci	Cooley	Gephardt
Ballenger	Costello	Gibbons
Barcia	Cox	Gilchrest
Barr	Coyne	Gillmor
Barrett (NE)	Cramer	Gilman
Barrett (WI)	Crane	Gonzalez
Bartlett	Crapo	Goodlatte
Barton	Cremeans	Goodling
Bass	Cubin	Gordon
Bateman	Cummings	Goss
Becerra	Cunningham	Graham
Beilenson	Danner	Green (TX)
Bentsen	Davis	Greene (UT)
Bereuter	Deal	Greenwood
Berman	DeLauro	Gunderson
Bevill	DeLay	Gutierrez
Bilbray	Dellums	Gutknecht
Bilirakis	Deutsch	Hall (TX)
Bishop	Diaz-Balart	Hamilton
Bliley	Dickey	Hancock
Blumenauer	Dicks	Hansen
Blute	Dingell	Harman
Boehlert	Dixon	Hastert
Boehner	Doggett	Hastings (FL)
Bonilla	Dooley	Hastings (WA)
Bonior	Doolittle	Hayes
Bono	Dornan	Hayworth
Borski	Doyle	Hefley
Boucher	Dreier	Hefner
Brewster	Duncan	Heineman
Browder	Dunn	Herger
Brown (CA)	Edwards	Hilleary
Brown (FL)	Ehlers	Hilliard
Brown (OH)	Ehrlich	Hinchey
Brownback	Engel	Hobson
Bryant (TN)	English	Hoekstra
Bryant (TX)	Ensign	Hoke
Bunn	Eshoo	Holden
Bunning	Evans	Horn
Burr	Everett	Hostettler
Burton	Ewing	Houghton
Buyer	Farr	Hoyer
Callahan	Fattah	Hutchinson
Calvert	Fawell	Hyde
Camp	Fazio	Inglis
Campbell	Fields (LA)	Istook
Canady	Fields (TX)	Jackson (IL)
Cardin	Filner	Jackson-Lee (TX)
Castle	Flake	
Chabot	Flanagan	Jacobs
Chambliss	Foglietta	Jefferson
Chenoweth	Foley	Johnson (CT)
Christensen	Forbes	Johnson (SD)
Chrysler	Ford	Johnson, E. B.
Clay	Fowler	Johnson, Sam
Clayton	Fox	Johnston
Clement	Frank (MA)	Jones
Clinger	Franks (CT)	Kanjorski
Kaptur	Mollohan	Scott
Kasich	Montgomery	Seastrand
Kelly	Moorhead	Sensenbrenner
Kennedy (MA)	Moran	Serrano
Kennedy (RI)	Morella	Shadegg
Kennelly	Myers	Shaw
Kildee	Myrick	Shays
Kim	Nadler	Shuster
King	Neal	Sisisky
Kingston	Nethercutt	Skaggs
Kleczka	Neumann	Skeen
Klink	Ney	Skelton
Klug	Norwood	Smith (MI)
Knollenberg	Nussle	Smith (NJ)
Kolbe	Oberstar	Smith (TX)
LaFalce	Obey	Smith (WA)
LaHood	Olver	Solomon
Lantos	Ortiz	Souder
Largent	Orton	Spence
Latham	Owens	Spratt
LaTourette	Oxley	Stearns
Laughlin	Pallone	Stenholm
Lazio	Parker	Stockman
Leach	Pastor	Stokes
Levin	Paxon	Studds
Lewis (CA)	Payne (NJ)	Stump
Lewis (GA)	Payne (VA)	Talent
Lewis (KY)	Pelosi	Tanner
Lightfoot	Peterson (FL)	Tate
Linder	Peterson (MN)	Tauzin
Lipinski	Petri	Taylor (MS)
Livingston	Pickett	Taylor (NC)
LoBiondo	Pombo	Tejeda
Lofgren	Pomeroy	Thomas
Longley	Porter	Thompson
Lowey	Portman	Thornberry
Lucas	Poshard	Thornton
Luther	Pryce	Thurman
Maloney	Quillen	Tiahrt
Manton	Quinn	Torkildsen
Manzullo	Radanovich	Torres
Markey	Rahall	Torricelli
Martinez	Ramstad	Towns
Martini	Rangel	Traficant
Mascara	Reed	Upton
Matsui	Regula	Velazquez
McCarthy	Richardson	Vento
McCollum	Riggs	Visclosky
McCrery	Rivers	Volkmer
McDermott	Roberts	Vucanovich
McHale	Roemer	Walker
McHugh	Rogers	Walsh
McInnis	Rohrabacher	Wamp
McIntosh	Ros-Lehtinen	Ward
McKeon	Roth	Watt (NC)
McKinney	Roukema	Watts (OK)
McNulty	Roybal-Allard	Waxman
Meehan	Royce	Weldon (FL)
Meek	Rush	Weldon (PA)
Menendez	Sabo	Weller
Metcalf	Salmon	White
Meyers	Sanders	Whitfield
Mica	Sanford	Wicker
Millender-McDonald	Sawyer	Williams
	Saxton	Wise
Miller (FL)	Scarborough	Woolsey
Minge	Schaefer	Wynn
Mink	Schiff	Young (AK)
Moakley	Schroeder	Zeliff
Molinari	Schumer	Zimmer

NAYS—3

DeFazio	Stark	Waters

NOT VOTING—18

Chapman	Lincoln	Slaughter
de la Garza	McDade	Stupak
Durbin	Miller (CA)	Wilson
Geren	Murtha	Wolf
Hall (OH)	Packard	Yates
Hunter	Rose	Young (FL)

☐ 1834

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I would like to advise our Members on both

sides of the aisle that we have had the final vote for this evening. In just a few minutes we will be making a unanimous consent request that has been cleared on both sides of the aisle, that has been fully vetted, that would allow us, if accepted, to proceed with 2 hours of general debate this evening on the welfare reform bill.

We would then come back in the morning to open business at 9 a.m. We would have an agreed-upon number of 1-minutes at the outset of our morning's work and we would then go back to this bill for further debate, consideration of the amendments made in order under the rule, and then continue on that bill with the expectation of completing our work between 5 and 6, but certainly enabling everybody to make their 6 o'clock departure time tomorrow evening.

Mr. SABO. Mr. Speaker, if the majority leader would yield, my understanding is that the rule is likely to have 2 hours of general debate for tomorrow also; is that accurate?

Mr. ARMEY. Mr. Speaker, the gentleman is correct.

Mr. SABO. And 1 hour on the Castle-Tanner substitute?

Mr. ARMEY. There will be 1 hour on a majority substitute, whatever that should be.

Mr. SABO. Mr. Speaker, I thank the gentleman.

Mr. ARMEY. Mr. Speaker, one final point. I should also advise Members that in the matter of rearranging the schedule for the orderly conduct of our business, we have deferred consideration of campaign finance reform until Wednesday of next week.

PROVIDING FOR CONSIDERATION OF H.R. 3734, WELFARE AND MEDICAID REFORM ACT OF 1996

Mr. HOBSON. Mr. Speaker, I ask unanimous consent that it be in order at any time for the Speaker, pursuant to clause 1(b) of rule XXII, to declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, that the first reading of the bill be dispensed with, that all points of order against consideration of the bill be waived, that general debate be confined to the bill and be limited to 2 hours equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, that after general debate the Committee of the Whole rise without motion, and that no further consideration of the bill be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUR OF MEETING ON TOMORROW

Mr. HOBSON. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 359

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 359.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

WELFARE AND MEDICAID REFORM ACT OF 1996

The SPEAKER pro tempore. Pursuant to the order of the House of today and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3734.

☐ 1640

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, with Mr. GREENE of Utah in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the order of the House of today, the bill is considered as having been read the first time.

The gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO], will each control 60 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, today we have the beginning of a debate that really represents wonderful news for America. Frankly, the third time, they say in lore, is always a charm. Well, this is the third time we are going to bring to the floor, and we are going to pass, a welfare reform bill that ends welfare as we know it and provides a new level of opportunity for all Americans, opportunity for people who find themselves in need of assistance and opportunity for those folks who get up and go to work every morning and ask nothing from their government other than to have their level of taxation kept at a minimum and to have the maximum amount of personal liberty.

Now, Madam Chairman, this welfare bill that we are about to consider today is something that I think Americans have been asking for virtually all of my adult life. And let me tell my colleagues what it is about. If is founded on the basis of Judeo-Christianity. Judeo-Christianity says it is a sin not to help people who need help, but it also says it is equally a sin to continue to help people who need to learn how to help themselves.

What we have in this bill is a generous amount of continued assistance for those people who find themselves in real need. I was born and raised in a community where we had a public housing development just down the street, and we always believed that it was necessary that people get the kind of help they need to lift themselves up by their bootstraps, to get the kind of help from those people in our society who have been successful, who have been blessed; and that from those people who are the most successful there is a need and a reason and, frankly, an ultimatum in some respects to make sure that we help those who, through no fault of their own, find themselves dependent.

Now, at the same time, we also believed in the community where I was born and raised that we need to give people an opportunity to be able to lift themselves out of these situations that make them dependent. I think we all recognize in this country that if we have a program that traps people in dependence, it is wrong.

In other words, we do not want to have created a welfare system in our country where people have learned to depend on it and not to be able to depend on themselves.

☐ 1845

Frankly, it is not fair to those folks. It is certainly not fair to their children who get raised in an environment where they seem to get confused about the issue of dependency and independence. I believe virtually everybody in this country wants to be independent from help from others. I believe that virtually everybody in this country wants to have a job. But I think that we have created some systems, including the current welfare system, that have provided too many of the wrong incentives for people to avoid work or to be lulled into a sense of dependency. It is wrong. It is wrong for the people on the system. It is wrong for their children.

So what we attempt to do in this welfare bill is to provide generous amounts of money so that the children of people on welfare can be taken care of while the people who are on welfare get trained and get a job. We say at the end of the day, you must go and find a job. We will train you. We will help you find a job. And at the end of the day, you are going to have to get off of welfare and you are going to have to go to work. I think that is what most people in this country want.

Second, however, it will not just be a victory for those who have found themselves trapped in the system that in some respects has robbed themselves

and their children of the independence that they dream about. But this is a bill that in my judgment is a terrific victory for those who struggle every day to make ends meet.

There are the mothers and fathers who take their kids to day care. These are the mothers and fathers who on every paycheck sit down and try to figure out how they can make their ends meet. And these are people who do not get anything from the Government. They do not get food stamps. They do not get any form of welfare, any kind of subsidy from the Federal Government. These people get up and they go to work every day, and they struggle every day just to keep their heads above water. Frankly, they are the ones that are truly the American heroes in this country.

It is not the people who struck it rich and made a million dollars or in some cases made billions of dollars. It is not the NBA players who are signing contracts for $105 million. They are not our heroes. Our heroes are the mothers and fathers who fight their way off welfare. They are the mothers and fathers who have never been on it and work hard to stay off of it, and all they want to do is to raise their children in a God-fearing country with decent values and security.

This bill today represents a terrific victory for those people who get up every day and go to work. That is who we are passing this bill for, for those who find themselves stuck in a system that has not allowed them to become independent and, second, for those Americans who go to work every day, the real American heroes.

This bill is compassionate for those who really need the help. We recognize there are people in our society who, no matter what happens, are not ever going to get a job. Do you know what? We have got provisions that protect them. We recognize there are some people who will never become independent. That is a fact of life. We have got to deal with it. But we also recognize that, if we have a strong training, if we have a strong child care section and if we have a strong work requirement and we say to people, at some point you must go to work, we think that is also compassionate.

So, we think we have a welfare bill that is balanced. We think also we have a welfare bill that essentially speaks to what Americans all across this country have wanted, help those who need help, but force those who need to learn how to help themselves to go to work. That is what this bill does. It is reinventing welfare as we know it.

As the American people find out what is in this bill, and this bill will pass the House, it will pass the Senate, and it will be sent to the President, we hope and pray he will sign it. If he does, it is going to be a victory for everybody in this country, those concerned about those that cannot help themselves, those who need to learn to start helping themselves, and those who get up every day and work hard to make sure that they are independent.

This is a good bill for America. This is a great day for the House. Let us keep our fingers crossed because the third time can be a charm.

Madam Chairman, I yield the balance of my time to the gentleman from Kansas [Mr. ROBERTS], chairman of the Committee on Agriculture, and I ask unanimous consent that the gentleman from Kansas be permitted to yield time to additional speakers.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SABO. Madam Chairman, I ask unanimous consent to yield my first 30 minutes to the gentlewoman from California [Ms. ROYBAL-ALLARD] and that she have the authority to yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The gentlewoman from California [Ms. ROYBAL-ALLARD] is recognized for 30 minutes.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. PASTOR].

Mr. PASTOR. Madam Chairman, I want to thank my colleague for yielding the 2 minutes.

We heard the chairman of the Committee on the Budget talk about a victory for America as we debate this bill and the consequences of it. I have to tell my colleagues that they are going to hear some Members speak to inform us that this victory is not shared by all Americans. Americans who work hard, Americans who want to take care of the families, people who have been in this country for many years but because of their status as legal immigrants will not be able to share this victory.

There are a number of us who are concerned both on the substitute and also concerned with the base bill. We feel that the treatment of legal immigrants is very unfair. There is a misconception in this country, there is a misconception in this House that legal immigrants are people who recently came over and are here legally only for one reason, to get on public assistance. That is not the case. We will hear tonight that many of these people have been here for many, many years, have worked hard, have raised their children, and now, in many cases, will need the services and the opportunities that they have earned.

We will also hear that there will be many children that will be put in very hard situations by these bills. As adults, as Americans, as parents, as family members, we are concerned about the children that will not savor this taste of victory.

We will hear about other parts of the bills that will affect people on domestic violence, entitlements and will not savor the taste of victory.

So, Madam Chairman, we will rise in opposition to both bills.

Mr. ROBERTS. Madam Chairman, I yield 4 minutes to the distinguished gentleman from Michigan [Mr. CAMP], a former member of the sometimes powerful House Committee on Agriculture, a current valued member of the Committee on Ways and Means.

(Mr. CAMP asked and was given permission to revise and extend his remarks.)

Mr. CAMP. Madam Chairman, today Congress is again attempting to end welfare as we know it. Over the last 19 months, my colleagues and I have twice written, debated, and adopted welfare reform legislation only to have our efforts vetoed by the President. How many more families will be trapped in the current system while time wastes in Washington?

Our current welfare system has deprived hope, diminished opportunity and destroyed lives. After 30 years and billions and billions of dollars, I ask, has the Federal Government solved the problems of poverty and dependency?

Just spending more money on the Washington welfare system will not work. Just spending more money on the current system will not help children. We need to start over. The bill before us today is a fresh start. It accomplishes five important goals for welfare reform.

First, it requires work in exchange for benefits. It encourages independence and self-reliance for able-bodied people. To help those that work, the bill provides more child care funding than current law and more than the President's proposal for working families. We have a moral obligation to improve the lives of our children, and we must do all we can to change the culture of poverty that our current welfare laws have created.

Second, this legislation also time limits welfare benefits to 5 years. While the goal is to move all families from welfare to work, some families may need more time or more help. So we retain an effective safety net. Our bill allows a hardship exemption from the time limit for up to 20 percent of those on welfare. The hard-working families in the Fourth Congressional District of Michigan and across the country believe welfare should be a hand up, not a handout. They very much support the requirement that able-bodied welfare recipients work for the benefits so generously provided by the American taxpayer.

Third, we do not give welfare to felons and noncitizens. Many people are not aware, the Federal Government sends checks to convicted felons serving time in prison. Cannot these tax dollars be better spent helping those families truly in need? Also many noncitizens have a proud tradition of hard work and achievement. They come to America to share in the American dream, which does not and should not include welfare dependency.

Fourth, this legislation also provides States with the flexibility to meet the needs of its citizens. My State of

Michigan, under the leadership of Gov. John Engler, and other States, have made tremendous strides in moving people from welfare to work. These accomplishments, however, have come in spite of the Federal Government and the current welfare laws.

For too long the Federal Government has maintained policies which have created a culture of poverty, dependence and despair. This bill brings control of welfare back to the people where it belongs.

It is important to remember what the Government's role in promoting independence should be. While legislators can design programs to help those struggling to gain financial security, the Government cannot make them succeed. Changing one's attitude is something that can only be accomplished by that individual.

Personal responsibility is the focus of this legislation. Individuals must accept responsibility for their actions and work with Government programs to improve their lives.

The current Washington-based welfare system demands no responsibility, no work ethic, no learning, no commitment and, in the end, no pride. Instead, it promotes illegitimacy, rewards irresponsibility and discourages self-esteem. Our families and our children deserve better.

I urge my colleagues to support the bill.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield myself 1½ minutes.

Madam Chairman, I, like other Members of this body, am in strong support of welfare reform. But I am not for reform regardless of the consequences. For that reason, I rise in strong opposition to H.R. 3734.

This bill will have many unintended consequences to women, children and families in this country. One of those consequences is its impact on victims of domestic violence. Current studies reveal that 25 to 60 percent of participants in welfare-to-work programs are victims of domestic abuse. For these women, the welfare system is often the only hope they have for escape and survival. This bill will effectively shred that safety net.

By eliminating the guarantee status of AFDC and imposing inflexible time limits and work requirements, H.R. 3734 will force many battered women to stay with their batterers or return to them for financial support.

With the passage of the Violence Against Women Act, Congress has taken a strong stance against domestic violence. Let us not turn our backs on the victims of this deplorable crime. The lives of battered women and their children depend on it.

I hope that my colleagues will vote no on H.R. 3734.

Mr. ROBERTS. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Madam Chairman, I thank the gentleman for yielding the time.

I want to just speak a moment to the separation of policy versus politics in this debate, because we know it is sound policy to address the welfare system in this country, replacing welfare with a working populous of able-bodied people. But there is also a political equation here. There has been for many months. We know that welfare reform has been passed twice by this Congress and vetoed both times. But our President, Bill Clinton, came into these chambers and delivered the State of the Union address in January, and he challenged us to send a clean welfare reform bill back to him.

□ 1900

There were some politics associated with whether or not he might sign it, take the credit and all of that. I want to say that as a freshman Member of this body, many of us have been very unfortunately blamed for some of the misfires of the last few months. We have been called unreasonable, radical, extremist. We, many of us, went to the leadership of our side, our party, Members like the gentleman from Nevada [Mr. ENSIGN] myself, and said let us disconnect Medicaid, health care for the poor, from welfare and do what the President asked us to do and send a clean welfare reform bill, and as the gentleman from Ohio [Mr. KASICH] articulated, the President is expected to sign this bill because we are sending him substantive welfare reform, effective and efficient welfare reform, but we are sending him the clean bill that he asked for. We did make that decision on this side of the aisle to disconnect the two so that he could not say I do not want Medicaid attached to this.

This comprehensive bill provides the job training, the child care, the career education, those components that we all believe should accompany a comprehensive welfare reform bill. This is going to be one of the greatest successes of this Congress. Yes, he will get credit, but we will get credit. We are doing the people's business.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 2 minutes to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Madam Chairman, I, until this Congress, was a member of the local government that had responsibility for administering the welfare program, and I felt, coming here, that there were a lot changes I want to make. There is no doubt that a lot of things need to be fixed in welfare programs in this country. We need to put people back to work, we need to have expectations for work, we need to pay attention to child care, we need to change the whole system. But what concerns me is that once again the bill that we will deal with goes too far.

As you know, I think, and I want to talk about legal immigrants, not illegal immigrants because they are eligible for nothing and should be eligible for nothing, but I want to talk about what is fair to taxpayers, and I will give my colleagues a couple of examples.

In my district there are large numbers of Vietnamese freedom fighters, people who fought communism who came to this country as originally refugees, ultimately became residents, and under the bill before us, if after paying taxes for years and years and years, 14 years, they get a stroke, they cannot get nursing home coverage.

Let me talk about another example. An immigrant who comes in with her husband, and her husband works for 50 years and dies, and then as she is an old person, she is 65, she has a stroke, and she is not eligible to get the kind of nursing home care that the widow of every other taxpayer in America can look to get.

Now, I do not think that is fair. There are some abuses among immigrant groups, and there are necessary steps that need to be taken, and in fact the Deal bill earlier this year did deal with those. But this is unfair. I think when we look at our taxpayers, if they are legal residents or citizens, we ought to make sure that people who have worked hard and paid their taxes are treated fairly, and this so-called reform bill fails in that regard.

Mr. ROBERTS. Madam Chairman, I yield 3½ minutes to the distinguished gentleman from Virginia [Mr. GOODLATTE] and take the House's time to thank him for his contributions in increasing the trafficking penalties and bringing integrity to the food stamp reforms that we have passed in the Committee on Agriculture and hope to pass on the House floor.

Mr. GOODLATTE. Madam Chairman, I thank the chairman of the Committee on Agriculture for his kind words.

Madam Chairman, I rise in support of the welfare reform bill under consideration today, especially the reforms to the Food Stamp Program. The Food Stamp Program provides benefits to more than 27 million people each month at a cost this year of more than $26 billion. It is growing out of control and badly in need of reform.

The Committee on Agriculture held eight hearings during the 104th Congress to review the Food Stamp Program, and many of the reforms included in this bill are based on the testimony received in these hearings. Witnesses appearing before the committee and the subcommittee on department operations, nutrition and foreign agriculture represented a wide variety of organizations. They included the administration, the General Accounting Office, the U.S. Department of Agriculture Office of Inspector General, the United States Secret Service, Governors, State and local welfare administrators. Representatives from organizations providing direct food assistance to needy families testified. Testimony was also received from grocers, agricultural organizations, churches and advocacy groups.

The following principles guided the committee in formulating the reforms

to the Food Stamp Program. The Food Stamp Program is retained as a safety net. With other programs returned to the States in block grants, it is essential to be able to provide food as a basic need while States are undergoing the transition to State-designed welfare programs. States are permitted to use one set of rules for families applying for food stamps and AFDC. This provides one-stop service, making it more efficient. Therefore, the programs can become more taxpayer friendly by eliminating redtape.

The Food Stamp Program is taken off automatic pilot. All automatic spending increases are ended except annual increases in food benefits. Able-bodied individuals without dependents must work. In keeping with the effort to encourage private sector employment and help people regain their independence, able-bodied people who are from 18 to 50 years old with no dependents would be eligible for food stamps for a limited period of time and then must work or participate in a workfare or training program in order to receive food stamps.

States are permitted to establish programs to encourage employers to participate in an improved wage supplementation program so that welfare recipients have the opportunity to work in real jobs. This means practical work experience in the real world.

Forfeiture-of-property legislation, using forfeiture proceeds to reimburse law enforcement officials, is authorized. We want to stop criminals from profiting from the Food Stamp Program. Penalties for violating food stamp requirements are doubled, and the rules governing participation by retail and wholesale food stores have been tightened.

Under certain circumstances States may operate their own Food Stamp Program. Once a State has implemented an electronic benefits transfer, EBT system on a Statewide basis, reduces rates of error to acceptable levels or pays that part of the food stamp error over acceptable levels, the State will have the option of operating a Food Stamp Program under a block grant.

Madam Chairman, I urge my colleague to support this bill. The welfare system, including the Food Stamp Program, needs significant reform, and it is accomplished in this bill.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Madam Chairman, I want real welfare reform. All of us have tried to work to respond to those who would come in good faith. But I want to simply appeal to the women of America, the families of America. This Republican bill cuts some almost $60 billion from individuals across this Nation who, each time we ask them, they say I would like to work, I would like to get off welfare, and, yes, as an American I want to contribute to what America has to offer.

But these children are the ones that we are speaking about, children who may not have the child care necessary for their parents to transition from welfare to work because we lessen the opportunity for those families to have transitional child care. If the money runs out in the State, folks, if the bucket is empty, then they do not have an opportunity to go to work if the children are not cared for.

And then when we look at Medicaid, we find that Medicaid will not be available for a period of time for those families. Medicaid equals health care. It is important to recognize that we are concerned about those families when we have a 5-year limit cutoff whether they will have the inability to carry Medicaid to insure good health for their children and for themselves.

This is a bad bill. The Republican bill is a repeat, a deja vu, of cutting billions of dollars, but yet not responding to the fact that we all can compromise together insuring that families have child care and job training and, yes, work. This is short on work, and then when it is short on work, it is short on opportunity to protect our children. We do not give them good health care, we do not provide safe and warm places for them to stay while those parents, those mothers, are going out to work.

I am reminded that my constituents to a one want welfare reform. I have voted for good welfare reform. Let us go back to the table and not cut $60 billion just to make us feel good. Let us make sure that we work for the American people, who want real welfare reform.

Madam Chairman, I rise today to speak on H.R. 3734, the Republican welfare budget reconciliation, because of my concerns regarding some of the reform provisions.

While this effort at welfare reform contains both a few improvements and some further steps backward, it still poses dangers to children. This bill will abandon the basic Federal assurances of aid for poor children and families, make deep cuts in food stamp and SSI benefits. This bill would cause older children to lose their AFDC benefits, and provide inadequate child care funding for parents who are required to work, and it would eliminate almost all help for legal immigrants in need.

Welfare reform is synonymous with women and children which means that the $53 billion in spending cuts over 6 years will hurt them disproportionately. This bill will reduce food stamps by $23.2 billion, it will reduce Supplemental Security Income [SSI] by $9.6 billion and aid to legal immigrants by $17.1 billion.

In the State of Texas alone, 137,641 children would be denied aid by the year 2005 because of the federally mandated 5 year limit on receiving welfare benefits. There will be 46,986 babies in Texas who would be denied aid in the next 4 years because they were born in families already on welfare, and another 89,327 children in Texas would be denied aid if the State froze its spending on cash assistance at the 1994 levels.

This bill would lead another 60,000 Texas children into poverty.

This legislation is decidedly more mean spirited in its methods than any I have seen to date. It narrows the definition of disability for poor children seeking to qualify for Supplemental Security Income [SSI]. This bill would withhold vital cash aid for children with a wide range of serious disabilities including mental retardation, tuberculosis, autism, serious mental illness, head injuries, and arthritis.

Food stamp benefits would be cut severely, and the Federal guarantee of food aid could be eliminated on the State level as an option given to them by this legislation. The cuts to the Food Stamp Program would hurt 14 million children.

The victims of domestic violence and their children would still have no assurance that, if they escape the violence, they could at least survive with cash assistance until they are able to find work. This would cause many women and their children being forced by harsh economic realities back into the abusive environment they were attempting to escape.

I would like to caution my colleagues to carefully consider their vote on this bill. I will continue to be committed to working for compassionate and fair welfare reform.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. TORRES].

Mr. TORRES. Madam Chairman, I thank the gentlewoman for yielding this time to me.

I was struck by the message that the gentleman from Ohio [Mr. KASICH], the distinguished chairman of the Committee on the Budget, talked about the parables of sin and that it is sinful not to help. At the same time, he said it is a sin not to help one's self, and he talked about his community and where he was born and raised and how he grew up and how that community pulled itself up by the bootstraps. And that is well and good; that is the story of our country.

But what about when we have bad times? What about when we have depressions? What about my community when I was growing up, where I was born, when we had a Great Depression?

My father was deported because he was from the other side of the border and he was working here as a copper miner. My mother was left alone with my brother and I. We were on welfare, we were on relief. We suffered, we were hungry. I wore corduroy pants. My colleagues remember that, those that remember the Depression. I wore those corduroy tennis shoes. We stood in lines for food.

Thank heavens for relief or welfare, what it was called then, and, yes, we want to change welfare as we know it today, we want to reform the ills of people who exploit and cheat on welfare. But what about the people that cannot find jobs? What about the incapacitated?

What about the homeless who have lost their jobs and because of that they have lost their homes and had to move and live out of their vehicles or live in parks?

What about the elderly, who, as was mentioned here earlier, are legal immigrants who came here many, many years ago and worked hard and paid taxes and sent their sons and daughters to war to defend this Nation, and here they are in their time of need, elderly, widowed, alone, will not be given the kind of assistance because they are legal immigrants.

What a shame, what a shame of this country. We cannot tolerate this.

What about the children, the millions of children that will be put on the street because they will be pushed into poverty by this ill-thought-of, ill-conceived Republican bill? In 70 percent of these families one of the parents is probably already working, but yet those children will be denied. What about the children of immigrants in this country, children who were born here or have the fault, if my colleagues will, of choosing the wrong parents and will be denied Medicaid or food stamps, or disabled children who will be denied SSI benefits all because, as I said, they made the mistake of choosing their parents?

□ 1915

This is unconscionable. We need to come back to the table and negotiate a welfare bill that is right for this country in these times. We need to send the President a bill that he can sign. I simply say we need to work harder at this. We cannot allow this bill to be passed.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 3 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Madam Chairman, this is not welfare reform, this is welfare bashing. Welfare reform has become the political football in this election year. Children and families are going to be hurt if this bill is signed into law. Poor children in families will be hungrier and they will be poorer. Yes, some politicians will use this bill to get reelected, rather than spend their time to produce credible, sensible, welfare reform.

Madam Chairman, I believe in welfare reform and I believe we can do a better job. This bill gets rid of all the entitlements. That means you can have a family who has worked hard, mother and father worked hard for the last 20 years and all of a sudden they are downsized on the job, they lose their job, the job exported somewhere to a Third World country for cheap labor. They could go in for welfare benefits and, because there is no entitlement, they can say I am sorry, I cannot give it to you. Money has run out. Sorry, there is none left for you. That does not make good sense.

It puts a 5-year limit on the time that you can receive benefits. That does not make good sense. There are some people who could get off welfare in 6 months or a year, and some who may have college education and all they need to do is just get back into the workplace with a little assistance, a little experience. There are others who dropped out of school a long time ago, who may be illiterate. It is going to take them a longer time. They need to be job trained, they need to have their GEDs, they need to get some experience, they need to be helped to get back into the workplace.

It does not make good sense, Madam Chairman, to treat everybody the same. We must assess each individual and determine where their strengths are, where their weaknesses are. Most welfare recipients want to be independent. They do not like being on welfare. We need to have credible child care, we need to have credible job training programs. They will get off.

If politicians would simply use their time and their talent to create credible welfare reform for this country we could get people off welfare, but this is welfare bashing. This no entitlements, everybody off at the same time, this does nothing to deal with real welfare reform. Members are going to starve some children, they are going to take food stamps from a family of three that only makes about $6,200 a year, they are going to take food out of the mouths of hungry children in this election year, having people believing that they are protecting their taxpayer dollars.

I want to tell the Members, nobody is going to be protected. What we are going to have is more desperate families out there, more desperate mothers and fathers who will say, ''I am not going to allow these children to be hungry, I am not going to allow them to be treated this way. I have done everything that I could. I worked hard every day.

''When I went to the welfare office after having worked 20 years, you told me there are no more entitlements. I cannot get any help.'' Is that fair? No.

I will tell the Members what is fair. It is fair to have entitlements and equal application of the law. I ask my colleagues in the House to reject this non-credible nonsensical welfare bill.

Mr. ROBERTS. Madam Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Madam Chairman, I have been listening to them, about children and so forth. This is the same rhetoric we heard from the same group when we passed welfare reform, when we tried to change some of the other entitlement programs, to not have a complete overhaul but to target the areas that are wasting money, to try to reduce the bureaucracy of Washington. Yet, we hear from the same people. To my knowledge, we have not heard from one Democrat who has ever supported a welfare reform bill on the floor of the House.

Madam Chairman, I think what we are really hearing is people who are against welfare reform. I am a father of four children. I do not want to see any kids starving out on the street. I do not want to throw any elderly out. I am hearing people debate a bill that is not even on the floor of the House.

I think it is time to get back to the fact that we are increasing food stamps. The school lunch program was mentioned. We are not even affecting the school lunch program by this bill. Madam Chairman, this Congress is concerned with a government policy that has spent over $5 trillion fighting poverty, and it has failed. It has not moved us down the road. I would hope that these folks would say, listen, it is time to say welfare should not be a way of life; that able-bodied people should be required to work in order to get public assistance.

One of the gentlemen earlier talked about coming to this country during the Depression. The FDR-type programs all had a work requirement. That gives people self-esteem. I heard President Clinton say one of the best things about people getting off of welfare is when the 12-year-old child at school, when he is asked ''What does your Momma do?'' instead of saying ''She is on welfare,'' they can say, ''She works. Here is where she works.''

That is what we want to do. We want to get the poor independent instead of keeping them dependent so bureaucrat after bureaucrat in Washington can benefit from a government poverty program. They are poverty brokers in Washington, they are not people who want to make the recipients independent.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 30 seconds to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Madam Chairman, I think it is very important that we put the facts on the floor and that we not get so carried away with our rhetoric that we mischaracterize what has taken place here.

Every Democrat has voted for a welfare bill. Remember the Deal bill? I am sure the gentleman is familiar with that. It had tougher work requirements in it. If the gentleman would like to correct the record, I know the gentleman does not want to go on the record misquoted or misunderstood. The gentleman just said we had never voted for welfare reform. I think the gentleman needs to correct that.

Mr. KINGSTON. Madam Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Georgia.

Mr. KINGSTON. Madam Chairman, here is what I hear from Democrat after Democrat: We want welfare reform, but we——

Ms. WATERS. The gentleman needs to correct the record.

Mr. KINGSTON. If the gentlewoman would yield time, we can talk about it.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. PAYNE], chairman of the Congressional Black Caucus.

(Mr. PAYNE of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. PAYNE of New Jersey. Madam Chairman, I rise in opposition to H.R.

3734. ''End welfare as we know it'' was what was said during the last campaign. Let us take a look at this question of ending welfare as we know it.

On June 27, 1996, the Committee on the Budget released the Republican vision, and I use that word loosely, of welfare reform; and some of the details that have surfaced, they certainly need to be looked at more closely.

Currently the welfare system in this country is one that in some cases does foster cycles of dependency. Many times an individual cannot get off of welfare rolls because she cannot get a job that will provide a living wage for herself or her family, get quality child care for her family, get adequate housing for her family, get adequate health care for her family.

If we are going to end welfare as we know it, does this bill help to accomplish those things? The answer is definitely no. Providing jobs and job security will change this type of system to promote one that encourages self-sufficiency. However, we are unwilling and we are unable to invest the necessary resources in our families.

However, without the adequate support in places, opportunity for employment, opportunity for day care, opportunity for an adequate salary, and to promote and encourage self-sufficiency, taking this punitive approach to drop people from the welfare rolls will certainly do more harm.

In our subcommittee a resolution that was brought up to say that if a person cannot find a job when the time expires, will they be able to continue to have benefits, and the Republican Members of the committee all voted no, throw the children out.

So because we are not addressing the root causes, the lack of adequate jobs, the underlying conditions of the problem will continue to exist. An experiment conducted in my home State of New Jersey and also in Illinois found that 80 percent of welfare recipients who found jobs were able to break the cycle of poverty. It was very simple. They were able to work their way out. Yet, only 2 percent of those that had to depend on the system were able to break the cycle of poverty. The answer is jobs.

We had 100 jobs available in the city of Newark. Fourteen hundred people started to get in line at 6 a.m. for those 100 jobs. It was not even 100. They said possibly up to 100, but maybe 50. Fourteen hundred people went and waited for hours and hours to apply for the jobs. So the answer is certainly there. Remember, there are 9 million children who receive welfare, which is about 65 percent of the welfare rolls. Today there are over 14 million children living in poverty. One out of five children go hungry every day. Let us defeat H.R. 3734.

Mr. ROBERTS. Madam Chairman, it is a pleasure to yield 2 minutes to the gentleman from Iowa [Mr. GANSKE], a gentleman whose testimony before the Committee on Ways and Means helped shape the reform bill that is now on the House floor.

Mr. GANSKE. Madam Chairman, before coming to Congress I was a physician in Des Moines, IA. My wife is a family physician. My wife has helped 13-year-old girls deliver their babies. I have taken care of 15-years-olds who have gunshot wounds to the head, and 17-year-olds who have needle track infections up and down their arms and probably have AIDS because of it.

I took care of 15-year-old young women who would bring their babies into my office with a cleft lip, a cleft palate, a hand deformity, and there would almost never be a dad there with them. My heart would go out to them because they had a hard road ahead of them. It is one thing to take care of a little baby who is 2 years old as a single parent. It is quite another thing to take care of a 15-year-old boy who has never had the advantage of a dad, who gets involved with a gang, and then ends up shooting himself or somebody else.

We have to do something about the illegitimacy problem. In Iowa alone there were 9,000 illegitimate births last year. Next to my office, in neighborhoods close to where I practiced, there was a 60-percent illegitimacy rate in Des Moines, IA. That is why I testified before the Committee on Ways and Means in February 1995. I advocated offering States an incentive to reduce their illegitimacy rates. Increase their block grant if they are successful.

I am happy that such a proposal was in our reform bill. It was twice vetoed by the President, but it is in the current bill. Starting in 1988, this bill increases a State's grants by 5 percent for lowering the illegitimacy rate by 1 percent, and 10 percent for lowering the illegitimacy rate by 2 percent below the 1995 level.

This legislation is needed. We need to give States the incentives to address the illegitimacy problem. It is a two-person problem. It is not a problem with the young women. That is why in this bill there are strong provisions to make the young fathers responsible economically for their children. We need to pass this bill.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

(Mr. RICHARDSON asked and was given permission to revise and extend his remarks.)

Mr. RICHARDSON. Madam Chairman, I would hope that we stop personalizing and politicizing this bill. All I seem to hear is Democrats, Republicans, do this. I want to talk to Members about people. I want to talk to Members about legal immigrants, men and women who are here legally, pay their taxes, serve in the military, but are taking the biggest hit in all of the bills we are debating today.

The bill that is the centerpiece of the majority retains very harsh and uncompromising language. While we all support the strengthening of requirements and the sponsors of legal immigrants applying for either SSI, food stamps, or AFDC, the bill bans SSI and food stamps for virtually all legal immigrants and imposes a 5-year ban on all other Federal programs, including nonemergency Medicaid; imagine that, nonemergency Medicaid, for new legal immigrants. These bans would also cover legal immigrants who become disabled after entering the country, families with children, and current recipients.

Madam Chairman, .3 million immigrant children, .3 million, are affected. That is not right. that is not the traditions of this country.

□ 1930

Madam Chairman, this bill unfairly shifts costs to States with high numbers of legal immigrants. The bill requires virtually all Federal, State and local benefits programs to verify recipients' citizenship or alien status These are new unfunded mandates for State, local, and nonprofit service providers and barriers to participation for citizens.

Again, let us look at the facts. First of all, legal immigrants work hard and pay taxes. That has been documented. The foreign-born are more likely to work than the native-born, 77 to 74 percent.

In 1992, Business Week estimates legal immigrants work and earn at least $240 billion a year and they pay over $90 billion in taxes.

Legal immigrants are a net benefit to the economy. A new Urban Institute study: For every increase of 100 people in the native population, employment grew by 26 jobs; and for every increase of 100 in the immigrant population, employment grew by 46 jobs.

Research shows that immigrants actually complement native workers rather than substitute for native workers.

If no Mexican immigration had occurred between 1970 and 1980, 53,000 production jobs, 12,000 high-paying nonproduction jobs, and 25,000 jobs in related industries would have been lost. Again, this is the respected, bipartisan Urban Institute.

Last, welfare among legal immigrants is low. Among nonrefugee immigrants of working age who entered during the 1980's, 2 percent report welfare incomes versus 3.7 percent of working age natives.

Nonrefugee immigrants of working age are less prone to welfare use than natives according to a CATO study.

Madam Chairman, all of us here want welfare reform. It is not true that these gentleman on this side and others on that side have not voted for welfare reform. That is the number one issue among our constituents. What we are doing now is targeting illegal and legal immigrants indiscriminately. What we are doing is turning the clock back to a darker time when people in America, but only certain people in

America, lived and worked under the shadow of second-class status. There is no justification for targeting immigrants who do not abuse the welfare system, who work hard, who play by the rules, who pay taxes, and who serve in the military at America's calling. Most immigrants are long-term residents who have lived in this country and have paid taxes for 10 years or more. Immigrants do not come to this country to take advantage of our welfare system.

So, Madam Chairman, here we face a number of welfare reform bills, substitutes. Let me say that legal immigrants take a hit in all bills. So as a Hispanic American whose mother is Mexican and as many in this body that have an ethnic background that is not a pure American, I do not think there is one native American in this body—there is in the Senate—what we have and what we are doing is wrong, it should be rejected, and we should stand behind the best traditions of this country.

Mr. ROBERTS. Madam Chairman, I yield 1 minute to the distinguished gentleman from Nebraska [Mr. BARRETT], chairman of the Subcommittee on General Farm Commodities of the Committee on Agriculture.

Mr. BARRETT of Nebraska. I thank the chairman for yielding this time.

Madam Chairman, despite having invested more than $1 trillion, the Federal Government's 30-year war on poverty has instead created a war of poverty. Along with giving States and communities more flexibility in designing welfare programs, H.R. 3734 will provide welfare recipients with a better coordinated system of child care. The bill will provide $4.5 billion more for child care than is currently available and it will consolidate 7 separate programs that have often left child care providers, and families, confused and without assistance.

The bill is tough on getting welfare recipients back to work but without these improvements in child care assistance, welfare families may not be able to afford work and pay for child care at the same time.

Madam Chairman, while the bill provides more funds for child care, it will make other needed reforms that should save $53 billion by 2002. I would encourage the House to support the bill and help end a way of poverty that has permeated our Nation's welfare system for more than 30 years.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield 3 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Madam Chairman, I thank my colleague from California for yielding me this time.

Madam Chairman, it grieves me to be here this evening to see the end of a period of almost 60 years in which this country's beliefs in its responsibility to the poor is going to be shattered. I speak of that element in our Aid to Dependent Children's program which is referred to as the entitlement. It was the safety net, it was the guarantee that all children, no matter where they lived, whatever region of this country they came from, whatever their ethnic background, that they would have the assurance of a Federal program which allowed them the eligibility to participate. No political situation, no situation on a local level, no Governor, no State could alter that eligibility which the Federal Government assured that child.

What we are debating here is a destruction of that very basic guarantee. If we destroy that guarantee, it will be 100 years from now before it ever can be restored. It was the genius of this country, as in the words of the chair of the Committee on the Budget, to understand that it was a sin not to provide for those less fortunate in our society that gave birth to this program. What is honored was the mothers of this country that found themselves without the necessary means to raise their children, and this country rose up to the responsibility and provided an entitlement program which said ''Children everywhere in America, you will have this assurance,'' and we are about to break that guarantee by destroying that entitlement and putting the money simply into the State coffers without that guarantee. It is the destruction of that entitlement that troubles me the most.

We started on this debate with an effort to try to reform welfare. Every single Democrat joined in that when we voted for the Deal bill. No one should leave this floor with a belief that Democrats are not interested in improving the welfare system, because we all voted for it. But now we see a bill coming from the majority which takes about 50 percent of the cuts in this program from the hides of noncitizens of the United States. Is that fair?

The Chairman of the Committee on the Budget also said that this is a victory for everyone in America. It is not a victory for the children that will be left out of this program, and it is certainly not a victory for legal residents of this country who came to America with the promise of liberty and equal treatment, and they are going to find themselves now without the protections if they become disabled, without the protections if they should become impoverished, as every other American. That is what is wrong. This is not welfare reform. It is destruction of the basic guarantees of our democracy.

Mr. ROBERTS. Madam Chairman, I yield 2 minutes to the gentleman from Nevada [Mr. ENSIGN], a valued member of the Committee on Ways and Means.

Mr. ENSIGN. Madam Chairman, we have to ask ourselves a few questions here. First of all, does the current welfare system help children as the last speaker talked about? She talked about a safety net. Is the current welfare system a safety net or has it become a spider web that just absolutely grabs onto people and creates a dependency cycle that destroys families? Is the current welfare system compassionate? The answers to all of these questions are an obvious no, the current welfare system is not compassionate and it does destroy families.

What effect has our welfare system has on out-of-wedlock births? What effect has it had on crime rates? What effect has it had on the work ethic in America? Our bill gets people off welfare and into work. That is true compassion.

Our bill does stop noncitizens from receiving welfare benefits. I am sorry. I believe that welfare benefits should only be reserved for citizens of the United States. It is currently law in the United States that if you are a noncitizen that comes here and you go on the Government dole, that is grounds for deportation, has been the law, at least during this century. That is grounds for deportation here. We are an opportunity society. We want to attract people from around the world to come here to better their own lives and to better this country at the same time.

My mom when my parents were divorced when I was about 3 years of age would have made more money going on welfare because she had no child support. She had three kids to raise. But I saw my mom each and every single day get up and go to work, and that taught me a work ethic that we are robbing from welfare families today. The children of welfare families are losing that. That is not compassion. We want to be an opportunity society that takes people and provides them opportunities.

Our bill provides money for child care, $2 billion more than the President, and also transitional health care for children in the time that these welfare moms and welfare families are getting off of welfare and into work.

Ms. ROYBAL-ALLARD. Madam Chairman, I yield the balance of my time to the gentleman from California [Mr. BECERRA]

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. BECERRA. Madam Chairman, I thank the gentlewoman from California for yielding me this time.

Madam Chairman, let me begin by first thanking many of my colleagues and the folks within my own leadership in the Democratic caucus of the House for the time and effort that has been spent with many of us who have had concerns about welfare and meaningful reform of welfare. I want to thank those who took the time to hear us out. Unlike some of the folks on the other side of the aisle, there has been a great deal of effort on the part of our leadership and many of the members of our caucus, from both sides of the spectrum, to try to address issues of grave concern to us all.

As President Clinton has said, the current welfare system is broken and must be replaced. This is true for the sake of the people who are trapped by it as well as for the taxpayers who pay for it.

But when we began to consider reforming welfare, discussions centered on providing sufficient child care to enable recipients to leave welfare for work, on rewarding States for placing people in jobs, on restoring the guarantee of health coverage for poor families, on requiring States to maintain their stake in moving people from welfare to work, and on protecting States and families in the event of economic recession and population growth. But this House bill has failed miserably in achieving these goals.

Instead, it relies on catchy slogans and soundbites of setting time limits so you are off if you do not make it, if you do not cut it. We block grant in this bill, give you a lump sum of money which looks good but never is enough to cover your needs in the States. And we talk about, as we have heard some of the Members on the other side of the aisle say, the noncitizen alien, and they use as graphic a term as they can to try to describe these human beings who are in this country, one, legally; are in this country, two, paying taxes; are in this country, three, willing and ready and obligated to serve in time of war, as many have, and are prepared to die, as many have, for this country even though they have yet not become U.S. citizens.

The effect of this bill, well, it is weak on work. They force people off of welfare, but they do not help them get into work. It will shove more children into poverty, and we know that from many of the studies, and everyone across the board says that.

Let me focus finally for the rest of my time on this one last issue: The hidden tax that you do not hear many people talk about. There is a tax in this bill. Let us go ahead and disclose it now.

□ 1945

Thirty billion dollars of the so-called savings that amount to $60 billion comes from a particular population of people, not because they are lazy and do not work, not because they have come into this country without documents. These are folks who happen to be immigrants; they haven't yet reached the stage of becoming citizens. But this population of legal residents in this country who are entitled to be here because this country has granted them permission has now been told you are going to pay a tax of about $2,000 per person, about $30 billion is being extracted from the hides of people who are entitled to be here, who are working and paying taxes.

Why? Well, they do not vote. They do not have a say in this place and chances are they are not going to contribute money to the coffers, campaign coffers of people who are hitting them. So there is no stake here or negative stake here in going after the legal immigrant.

So what we see is that these individuals are being told, and their children are being told, no, you have worked 5 years, 10 years, 15 years and now all of a sudden you have been hit by a car and you need some assistance with the medical bills because you cannot pay them all yourself, sorry. You happen to not yet have become a citizen, even though you have worked here for quite some time and paid taxes, and that hidden tax will cost those individuals about $2,000 per person, and if you exclude children, it is a much heavier hit for the adults.

More than 200 years ago we had some folks toss some tea over a harbor because of the issue of taxation without representation, yet we see it being done here today but in a very concealed way.

Finally, let me close by saying the following things: For some reason this Congress this session has decided it wants to hit my family in virtually everything I have to come up here to discuss, and in committee as well. It seems that I am having to defend my parents or my relatives. My parents who migrated to Sacramento, CA, would face many of the situations that are in this bill that would deny them services, even though my parents have worked hard in this country for decades. I am not sure why I have to constantly try to explain to my father that the Congress of the United States and this noble country is out to get them. They are fortunately now citizens, so they will not be impacted. But isn't it ironic just because they happen to have that day been able to become citizens things have changed?

It is a hidden tax. It is an unfair tax and that must change. We need meaningful reform. Let's change welfare as we know it, as the President said, but let us do it in a way that includes all Americans.

Mr. ROBERTS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I think it is obvious that we all know that welfare reform is a front-burner topic, not only on this floor in this town, but certainly all throughout the Nation, and the American people want change.

I think the House of Representatives has responded to the American public. I believe that real welfare reform is represented in the bill that is being considered today. This bill represents real change.

I want to congratulate the members on the Committee on Agriculture and all Members who have worked so diligently on reforming the Food Stamp Program. That is the part of welfare reform for which the Committee on Agriculture is responsible. The very first hearing held by me and my Republican majority in the committee was on enforcement in the Food Stamp Program, and following that hearing, the chairman of the subcommittee, our late and beloved colleague, Mr. Bill Emerson, held four hearings on the Food Stamp Program. Bill was an expert in regard to the Food Stamp Program.

From the testimony received in these hearings, the committee formulated the principles that really guided our reform. The bill being debated today simply reflects those principles.

First, keep the Food Stamp Program, that was a tough fight, as a safety sunset so that food can be provided as a basic need while States are undergoing the transition to State-designated welfare programs.

Second, second principle, to harmonize welfare and the Food Stamp Program for families receiving benefits from both programs, not on a separate track. We streamlined that.

Third, take the Food Stamp Program off of automatic pilot. Started out 12 years ago at about $12 billion, went up to $27 billion and was ever increasing.

Fourth, able-bodied participants, able-bodied participants without dependents must work in private sector jobs.

Lastly, tighten controls on waste and abuse. Out of the $27 billion in the Food Stamp Program, estimated by the new Inspector General at the Department of Agriculture, anywhere from $3 billion to $5 billion is now going to fraud and abuse. So we are tightening those controls, and we curb the trafficking with increased penalties.

Now that is real reform. It is essentially the same bill that was approved by the House on December 21, last year, by a vote of 245 to 178. One significant exception, the food stamp funding cap is eliminated.

Now, that cap was eliminated as a concession to and at the request of the National Governors' Association, the Clinton administration, and the Secretary of Agriculture. We sat down and we worked with all of these folks. Food stamp reforms still include measures to control the cost of the Food Stamp Program, however.

The bill represents sound policy. The program is retained as a Federal safety net. States are allowed to harmonize their AFDC and Food Stamp programs. As I indicated, the food stamps are taken off of automatic pilot, except for the annual food benefit increases; able-bodied persons without dependents must work; and there are increased penalties for trafficking and fraud.

It is a good package. Through the reforms in this bill, the committee will meet its target under the 1997 budget resolution. But, first and foremost, we reform the program.

Last April, the Clinton administration submitted its welfare reform bill. There are many similarities between the two bills, since we adopted many of the USDA proposals and they in turn adopted many of ours. A review indicates that 55 percent of the provisions are identical; 72 percent are either identical or very similar—72 percent in agreement with the USDA and the Clinton administration. We worked hard to do that.

There are some differences. We take the Food Stamp Program off of automatic pilot for all but annual food increases. If needed, we can come back in; we can appropriate the funds, and the administration bill does not.

We have a strong work requirement. We expect able-bodies persons, no dependents, between the ages of 18 and 50 to work or be in a training program after 4 months of food stamp benefits. The administration's work requirement, as far as I am concerned, is very weak. We allow States to operate work supplementation programs and the administration does not.

This program now provides benefits to an average of 27 million people each month at an annual cost of more than $26 billion. Everybody should agree that for the most part these benefits go to families in need of help and are used to buy food. There is no question in my mind that the Food Stamp Program helps poor people and those who have temporary fallen on hard times. However, there is also no question in my mind that the program is in need of real reform.

As I have indicated, this bill reflects the principle that the Food Stamp Program should remain a Federal program. States will be undergoing a transition to State-designed welfare programs. During this period, this Food Stamp Program will remain as a safety net and be able to provide food as a basic need. The program will remain at the Federal level and equal access to food for every American in need is still ensured.

Now, I mentioned we had taken the program off of automatic pilot except for the annual increases. The food stamp deductions are kept at the current levels instead of being adjusted automatically. Food stamp benefits will increase to reflect the increases in the cost of food. Food stamp spending will no longer grow out of control. Out of control: 1984, $12.4 billion, 232.4 million people participating; 1996, $26.4 billion, 27.5. Under this bill, 1997, $26 billion; by the year 2002, $30.4 billion. It increases, does not decrease.

It is a transition, but we stop that annual growth increase. If the economy goes down, food stamps went up. If the economy went up, food stamp spending went up and the participants went up.

The food stamp deductions, as I have indicated, are kept at the current levels, and as I have indicated, the spending will certainly no longer grow out of control. Oversight from the Committee on Agriculture is essential so that when reforms are needed, why, the committee will act.

I want to talk about the strong work program. Again, able-bodied persons between the ages of 18 and 50 years, no dependents, will be able to receive food stamps for 4 months. Eligibility will cease at the end of this period if they are not working at least 20 hours per week in a regular job. The rule will not apply to those who are in training programs such as approved by a Governor of a State.

A State may request a waiver of these rules if the unemployment rates are high or there is a lack of jobs in the area. Please remember that. We are not heartless. We just expect able-bodied people between 18 and 50 who have no one relying upon them to work at least half the time if they want to continue to receive the food stamps.

It is essential to begin to restore integrity to the program. Incidences of fraud and abuse and losses are steadily increasing. The public has lost confidence in the program. There are frequent reports in the press and on national television in regard to abuse. We held the hearing in the House Committee on Agriculture. The Inspector General of the Department, the new Inspector General, Roger Viadero, came down from the Department, showed on television the massive fraud in many food centers that were not food centers, they were trafficking centers for organized crime.

Abuse of the program usually occurs in three ways: Fraudulent receipt of benefits by recipients; street trafficking in food stamps by recipients; and trafficking offenses made by retail and wholesale grocers. We double the disqualification periods for food stamp participants who intentionally defraud the program. First offense, the period is changed to 1 year. Second offense, the disqualification period is changed to 2 years. And then if you are convicted of trafficking food stamps with a value over $500, adios, you are permanently disqualified.

As I have indicated, the trafficking by unethical wholesale and retail food stores is a serious problem, had it on tape, national television, sickened the American public, not fair to the recipient, not fair to the taxpayer. Also, benefits Congress appropriates for needy families are going to others who are making money from the program. Therefore, the bill limits the authorization period for stores and provides the Secretary of Agriculture with other means to ensure that only those stores abiding by the rules are authorized to accept food stamps. It is amazing that that was not changed before.

Finally, the bill includes a provision that all property used to traffic in food stamps and the proceeds traceable to any property used to traffic in food stamps will be subject to criminal forfeiture. They have to give it up.

This bill and the Committee on Agriculture's contribution to the bill, I think, represents good policy. We have kept the Food Stamp Program as a safety net for families in need of food. We have taken the program off of automatic pilot. We save $23 billion. Congress is back in control of spending on food stamps. States are provided with an option to harmonize food stamps with their new AFDC programs. We take steps to restore integrity to the Food Stamp Program by giving law enforcement and the Department additional means to curtail fraud and abuse. We encourage and facilitate the EBT programs. We begin a strong work program, again, so that able-bodied people, no dependents, between the ages of 18 and 50 years can receive food stamps for a limited amount of time without working.

This represents good food stamp policy and reform. I hope all Members will agree with me and support this bill.

Madam Chairman, I reserve the balance of my time.

Mr. SABO. Madam Chairman, how much time remains on both sides?

The CHAIRMAN. The gentleman from Minnesota [Mr. SABO] has 30 minutes remaining, and the gentleman from Kansas [Mr. ROBERTS] has 2¼ minutes remaining.

Mr. SABO. Madam Chairman, I yield myself 1 minute and 30 seconds.

Madam Chairman, as a State legislator in the 1970's, I regularly came to Washington to participate in meetings on welfare reform. It is something we have understood that needed to be done for many, many years, but there is a right way to do it and there is a wrong way to do it. Unfortunately, the majority Republican plan is one that does it the wrong way. It is weak on work and it punishes children.

Tomorrow we will have an opportunity to vote for a better alternative. The Castle-Tanner substitute, a genuine effort by some Democrats to work with some Members of the Republican side to develop a truly bipartisan plan. It is a plan that is fairer to children, tougher in requiring people to go to work, understands the diversity of this country, requires States to maintain their efforts, rather than allowing the States to pull billions of dollars out of the program, as the Republican plan does.

Madam Chairman, this country would be well-served if tomorrow a majority of this House in a bipartisan fashion would vote for the bipartisan substitute amendment that is going to be offered.

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Mr. SABO. Madam Chairman, I ask unanimous consent that I be allowed to yield the remainder of my time to the gentleman from Texas, Mr. STENHOLM, and that Mr. STENHOLM have authority to yield to other Members.

The SPEAKER pro tempore (Ms. GREENE of Utah). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. STENHOLM. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, it has been stated numerous times already tonight that the House now has a historic opportunity to move toward enactment of meaningful welfare reform legislation, discouraging the cycle of dependency and moving welfare recipients into work. I could not agree more. But I believe the legislation I am supporting is the best way for the House to realize that opportunity.

There is a bipartisan welfare reform alternative that can be supported by a strong majority of members on both sides of the aisle and can be signed into law. That's how historic opportunities are realized.

My objections to the Majority bill come down to two simple concerns: I believe their proposal is weak on work and tough on kids. In my book, that's a bad equation that is fixed by the Castle-Tanner substitute.

This substitute achieves $53 billion in savings in welfare programs as required by the Majority-approved budget, while protecting children and providing States with the resources that CBO says they need to put welfare recipients to work.

Let me repeat. CBO says they need. How many times have we in this body heard unfunded Federal mandates. I would ask my friends on the other side of the aisle to take a good hard look at their language because CBO says it falls short regarding the very States we are attempting to work with. In fact, the Castle-Tanner substitute is the only proposal that has real work requirements that the Congressional Budget Office says States will be able to implement to move welfare recipients to work.

Madam Chairman, over the last two years, I have solicited the views of welfare providers, recipients, and local citizens in my district on what Congress should do to allow local communities to implement effective welfare reform. The citizens in my district expressed a very strong desire for local flexibility and adequate funding to design a workable welfare delivery system that would more efficiently and effectively move welfare recipients from welfare to work.

I am proud of the work performed by my constituents. They invested their time and energy, they engaged in dialogue with individuals of a different perspective, they developed common goals, and they promoted concrete suggestions for improvements. They did the work I asked of them and now it's my turn to do my part here in Washington. That is precisely how I ended up one of the strongest supporters of the Castle-Tanner substitute. It is the only welfare reform alternative that provides local communities with the support they need to move welfare recipients to work.

The welfare reform bill proposed by the majority falls well short of giving state and local governments that flexibility or the resources they need to implement welfare reform proposals. The National Governors Association adopted a resolution yesterday expressing ''concerns about restrictions on states flexibility and unfunded costs'' in the work requirements of H.R. 3734.'' That is the Governors' Association. The Republican bill rejects the NGA recommendations for state flexibility in developing work programs appropriate for local communities and does not provide any additional funds for states to meet the increased work requirements.

CBO has estimated that the Republican bill would fall $12.9 billion short of the funding for work programs necessary to meet the work requirements in the bill, and $800 million short of the costs of providing child care assistance to individuals required to work. The CBO report accompanying the Republican bill states:

> CBO * * * concludes that most states would fail to meet these [work] requirements * * * most states would simply accept the penalties rather than implement the requirements.

That is CBO. The same CBO we talk about day in and days out that we need to pay attention to. The Castle-Tanner substitute ensures that states would be able to meet the work requirements in the bill by providing $3 billion in additional mandatory funds that states can access in order to meet the costs of moving welfare recipients to work. In addition, Castle-Tanner adopts the recommendations of the National Governors Association regarding state flexibility in meeting work requirements.

Rhetoric about tough work requirements is either an empty promise or the greatest unfunded mandate Congress ever imposed if it is not backed up with funding for states and local governments to meet the work requirements. Welfare reform will fail to meet the goal of ending the cycle of dependency and moving welfare recipients to work if states do not have sufficient resources to operate work programs. As the CBO report makes abundantly clear, the work requirements in H.R. 3734 are illusory because states will not be able to implement them. If you support breaking the cycle of dependency and actually moving welfare recipients into work instead of just talking about it, vote for the Castle-Tanner substitute.

The Castle-Tanner substitute proves that it is possible to dramatically reform the welfare system in this country without harming children, while still achieving substantial budgetary savings.

As we said, we do have an historic opportunity to reform our failed welfare system. We cannot afford to waste this opportunity. The House can take a tremendous step toward ending the political gridlock and finding a bipartisan solution to the problems of our welfare system by passing the Castle-Tanner bill tomorrow. I urge my colleagues to vote for the bipartisan Castle-Tanner substitute.

Madam Chairman, I reserve the balance of my time.

Mr. ROBERTS. Madam Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Madam Chairman, I have a few questions for the defenders of the present welfare system.

Is there compassion in a system run by Washington bureaucrats?

Is there compassion in a system that encourages illegitimacy and undermines traditional values like work and family?

Is it compassionate for generation after generation to be trapped in dependency and despair?

The answer is: No. Compassion is not measured by dollar signs. For thirty years, we have poured trillions of dollars into a system that does not work. It destroys families: devastates women; and crushes the hopes and dreams of children. There is nothing compassionate about our current welfare system.

The bill we are considering today replaces Washington bureaucrats with caring social workers at the State and local level. It gives States flexibility to develop their own solutions for helping the needy. It provides child care for welfare mothers who want to work. It rewards work while retaining a safety net for those who fall on hard times, and it provides for comprehensive child support enforcement.

I strongly encourage my colleagues to support this measure, because I believe it will save lives, restore hope, and help those who want to experience the American dream.

Mr. ROBERTS. Madam Chairman, I yield the remainder of my time to the gentlewoman from Kansas [Mrs. MEYERS], the distinguished chairman of the Committee on Small Business, the original author of welfare reform, and I ask unanimous consent that she be authorized to yield additional time to other Members.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Madam Chairman, I thank my colleague from Texas for yielding me this time.

Madam Chairman, Republicans and Democrats all agree that the current welfare system does not work. Instead of requiring work, it punishes those who go to work; instead of instilling personal responsibility, it encourages dependence on the Government; and instead of encouraging marriage and family stability, it penalizes two-parent families and rewards teenage pregnancies. We all agree that welfare must be dramatically reformed, and that welfare should only offer transitional assistance leading to work, not a way of life. Real welfare reform must be about replacing a welfare check with a paycheck. Tomorrow we will have two choices before us, the Republican welfare bill, and the Castle-Tanner bipartisan substitute. The bipartisan bill is the bill that will ensure that welfare reform really works.

The bipartisan bill gets people into the workforce as quickly as possible, while providing money for work requirements to be effective. It includes the provisions that are necessary to make transition to work a reality and not just rhetoric. The Castle-Tanner bipartisan bill provides $3 billion in supplemental funds for states to meet

the costs of work programs for welfare recipients. This is money in the bank, not just an authorization backed by a hope that someday we might actually find this money.

The bipartisan bill requires individual responsibility, by requiring welfare recipients to sign a contract with their State which outlines the individual's responsibility to move to private sector employment.

The Castle-Tanner bill requires community responsibility as well, by requiring the States to certify that local governments have been involved in developing the State plan, and that no unfunded mandates to local government will result from its implementation.

The Castle-Tanner bipartisan bill provides real welfare reform that really works. I urge my colleagues to support it tomorrow.

Mrs. MEYERS of Kansas. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in strong support of this legislation to reform welfare. Let me talk for a minute about what this bill is based on and why I think it takes us in the right direction to achieve really meaningful welfare reform.

First of all, we need to admit that Washington does not have all the answers. We have tried that. During most of the 30 years the answer to every problem and the meaning of every reform by Congress was to create another Federal program and today we have literally hundreds of Federal programs intended to help people of limited incomes with separate regulations, separate applications, separate eligibility rules, and separate reporting.

In this bill we return power and flexibility to the States to create welfare systems that work best in their States. What works best in Kansas will not be identical to what works best in New York. This bill recognizes that. At the same time as we give States flexibility, we hold them accountable in the two most important areas for reducing welfare dependency, increasing work and reducing out-of-wedlock births.

Let me just say that some people have tried to claim that our emphasis on reducing out-of-wedlock births puts the blame only on the mothers. That is not true.

This bill has very strong paternity establishment and child support enforcement provisions, provisions that are long overdue. Fathers must and will be held accountable. But it is also true that we must stop sending conflicting signals.

I have met in my district with young women on welfare. We are not serving these young women well. We say that they should stay in school and not have a child until they are married and have a degree. Then we turn around and offer them money if they do exactly the opposite. We all know which part of that message a lot of young women hear.

I am pleased that in this bill reducing out-of-wedlock births is recognized as an important and essential part of reducing welfare dependence. I am pleased that the Subcommittee on Procurement, Exports, and Business Opportunities has helped to craft the very strong work requirements in this bill, and I hope that we do not hear any claim in this debate that this bill is weak on work. Any such claim is simply untrue.

The bill calls for more people in work than any other proposal that has been offered this year, including the President's, and under this bill the emphasis is on real work. It is clear from experience and studies that the best way to move from dependence to independence through work is to get work experience, a real job, and that is the emphasis of this bill.

I am also pleased that the Subcommittee on Procurement, Exports, and Business Opportunities portion of the bill makes major critical reforms in Federal support for child care. We address the current maze of child care programs. We have multiple child care programs and each one has its own eligibility rules. Under this bill there would be a single child care program so that our expenditures for child care can be an important help rather than an obstacle to independence from welfare.

We increase the amount of money for child care. That is the second false claim I hope we do not hear in this debate, that the bill is short on child care. We have $4.5 billion more than the current law and almost $2 billion more in guaranteed money for child care than does the President's plan.

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So I hope we do not hear any claims from the other side that the bill is short on child care. Let me talk about two other parts of the bill that were reported by the Committee on Economic and Educational Opportunities. One is the child protection block grant. Child abuse is a terrible problem in this country. Despite the fact that there have been a lot of programs set up at the Federal level, our efforts at preventing child abuse have not been very effective in large part because it is made up of numerous small disparate single-purpose grant programs. The bill consolidates six of those programs into a block grant with increased funding.

In addition, instead of keeping most of the money in Washington, the bill sends most of the money to the States, which, of course, are the ones who actually deal with the problems of broken families and broken homes.

Finally, let me address the child nutrition area. We make no changes in reimbursements for school lunches or breakfasts. Our bill saves money in the child nutrition area, primarily by means testing the family day care food program. This is currently the only child nutrition program which is not income tested, meaning that we currently pay the same full subsidy to buy lunches and breakfasts for children of millionaires as we do for the children of the poorest families. This is long overdue reform that is included in this legislation.

Madam Chairman, no issue is more important for us to address than is welfare reform. That is why we are determined to give the American people welfare reform despite President Clinton's vetoes of our earlier bills. He has no more excuses to oppose welfare reform. I urge my colleagues to support this legislation, and I urge the President to sign welfare reform so that we can at long last begin to fill a well-intentioned but too often destructive system.

Madam Chairman, I reserve the balance of my time.

Mr. STENHOLM. Madam Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Madam Chairman, I thank the gentleman from Texas for yielding me the time.

I agree, the current welfare system does not work. It should be changed. As a result of the current welfare system, its recipients have lost self-respect. We have a created a system of dependency and put welfare recipients outside the mainstream of American society. If all we were talking about was putting able-bodies people to work and solving food stamp fraud, we would not have much of a debate.

The fact is today that the Republican bill is seriously flawed. It lacks compassion. It hurts children. And it reflects a continued pattern of extremism.

Let us talk about the children. Children are going to be harmed by this bill because it makes no provision for the reality that, when benefits run out or their parents are put out of the program, these children still have to eat. There are no vouchers. I am here today to support the Tanner-Castle alternative because I believe it does contain compassion in that it provides for these circumstances by requiring States to offer vouchers when benefits run out so that children are not harmed.

Let me be blunt. I do not believe we should target legal immigrants, but I am pressed with the Tanner-Castle bill, Tanner-Castle amendment, excuse me, because it addresses the concerns of immigrant children. Under the Republican plan, 300,000 immigrant children will be hurt. They will starve because they will be denied food assistance. This problem is corrected under the Tanner-Castle alternative. Those children will be able to get food assistance under that program. Disabled immigrant children will also be able to get assistance under the Tanner-Castle substitute.

Also under the Republican plan, 1.2 million women and children will lose Medicaid coverage as they transition from welfare to work. This problem is also corrected by the Tanner-Castle

proposal, which extends Medicaid benefits during this transition period.

The Republican plan is flawed on a second count. It provides inadequate work programs. There is no support for work, only a lot of rhetoric. The CBO, their favorite source, says that the bill is $12 billion short of what is needed for work requirements. This creates a large unfunded mandate, something they also say they abhor because States will have to bear the burden. Tanner-Castle again responds to this concern by being the only bill that provides additional funds to States so that they can implement work requirements. That is why we say the Republicans are weak on work.

The Republicans also are inadequate in child care. Again CBO says they are $800 million short of the child care assistance necessary to provide for real transition to work.

The problem is they are not serious about putting people to work. The Tanner-Castle substitute on the alternative provides sufficient child care assistance, an additional $2 billion for child care assistance to ensure that people who want to go to work and have children can do so.

CBO concludes that under the Republican bill, rather, States would fail to meet their work requirements.

Reject false welfare reform. Adopt a realistic and sound alternative.

Mrs. MEYERS of Kansas. Madam Chairman, I yield 4 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Madam Chairman, many have spoken about the destruction of the welfare system. I think Republicans and Democrats alike can view this as not destruction but the rebirth of a failed system. Ninety percent of the American people believe that the current system has failed, and we need to work on it.

Republicans do not have a key on the welfare system plan. We produced in the House of Representatives a bipartisan plan. It passed this House. In the Senate, Senator Dole worked and passed a bipartisan welfare plan. They did that twice, bipartisan. And both times the President vetoed it.

Then the Governors of this great country all got together. They said that if Congress cannot do it, let us have the Governors, that have got the direct responsibility in their States to take care of it, produce a plan. And they did so. In a bipartisan manner, Republican and Democrat Governors worked together, produced a plan and the President would still not sign that plan. Even today, the Governors are working, again, to come up with a plan.

I would say that I used to teach in Hinsdale. We had three great schools: Hinsdale, Evanston, and Newtrier. Just a few miles away there are miles and miles of Federal housing. I would say to my colleagues, those children do not carry books. They carry guns. Their ideologues and their role models are pimps and drug dealers. What chance, what opportunity, what portion or even the pursuit of happiness do those children have? next to none.

The pregnancy rate, I rode on an airplane with an African-American. And he told me, he said, ''DUKE, our neighborhoods used to be proud neighborhoods. We had industry next to us. The people had jobs. They took pride in those neighborhoods, whether it was Harlem, whether it was Chicago, whether it was any of our major great cities.'' The welfare system, people started not working. Then what you had was a follow-on of generation and generation, where the person did not work and did not take the responsibility.

Pretty soon the businesses started moving out of those communities. So I think the biggest welfare reform is reestablishing, like Jack Kemp, one idea of the enterprise zones to bring the businesses back into the inner cities so that we can have those jobs for people to work. We can work on that together. The substitute, there is no reason why we cannot come together. I think we have a good bill. But education is another one.

Let me tell my colleagues in California how welfare and education and a lot of different things have been hindered. I have almost 800,000 illegals, K through 12; 800,000. Take just 400,000, half of that. At $5,000 a child, that is $2 billion a year. Take 7 years. What we could not do with our school systems. I truly believe that education has a vital role in keeping people off of welfare. If you do not believe that, I think you are on the wrong tree.

Over half of the children born in Los Angeles are to illegals. Take the School Lunch Program that you fight for. My priority is the American citizen and the American children. The School Lunch Program at half the number we actually have, take two meals, not three at $1.90, that is $1.2 million a day for illegals keeping us from welfare reform in California.

We want the State to have the flexibility and we think that this reform bill is gentle to children and a rebirth.

Mr. STENHOLM. Madam Chairman, I yield 4 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Madam Chairman, we have a rare opportunity in this Congress, an opportunity to support a bill that is both bipartisan and bicameral. We must and we will have welfare reform. The question is, how will we have welfare reform?

But the bill the majority is putting forth, H.R. 3734, does not provide the kind of constructive changes found in the Castle-Tanner alternative that we will also consider. We need reform that makes a difference. We do not need reform that merely is different but makes a difference in lives.

Reform means improving, making better, perfecting. Reform of our welfare system should reflect our most basic values: the importance of work, the responsibility of parents to care and provide for their children, and nurturing the hope of a better life in their communities, both for their children and their parents.

That is why I believe Castle-Tanner is much preferred over H.R. 3734. Castle-Tanner gives us real reform and it also gives compassion.

For example, Castle-Tanner provides real protection for children.

If a family that has been on welfare for less than 5 years is removed by the State, Castle-Tanner requires that the State provide vouchers for the needs of the children of that family.

And, if a family that has been on welfare for more than 5 years is removed by the State, Castle-Tanner gives that State the option of also providing vouchers for the needs of the children of that family.

Castle-Tanner protects children.

If a family loses Medicaid coverage because of a time limit, Castle-Tanner makes provision for continued Medicaid coverage.

And, while I believe the immigration provisions of Castle-Tanner need to be strengthened, I am encouraged that Castle-Tanner exempts immigrant children from food stamp and SSI bans and provides food assistance to thousands of immigrant children who would otherwise be denied under H.R. 3734.

In addition, Castle-Tanner makes clear that States must allow for appeals, with full due process protections, when individuals are denied welfare assistance.

And, the Secretary of Health and Human Services is given the power to enforce the appeal protections.

Castle-Tanner also protects children who are exposed by block grant funding when there is an economic downturn. This is done with the establishment of an uncapped contingency fund that States can use when there is a national or a severe regional recession.

More importantly, Castle-Tanner preserves the national food stamp safety net and rejects the optional food stamp block grant contained in H.R. 3734.

In addition, Castle-Tanner contains provisions that will give a realistic opportunity of welfare participants moving from welfare to work.

Castle-Tanner provides $3 billion in additional and mandatory funding that States can make use of in ensuring an effective transition from welfare to work.

And, Castle-Tanner contains sufficient funding for child care, a vital component if we truly expect mothers with dependent children to be able to go to work without jeopardizing the interests of the child.

There are many other strong points in Castle-Tanner when compared to H.R. 3734, such as the 85 percent mandatory State commitment level rather than 75 percent; the requirement that the Secretary of HHS must approve State plans, thereby ensuring a single standard; and the requirement that State plans do not impose unfunded mandates on local governments.

Castle-Tanner has support among Democrats and Republicans in the House and in the Senate.

We do need to discontinue our current system of welfare. But, we do not need to abandon our children. Castle-Tanner will give us change that improves the lives of all Americans, not just change that enriches the lives of some. The savings in the Castle-Tanner alternative meet the mandate of the budget resolution.

I urge all of my colleagues to support welfare reform that works, welfare reform that protects the children, welfare reform that gives us a better system.

Support Castle-Tanner. It will make a difference.

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Mrs. MEYERS of Kansas. Madam chairman, I yield 2 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Madam Chairman, I thank my friend from Kansas, Mrs. MEYERS, for yielding this time to me.

I would like to offer my strong support for H.R. 3734, the Personal Responsibility Act. Welfare hurts people. It hurts those who receive it by creating a culture of dependency that crimps people's desire to benefit themselves and improve their own lives.

American taxpayers are willing to help those who need it. But we have grown increasingly tired of footing the bill for those who will not help themselves.

Perhaps the most fundamental requirement of America's immigration policy is that immigrants be self-reliant, not dependent on the American taxpayers for support. Since 1882, for over 100 years, those who are likely to become public charges or participate in the welfare system have been inadmissible to our country. Since 1917 noncitizens who become public charges after they enter the United States have, in fact, been subject to deportation.

Many immigrants come to America for economic opportunity. In fact, most of them do. However, others come to live off the American taxpayer. Noncitizen welfare recipients of supplemental security income have increased 580 percent over the last 12 years. When all the major welfare programs are added together, studies show that immigrants receive $26 billion each year in welfare assistance.

Now, should not those funds rather be going to needy American citizens?

This bill complements the House immigration reform bill, H.R. 2202, which passed the House by a vote of 333 to 87. H.R. 2202 prevents illegal aliens from receiving public benefits, enforces the public charge exclusion and deportation provisions of current law and encourages immigrant sponsors to fulfill their financial obligations.

It is critical for Congress to send both H.R. 3424 and H.R. 2202 to the President this year. The American people are depending on us to reform America's welfare and immigration policies.

President Clinton, after promising to end welfare as we know it, has twice this year vetoed proposals to do just that. Let us hope the administration will finally keep its promise to the American people and sign this bill.

Mrs. MEYERS of Kansas. Madam Chairman, I yield 3 minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Madam Chairman, I thank the gentlewoman from Kansas for yielding this time to me, and I thank those that said nice things about the bill I presented, I have sponsored with the distinguished gentleman from Tennessee [Mr. TANNER], and I support both the Castle-Tanner proposal and the Republican welfare reform proposals, and I will speak probably of the Castle-Tanner more tomorrow.

But I would like to share with my colleagues my strong beliefs in the need to improve welfare, but also what I believe is tremendous hope and opportunity for people in America.

Now, I learned this from practical experience. When I was fortunate enough to be Governor of Delaware, I worked with the Governor of Arkansas at that time in 1988 with the Governors, heading up a group to work on welfare reform, and that was Bill Clinton, and from that came the Family Support Act. And I got into it, jumped in with both feet, and I said we are going to do this in Delaware, and we did something not many States had done at that time. We wrote letters to people in which we said, ''If you're going to continue to receive welfare, you're going to have to come to our classes,'' and I shuddered a little bit at some of those reactions, and I went to the first class after about 4 or 5 weeks. It was 18 women and 1 man, as a matter of fact, and I remember it vividly. But I was stunned by the fact that virtually everyone I spoke to, I think everyone I spoke to that day, said very positive things about the fact that we have given them opportunity. I expected them to be very upset and disconcerted by the fact that we had said that they would have to work.

And I found from that and then from going back to graduations and then from talking to many of these people who I saw on the street thereafter that this truly was opportunity for them. It truly lifted their self-esteem, it truly gave them family pride because their kids realize that they were given that opportunity, and they could go forward.

And I think it has made a difference in Delaware. About a third of the individuals in Delaware have now been able to go to work in some way or another.

I have a letter here today from a lady in Bridgeville, DE, and I am not going to read the whole thing. It might seem a little bit self-serving, but she said: ''In 1992 I found myself on food stamps and thrust into your First Step program.'' She did not like it, I guess at that time.

When I graduated from First Step, I found myself on the stage with you at Del Tech, each giving our speech. To me it was perhaps the turning point in my life. Because of your faith in me and in humanity, I found myself enrolled in Delaware State University. I was fortunate to participate in several of the welfare reform panels, and that led to a most wonderful woman who saw my picture in the paper and who was my benefactor for books and school supplies for my college education.

An unusual story, but a story of an individual who is able to be educated and is now out in the workplace and is supporting her family. And this has happened on many occasions. It is not going to happen on every occasion. But our welfare reform bills, the ones we have before us, give that opportunity, and they tell people that they are going to go out and they are going to get a job, and I would just tell those who are concerned about this being draconian and hardhearted that I think it does provide a lot of opportunity.

On the other hand, these bills are not easy. We are going to change welfare. We are going to change it as we know it today. We are going to limit benefits for certain able-bodied adults to 2 years of assistance without work, and we are going to limit their lifetime benefits to a maximum of 5 years. People need to understand there is going to be change. But let me just make it clear that in both of these bills about 20 percent of those people would be accepted.

There are many other good aspects to it, but I would encourage all of us to consider welfare reform. It is in the best interests of this country.

Mr. STENHOLM. Madam Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. TANNER], the other half of the Castle-Tanner team.

(Mr. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Madam Chairman, I thank the gentleman from Texas, and I want to publicly thank the gentleman from Delaware [Mr. CASTLE]. We have worked very had on the so-called Castle-Tanner bill. It is the only bipartisan, actually bicameral, bill that we have before the 104th Congress. This bill has been introduced specifically and in the same wording that we have in our bill in the Senate by Senator BIDEN and Senator SPECTER.

I want to compliment the Republicans for moving off of H.R. 4. The gentleman from Delaware [Mr. CASTLE] spoke to that. I am not yet ready to make that leap, but I want to commend some movement and some willingness to work on the part of the Republican majority, but I want to spend most of my time talking about what I think the Castle-Tanner bill is a better bill for the country and for the people that are both paying for the welfare system and those who are trapped or otherwise a part of it tonight. I want to speak more tomorrow about the differences, but let me just say this: Any system that we try to do in the Castle-Tanner bill is in some respects very

much like the Republican bill. We are time limited, we give the States flexibility, we are interested in work, we require work and so forth, as the gentleman from Delaware suggested in his remarks. But there are three or four things that we do that we think will make it work better, and CBO happens to agree with us.

We have a stronger maintenance-of-effort factor in the Castle-Tanner bill. This is important because welfare reform must truly be, in our opinion, a Federal-State partnership, and we do not want to, it seems to me, give the States money and they do not match it and make welfare more a Federal program than it perhaps already is in the minds of some.

The other thing we do has to do with children. We restrict the transferability of these block grant funds that go to the States so that they must be used for child care. After all, if anybody gets unintentionally hurt by our best intentioned efforts to reform the welfare system and demand that able-bodied adults work, it is going to be children who have no other opportunity, who have no other means to support themselves than they came into the world and happen to be born to what some might consider deadbeat parents. This is our main concern, and Castle-Tanner, I think if my colleagues carefully read it, does a better job, even though the Republicans are trying to do better, a better job of trying to put that safety net in society for people who otherwise have no recourse and no opportunity or ability to help themselves.

Another area about the children is in the area of vouchers. The Republican bill, unfortunately, prohibits Federal involvement for vouchers for children whose parents have been cut off because they refuse to work or otherwise are not cooperating, refuses or prohibits using Federal money for vouchers after the 5-year cutoff time.

Now, I understood at the outset that we were trying to give the States flexibility, that we were trying to give to the States a block grant for them to fashion programs that were better than this one-size-fits-all Federal program, and so we do that, and yet then we say, ''But, by the way, you cannot use Federal money to help kids after 5 years.'' I do not understand the logic of that proposal, but maybe we can continue to work on that. I hope so.

And bottom line: I think we have a historic opportunity in this 104th Congress. I think we have an opportunity to change the system so that people are, as the gentleman from Delaware said, better off then they are now.

This system is broken, everybody knows it, nobody defends status quo, and we are trying to change it. If we could move the Castle-Tanner bill, if we could move toward it just a little bit more, I think we could get a bill that the President would sign and actually become law. That, I think, is the bottom line.

Let us quit throwing brickbats at each other and trying to threaten vetoes or not threatening vetoes or we are going to make this political statement, and try to come together as we have tried to do with 16 Democrats and 16 Republicans to seek an American solution to an American problem. I believe that is what our people that sent us here would like to see happen, and I think we have a chance to do that if we can continue to tweak this thing and work together.

I believe we have a historic opportunity.

Mrs. MEYERS of Kansas. Madam Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Madam Chairman, I thank the gentlewoman for yielding this time to me, and I want to speak in the same vein as my friend, the last speaker, the gentleman from Tennessee [Mr. TANNER]. I agree with one thing he said, certainly that we have a historic opportunity in this Congress, disagree with another thing he said, that nobody here is defending the existing system. I think that there are a lot of Members who quite sincerely are giving ground inch by inch, if at all, fighting furiously almost like a covered retreat to try and save as much of the system as they can, and I thought it would be useful to take a look at the system that we have created in this country over the last 30 years.

Madam Chairman, in the immediate postwar era, poverty in this country was 30 percent. It declined pretty steadily until it reached 15 percent in 1965 when the Federal Government declared war on poverty. In the last 30 years we have spent $5 trillion on means-tested entitlement programs, and the poverty rate is 15 percent.

Poverty has stayed the same. It is more intractable now, it is more ugly now, but it has not gone down. What we have gotten instead is a 6-fold increase in illegitimacy, an illegitimacy rate of 32 percent compared with about 6 to 7 percent in 1965. That is the kind of system that we have now and that we need to change.

As my colleagues know, I could talk about statistics, about what that means for kids, about how much more likely they are to go to prison or to be on drugs. But I would rather talk about a story, the story of Eric Morris, a 5-year-old boy who was raised in a Chicago housing project. He was a good boy, had an older brother named Derrick. He refused to shoplift for kids who wanted him to steal candy, and so these older kids, these 10- and 11-year-old kids, lured him to a room in the 14th floor of that public housing project, dangled him out the window, and when his brother tried to help him, they fought his brother and they dropped him deliberately and killed him. And Eric died.

Madam Chairman, Eric Morris did not need the system that we have given him. He did not need individual employment plans. He did not need subsidized day care. He did not need counseling. He did not need all the other 78 programs that we are fighting over today.

□ 2045

He needed a dad. That is what Eric Morse needed. That is what the other kids in his housing project needed. What our system has done is taken away the dads from these kids and given them government instead. Senator MOYNIHAN said 30 years ago that a society that does that asks for and gets chaos.

It is time, and I agree with the gentleman from Tennessee [Mr. TANNER], to stop fighting, to stop engaging in politics, to stop defending this system, to change it, this system that is destroying the kids and the families and the neighborhoods of America. That is what this bill is designed to do. Let us pass it. Let us send it to the President. Let us urge him to sign it. Let us make sure there are no more Eric Morses.

Mrs. VUCANOVICH. Madam Chairman. I yield 2 minutes and 30 seconds to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Madam Chairman, I thank the gentlewoman for yielding time to me.

Madam Chairman, I rise in strong support of the Republican welfare reform plan. Some on the other side have complained that the work requirements contained in the Republican plan are too strong, and the States will not be able to meet them. What are those work requirements? It would require over a period of years, over the next 6 years, to have 50 percent of the caseload working. I suggest if we tell the American people that those standards are too tough, they will find that statement laughable. Most people say, why should it not even be tougher? Why only 50 percent?

One provision in the GOP welfare plan that I think is very good is the ability of the Governors to count the net reduction of the caseload toward their participation rates. In other words, if a State has 40,000 on welfare one year and they drop that caseload to 30,000 the next year, those 10,000 cases they have reduced on their welfare rolls can be counted towards their work participation rate. That is our goal, to see a net reduction, to see people permanently leaving the welfare rolls.

One of my concerns about the Castle-Tanner substitute, which I assume will be offered tomorrow, is that their approach would gut the idea of a net reduction in the caseload. They would allow the Governors to count routine caseload turnover toward the work participation rates, so any AFDC recipient who obtained work for a period of 6 months after leaving the rolls could be counted toward the participation requirement.

This would make the work requirements virtually a sham. There is always, there is always a regular turnover in AFDC caseload. Hundreds of

thousands of recipients obtain jobs and leave AFDC every year, and an equal number, almost an equal number, enroll on our caseload every year.

By claiming credit for individuals who obtained a job and left AFDC, a Governor would automatically meet at least 10 percent of the participation requirement without in any way altering the existing welfare system. Nearly all States would be able to meet their requirements for the first and second years without the least change in the status quo.

I do not believe that is what the American people want. I do not believe the American people want a welfare reform system that says it is not really reform, it is just more of the status quo when it comes to work.

We have success in the drug war, not when we get people off drugs, but when we keep young people from ever getting on drugs. It is the same way in welfare reform. The greatest success is not just in turnover, getting them off and having them come back on. The greatest success in welfare is when we dissuade people from ever getting on welfare. That comes from real work requirements.

The President said: Give me a bill with real work requirements, tough work requirements that is good for children, and I will support it. We have such a bill. Let us pass this tomorrow. Let us not take a substitute.

Mr. STENHOLM. Madam Chairman, I yield 4 minutes to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Madam Chairman, I thank the gentleman from Texas for yielding me this time.

Madam Chairman, I honestly believe that tomorrow this is going to be one of the most important votes we take in this Congress, and maybe for some of us, in our careers. I think welfare changes make no sense if we deform, rather than reform, the current system. The only bill this House will have the opportunity to debate that actually reforms the system is the bipartisan Castle-Tanner bill.

Reforming welfare means assessing the policy impact of a proposal and considering what these changes will mean for real people, like our Nation's children. The best way for us to deform the system is to say you want to cut $60 billion, and then start cutting the vital programs that form our social safety net without any concern for who gets hurt. This is the key difference between Castle-Tanner and the majority's bill. In the Castle-Tanner bill, we worried about people. We made certain that innocent children would not be hurt. The majority worried about numbers and only numbers.

For example, when I raised the issue in the Committee on Agriculture about the leadership's freeze on the vehicle allowance for welfare recipients, something, by the way, that all States have asked for in their waivers, Members from the other side of the aisle seemed surprised and somewhat discouraged that this was in the bill. But they told me they could not do anything about it, because the freeze helped them reach their arbitrary budget target. The ability of welfare recipients to actually have transportation to get to work did not matter.

Let me remind many people here there are a lot of places that do not have mass transit or buses. What mattered, again, was how much money could be saved by ignoring this problem. Similarly, the majority's bill retains the excess shelter deduction cap which clearly disadvantages families with children who have high utility costs or high rent costs. Kicking children out of their homes may save some money, but you cannot call it responsible public policy.

Worst of all, among the food stamp programs in the majority's bill is the optional block grant. These poorly funded block grants will force children to lose their access to the food necessary to keep them healthy and alive. If we had allowed these block grants in 1990, 8.3 million children would not have received decent nutrition. Castle-Tanner rejects block grants, but it still retains the same language for fraud and abuse.

The bottom line is not only how much money we save but how many people we successfully move from welfare to work. In Castle-Tanner we guarantee a strong nutritional safety net for families and children while successfully getting people into the job market.

Madam Chairman, we care about reform and we care about families. By the way, we also save $53 billion. Support Castle-Tanner. It is responsible welfare reform.

Mrs. VUCANOVICH. Madam Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Madam Chairman, I rise in support of H.R. 3734, budget reconciliation legislation that contains a comprehensive welfare reform package.

Last April, I supported the initial House version of welfare reform legislation with some reservations. I was very pleased to see subsequently that the conference committee report on H.R. 4 last November included many significant improvements from the Senate-passed bill, which have properly been retained in the legislation before us now.

There should be no question that we must enact strong welfare reform legislation this year. The American people are demanding that we restore the notion of ''individual responsibility and self-reliance'' to a system that has run amok over the past 20 years.

Above all else, I want to stress my goal has always been to require self-reliance and responsibility, while ensuring that innocent children do not go hungry and homeless as a result of any Federal action—this bill meets that test, too.

Block grants can work as long as we establish maintenance of effort standards where the safety net and food stamps are protected. Block grants must not become a blank check for the Governors while still gaining the benefits of flexibility at the State level.

First, this bill requires welfare recipients to work—a big step in the right direction.

Second, this bill places times limits on welfare benefits—no longer will people be allowed to live their lives on welfare.

Third, this bill keeps the family cap in place, which means that mothers on welfare don't get extra cash benefits for having babies.

In other words, the United States will no longer be the only nation in the western world that pays young girls to have babies.

New Jersey already has this policy in place, and I am pleased to see that H.R. 3734 retains this worthwhile reform—I should mention that the New Jersey family-cap law was sponsored by a Democratic State legislator, and gained strong bi-partisan support and was ultimately signed into law by a Democratic Governor.

Fourth, they bill has a strong and effective child support enforcement reform title, which is something that I have worked on here in Congress for more than 10 years.

As I have long maintained, strong child support enforcement reforms must be an essential component of any true welfare reform plan, because improved child support enforcement is welfare prevention: One of primary reasons that so many mothers with children land on welfare rolls is that they are not receiving the child support payments they are legally and morally owed.

Failure to pay court-ordered child support is not a victimless crime. The children going with these payments are the first victims. But, the taxpayers who have to pick up the tab for deadbeat parents evading their obligations are the ultimate victims.

The core of these child support enforcement reforms is the absolute requirement for interstate enforcement of child support, because the current, State-based system is only as good as its weakest link.

Specifically, I want to note that the Roukema amendment on license revocation, which the House overwhelmingly approved last April, 426 to 5, has been included in this bill. It requires States to implement a license revocation program for deadbeat parents who have driver's licenses, professional licenses, occupational licenses, or recreational licenses.

This reform has worked very well in 19 States—the State of Maine, in particular, has been a leader—that already have it in place, and if license revocation is implemented nationwide I am convinced it will work even more successfully.

Later tonight, I will ask the Rules Committee to include a second child support enforcement proposal—a requirement that States enact criminal penalties of their own design for willful nonsupport of children—as part of the manager's amendment to H.R. 3734. I hope that the Rules Committee will do the right thing, and include this tough reform in the legislation we will vote on tomorrow.

Fifth, I believe that the legislation's reforms for nutrition programs represents significant progress in maintaining the safety net for those in our society who are unable to provide for themselves.

During both Opportunities Committee markup and floor debate on welfare reform last year, I repeatedly attempted to protect the current safety net for school lunches so that, during times of recession, when more families

move toward or beyond the poverty level and become eligible to participate in the school lunch program, additional money would be available to provide nutrition services.

Thankfully, the Senate saved the House from itself with its decision to preserve the current Federal safety net for school lunches, and H.R. 3734 follows the Senate position on this issue, which I wholeheartedly support.

I have always preferred to see the school lunch program completely maintained at the Federal level, and this legislation correctly does just that!

I am also extremely pleased that the welfare reform package before us does not block grant nutrition services for WIC, the nutrition program serving low-income, postpartum women with children and infants.

Finally, I am gratified to see that this bill incorporates a ''Rainy Day Fund'' for those States that suffer a recession or economic downturn.

Last year, I repeatedly advocated that this kind of provision be included in any kind of welfare reform package that contains block grants in order to ensure that those who truly depend on our safety net programs can continue to rely on them during times of economic distress.

Earlier this spring, the National Governors Association called upon the Congress to put $2 billion of funding into the ''Rainy Day Fund'', and this legislation meets the goal—I enthusiastically support this provision.

We have been so close to passing meaningful welfare reform for so long. Let us today finally move that process forward one more step by passing this comprehensive welfare reform bill.

This is the bill. This is the time. The people of America should not have to wait any longer. I urge my colleagues to join me in supporting this important package.

Mrs. VUCANOVICH. Madam Chairman, I yield 3 minutes to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Madam Chairman, I thank the gentlewoman for yielding time to me, and I rise in support of H.R. 3734, the Republican welfare reform bill.

In my opinion, Madam Chairman, our reform bill is a very good start. I think further reforms will probably be needed in the future to ultimately get the Federal Government out of the business of trying to help the poor, because the Federal Government is completely incompetent and incapable of helping the poor.

Indeed, I feel that the current system is almost criminal, and the victims are children. That point was very vividly driven home to me when I had the opportunity a few years ago to meet a businessman in my district who had recently relocated from Oklahoma. I remember him describing to me how he had taken part in a program in Oklahoma where he went into the inner city in Oklahoma and took part in a program where they would read books to these young children ages 5, 6, and 7, you can help improve their reading scores. We all know how important reading is to overall academic performance.

He told me a story that totally amazed me. When he first started taking part in the program he would frequently ask these kids what they wanted to be and what they wanted to do when they grew up. A fairly high percentage of them said they wanted to be on welfare and they wanted to collect a check.

Contrary to what most children learn when they are growing up, that they want to either become a fireman or a policeman or a mother or a daddy and work, these kids had actually learned that they did not want to work. It has been said by many people, kids will frequently model what you do and not what you say.

The current system, I think all we need to do is go into our inner cities and see what is going on: The high crime rates, the high drug abuse rates that are very, very closely linked to our welfare system and the high incidence of fatherlessness. I believe that the Federal Government is completely incapable of helping these people, contrary to all the claims that are made by people on the other side of the aisle.

My colleague from California made a comment about making sure children are alive, well-fed, and healthy. We are certainly making sure they are alive in the current system, but we are certainly making sure they are not healthy. There is a tremendous spiritual poverty that goes with the current system, and I believe our bill, H.R. 3734, which has some serious work requirements and seriously tries to address the terrible issue of illegitimacy, is a good bill. It is a good start on dealing with the welfare disaster that currently exists today.

I encourage all my colleagues on both sides of the aisle to support the bill, and the President of the United States to do what he said he was going to do, and that is sign welfare reform.

Mr. STENHOLM. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I take this time to make a comment or two regarding some of the allegations about some of the statements that have been made from this side of the aisle. To the best of my knowledge this evening, no one on this side has suggested, by any other standard other than CBO or the National Governors Association, that the proposal of the majority has some problems with work. We did not make this up. The Congressional Budget Office has carefully analyzed their proposal and suggests that it is going to come up short regarding the work requirements.

Also, regarding the allegations on child care and children, we are not making this up. This is the Congressional Budget Office analysis of the proposal that is before us. This is why we say that the bipartisan attempt by the gentleman from Delaware [Mr. CASTLE] and the gentleman from Tennessee [Mr. TANNER] to address some of these concerns is worthy of serious consideration by both sides of the aisle. I want to make that point, Madam Chairman, so the rhetoric of this body does not overshadow the facts.

Madam Chairman, I would make a few other observations. Statements have been made by a few this evening about the vetoing of the welfare reform bill twice by the President. I think most reasonable citizens of the United States, when they look at the original bills that were vetoed by the President and compare them with the two bills we will be considering tomorrow, they will see the wisdom of those vetoes, because I think any fair-minded person on either side of the aisle will see that as a result of having to go back to the drawing board and take another look at how we might make welfare reform more workable, we will see that both proposals are significantly better than the proposal that was vetoed twice. That is progress, that is not a subject for criticism.

Madam Chairman, Castle-Tanner, as has been said many times, and I think it bears repeating, is bipartisan and bicameral. If we are truly serious about getting a bill, which we are, and let me make this observation, every single Member of the House of Representatives has voted with their name on the board, with a green light, for significant welfare reform. We have differences of opinion, and that is to be expected in a body of 435 as diverse as we are in the representation of the people of the 50 States of the United States.

But it is not a fair statement to say to anyone that anyone on either side of the aisle is not serious about welfare reform, because we are. Those of us who support very strongly the Castle-Tanner believe that it merits the support, merits the support because it is stronger on work, particularly by making certain that the mandate that we place on the States under the giving of the flexibility to the States, that we send the money with the mandate, rather than saying to the States, ''You do it, and by the way, if there is not enough money, that is your problem.''

□ 2100

Clearly my people at home, my constituency have said, ''Please, no more unfunded Federal mandates.'' We believe a careful analysis of Tanner-Castle will show that it is superior.

The criticisms that we offer tonight are based on CBO, and that is my final comment to make tonight, whether it is talking about work funding, child care, who is tough and who is not tough, what works and what will not work, the shelter cap, for example, all of the other areas. We believe that CBO and their careful analysis should cause most Members to support the Castle-Tanner and we hope that that will be the verdict tomorrow.

If we can send that bill to the Senate and the Senate works their will and then a conference, there is no doubt in this Member's mind that we will have the most significant welfare reform bill that will meet the test of what all of our constituents want us to do. The current system is broken and it needs

to be fixed. Castle-Tanner in our opinion does the best job of fixing it.

Madam Chairman, I yield back the balance of my time.

Mrs. MEYERS of Kansas. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I would just like to comment that the work requirements in our bill are in fact very tough. States are going to have to work harder than they ever have in order to assist welfare recipients into work. Work requirements that are not challenging like the ones that are currently in place do nothing to really reform this system.

What the gentleman from Texas was referring to in terms of the CBO estimates, CBO assumes a 30- to 40-percent reduction in the welfare case load under our bill, but they do not factor that in in the cost of the work program. That is the discrepancy that I think the gentleman is referring to, and I do not understand it either.

I would like to just close by saying that if we make no changes in the way we handle welfare, Madam Chairman, by 2000, just 4 years from now, 80 percent of minority children and 40 percent of all children in this country are going to be born out of wedlock. That is because of Federal programs that were intended to be a help over a difficult spot in someone's lives and instead they have become an incentive that actually attracts people into the system, it pulls people into the system. Of course, with 40 percent of our children born out of wedlock, there is a tremendous dollar cost to this country, but more than that there is an enormous human cost. These children are born and raised in their early years without a father, without much structure in their life, sometimes without enough food and clothing. By the time they are old enough to go to school, they are already disadvantaged, many of them, in terms of their ability to learn and their health.

I think our bill resolves that problem. It ends the incentive nature that welfare has grown to be. I think our welfare programs were started with the best of intentions, but when you say to a young woman, if you will have two children with no man in the house, we will give you $18,000 a year, that is more of an incentive than most of our teenagers can resist.

Our bill has more money for child care, it has more people in real work. I urge my colleagues to support the bill.

Mr. WELDON of Florida. Mr. Chairman, I rise in strong support of H.R. 3437 the Personal Responsibility and Work Opportunity Act. This historic welfare reform bill will end welfare as we know it. During the past 30 years, taxpayers have spent $5 trillion on failed welfare programs. What kind of return have the taxpayers received on their investment? The rate of poverty has not decreased at all. Furthermore, the average length of stay on welfare is 13 years. Today's illegitimacy rate among welfare families is almost 50 percent and crime continues to run rampant. Current programs have encouraged dependency, trapped people in unsafe housing, and saddled the poor with rules that are anti-work and anti-family. Clearly, those trapped in poverty and the taxpayers deserve better.

This bill overhauls our broken welfare system. This plan makes sure welfare is not a way of life; stresses work not welfare; stops welfare to noncitizens and felons; restores power and flexibility to the States; and seeks to half the rise in illegitimacy.

By imposing a 5-year lifetime limit for collecting AFDC, this bill guarantees that welfare is a helping hand, not a lifetime handout. Recognizing the need for helping true hardship cases, States would be allowed to exempt up to 20 percent of their caseload from the 5-year limit. In addition, H.R. 3437 for the first time ever requires able bodied welfare recipients to work for their benefits. Those who can work must do so within 2 years or lose benefits. States will be required to have at least 50 percent of their welfare recipients working by 2002. To help families make the transition from welfare to work, the legislation provides $4.5 billion more than current law for child care to help parents who work.

Under this bill noncitizens will no longer be eligible for the major welfare programs. Felons will not be eligible for welfare benefits and State and local jails will be given incentives to report felons who are skirting the rules and receiving welfare benefits.

Our current system has proven that the one-size-fits-all welfare system does not work. H.R. 3437 will give more power and flexibility to the States by ending the entitlement status of numerous welfare programs by block granting the money to the states. No longer will States spend countless hours filling out the required bureaucratic forms hoping to receive a waiver from Washington to implement their welfare program. States will also be rewarded for moving families from welfare to work.

Finally and most importantly, this bill addresses illegitimacy by allowing States to limit cash benefits for teen mothers. States will be allowed to set family caps that would stop the practice of increasing welfare payments for every additional child a recipient has while on welfare. States can also stop payment to unmarried teens and make them conditional on the mother staying in school and living with an adult. This legislation seeks to reverse the increase in illegitimacy by also increasing efforts to establish paternity and crack down on deadbeat dads.

The sad state of our current welfare system and the cycles of poverty and hopelessness it perpetuates are of great concern to me. I believe this bill goes to the heart of reforming the welfare system by encouraging and helping individuals in need become responsible for themselves and their family. I wholeheartedly support this bill become it makes welfare a helping hand in times of trouble, not a handout that becomes a way of life. I truly believe that this reform will give taxpayers a better return on their investment in helping those in need.

Mr. DE LA GARZA. Mr. Chairman, House Democrats and Republicans, Senate Democrats and Republicans, and President Clinton share a common goal—all agree that welfare reform is urgently needed. Reform is needed not only for the recipients of welfare, who many times are trapped in a cycle of poverty from which they cannot escape, but also for the American taxpayers who deserve a better return on their investment in our future.

Over the last year, the food stamp provisions in the various welfare reform proposals have come to look very much alike. We have reached agreement on dozens of provisions. Yet, there continues to be serious policy differences on several key issues. We must resolve these differences so that we will have real welfare reform that works for both low income families and American taxpayers. We want congressional passage of a bill that the President will sign.

Determining food stamp reform in the context of budget reconciliation causes us to loose sight of the people the Food Stamp Program is intended to serve. We must remember that our goal is to reform welfare in order to move people toward self-sufficiency. Reform by itself is a hollow word. Reform for reform's sake is meaningless. We aren't OMB, CBO, or GAO. We can't work in the vacuum of numbers only. We cannot let the bureaucrats with the green eye shades determine what path reform will take. We are Members of Congress. It is our responsibility to put faces with these numbers. We must interject the human element into the process in order to ensure that real need is addressed in welfare reform. We must ensure that our children and the aged and disabled are not left unprotected. We must remember that a dollar spent now can actually result in saving thousands of dollars later, if we help produce a future taxpaying citizen.

We must determine the policy that will move people toward self-sufficiency. This must be a policy-driven bill, not one that is driven by empty, faceless numbers that are wrong as many times as they are right.

Our constituents don't want a handout. They want jobs. They want economic development. They want the American dream. These are the people we must help. These are the people for whom we must redesign these programs to help them achieve their desire of becoming successful citizens.

We are particularly concerned that this bill will jeopardize the nutritional status of millions of poor families because of a basic misunderstanding of how the program works. The perception is that this program is out of control, that hundreds of thousands of families are added to the food stamp rolls every month. The reality is something very different. Over the last year and a half, as the economy has improved, food stamp participation has actually dropped by over 1 million people. This vital program is clearly filling a very real need. If the need isn't there, the program doesn't continue to expand, but if the need is there, the program is there to meet it.

The block grant provisions in H.R. 3734 sets funding at levels well below that necessary to feed hungry families in times of recessions or if food prices increase. The total loss of food stamp funding to States that choose the block grant will be over $2.5 billion. If block grants had been chosen by all States in 1990, the Food Stamp Program would have served 8.3 million fewer children. Castle-Tanner does not include the block grant authority.

To assure adequate nutrition and the good health of our poor families, the calculation of food stamp benefits must take into account extremely high housing expenses. H.R. 3734 limits this calculation, leaving poor families with children who pay more than half of their income for housing with less money to buy food. This provision alone will reduce benefits

to these families by over $4 billion over 6 years, resulting in more hungry children. Castle-Tanner does not include this harsh limitation.

We all want people on welfare to be self-sufficient—they want to be self-sufficient. But, the way to help people become self-sufficient is not to deny them food stamps after 4 months. Eighty percent of the able-bodied recipients between the ages of 18 and 50 receive food stamps on a temporary basis already, they leave the program within a year. H.R. 3734 will simply kick 700,000 people off the program each month, without a helping hand to find a job. What these people need most is the opportunity to work—job training, or a job slot. Castle-Tanner will give them that helping hand if they are unable to find work on their own after 6 months.

The Castle-Tanner alternative achieves significant deficit reduction. The food stamp provisions save $20 billion over a 6-year period. The majority's bill last year was intended to achieve $16 billion over 7 years. Castle-Tanner goes well beyond that level of savings, and yet we have been accused of not supporting welfare reform.

The American people are not mean-spirited. They do not want children to be poor and hungry. We must remember that we are reforming the programs that impact the most vulnerable of our constituents. We must remember the faces of the poor and hungry of our Nation.

Let the record show that the minority strongly supports welfare reform, but not at the cost the Nation's poor families and children, not at the cost of the Nation's future.

The CHAIRMAN. All time for general debate has expired.

Under the previous order of the House of today, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HAYWORTH) having assumed the chair, Ms. GREENE of Utah, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, had come to no resolution thereon.

APPOINTMENT OF CONFEREES ON H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The SPEAKER pro tempore. Without objection, the chair appoints the following conferees on the Senate amendment to H.R. 3230:

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Messrs. SPENCE, STUMP, HUNTER, KASICH, BATEMAN, HANSEN, WELDON of Pennsylvania, HEFLEY, SAXTON, CUNNINGHAM, BUYER, TORKILDSEN, Mrs. FOWLER, Messrs. MCHUGH, TALENT, WATTS of Oklahoma, HOSTETTLER, CHAMBLISS, HILLEARY, HASTINGS, of Washington, DELLUMS, MONTGOMERY, Mrs. SCHROEDER, Messrs. SKELTON, SISISKY, SPRATT, ORTIZ, PICKETT, EVANS, TANNER, BROWDER, TAYLOR of Mississippi, TEJEDA, MCHALE, KENNEDY of Rhode Island, and DELAURO.

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII: Messrs. COMBEST, LEWIS of California, and DICKS.

As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference: Messrs. CASTLE, BACHUS, and GONZALEZ.

As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and 3402 of the House bill, and sections 345–347, 561, 562, 601, 724, 1080, 2827, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference: Messrs. BLILEY, BILIRAKIS, and DINGELL.

Provided that Mr. RICHARDSON is appointed in lieu of Mr. DINGELL and Mr. SCHAEFER is appointed in lieu of Mr. BILIRAKIS for consideration of sections 3181–91 of the Senate amendment.

Provided that Mr. OXLEY is appointed in lieu of Mr. BILIRAKIS for the consideration of section 3154 of the House bill, and sections 345–347 and 3175 of the Senate amendment.

Provided that Mr. SCHAEFER is appointed in lieu of Mr. BILIRAKIS for the consideration of sections 2863 and 3402 of the House bill, and section 2827 of the Senate amendment.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of sections 572, 1086, and 1122 of the Senate amendment, and modifications committed to conference: Messrs. GOODLING, MCKEON, and CLAY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–36, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924–25, 1081, 1082, 1101, 1102, 1104, 1105, 1109–1134, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference: Mr. CLINGER, Mr. MICA, and Mrs. COLLINS OF ILLINOIS.

Provided that Mr. HORN is appointed in lieu of Mr. MICA for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 890(b), 1081, 1401–34, and 2826 of the Senate amendment.

Provided that Mr. ZELIFF is appointed in lieu of Mr. MICA for consideration of section 1082 of the Senate amendment.

As additional conferees from the Committee on International Relations, for consideration for sections 233–234, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committed to conference: Messrs. GILMAN, BEREUTER, and HAMILTON.

As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference: Messrs. HYDE, MCCOLLUM, and CONYERS.

Provided that Mr. MOORHEAD is appointed in lieu of Mr. MCCOLLUM for consideration of sections 537 and 1080 of the Senate amendment.

Provided that Mr. SMITH of Texas is appointed in lieu of Mr. MCCOLLUM for consideration of sections 1066 and 1201–16 of the Senate amendment.

As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference: Messrs. HANSEN, SAXTON, and MILLER of California.

As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211 and 251–52 of the Senate amendment, and modifications committed to conference: Mr. WALKER, Mr. SENSENBRENNER, and Ms. HARMAN.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–348, 536, 601, 641, 1004, 1009–1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference: Messrs. SHUSTER, COBLE, and BARCIA.

As additional conferees from the Committee on Veterans' Affairs, for consideration of sections 556, 638, and 2821 of the House bill, and sections 538 and 2828 of the Senate amendment, and modifications committed to conference: Messrs. STUMP, SMITH of New Jersey, and MONTGOMERY.

As additional conferees from the Committee on Ways and Means, for consideration of sections 905, 1041(c)(2), 1550(a)(2), and 3313 of the House bill, and sections 1045(c)(2), 1214 and 1323 of the Senate amendment, and modifications committed to conference: Messrs. CRANE, THOMAS, and GIBBONS.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

[Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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WHY THE GOP FAILED TO DELIVER ON REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. MEEHAN] is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I just left the Committee on Rules. Here we are on Wednesday of Reform Week and the Committee on Rules has stated that we are not going to do any reform this week. That is right, Reform Week.

This is the week that we have been waiting for for an entire year when Members will have an opportunity to try to change the way Congress does business, to try to make it, for example, illegal for a Member of Congress who is indicted and convicted directly because of their official actions from collecting a pension. This was a week when we were going to deal with legislation that would prevent the revolving door where Members of Congress come in and serve for a set period of time and then go out the door and make millions and millions of dollars paid for by special interests.

This was the Reform Week, Mr. Speaker, that we were going to do campaign finance reform, the most important reform that we could possibly enact if we are going to change the way Congress does business. The American people have been demanding campaign finance reform.

We have seen throughout this legislative session an increase in the amount of money that special interest PAC's are contributing to Members of Congress. We have seen the Republican National Committee and the political parties taking millions of dollars more than 2 years ago in this cycle, and we have seen a direct correlation between what is being debated on the floor of the House of Representatives and who the top contributors are to Members of Congress and to the Republican Party.

Now here at the last minute on Wednesday night, we are leaving tomorrow, we are not going to do campaign finance reform, it has been delayed again. The American people are fed up and disgusted with the inability of the Congress to pass real campaign finance reform.

I remember when President Bush indicated that he was going to veto the bill that was being debated in the House of Representatives, and the House of Representatives and the Senate rushed to get that bill passed and over to the President so he could veto it.

Last year, last session, we saw in the United States Senate campaign finance reform die again. I have been part of a bipartisan group of Members of Congress and a bicameral group of Members of Congress fighting to come up with a campaign finance reform bill. We have 21 Democratic supporters of that bill and 20 Republican supporters of that bill. We have editorial support from every major newspaper all across the country. Now is the time to enact campaign finance reform.

The President has indicated that he supports a bipartisan approach. The President in his State of the Union Address right here before this body urged the Congress, urged the United States Senate to pass campaign finance reform and specifically asked the Congress to pass a bipartisan bill.

Now we see that we are not going to get any kind of campaign finance reform this week. In fact, there is no Reform Week, no Reform Week after all of the publicity and everything else that went on with this Congress going to change the way this Congress does business.

Why? Because the Republicans have offered a bill that increases the amount of money that is going to be put into the process. That is right, not limits, increases the amount of money. The Republican bill vastly increases nearly all of the contribution limits set in current law.

Campaign finance reform should be about limiting the influence of money on Congress, not expanding it. The Republican bill, for example, will allow an individual to contribute up to $310,000 to campaigns and political parties in a single election cycle. Think of it, that is more than 10 times the current legal limit. They want to put more money into this corrupting process. No one would believe it, but that is exactly what is before the Committee on Rules of the House of Representatives.

According to the Republican bill, an individual could conceivably donate, get this, $3.1 million to State and national parties, cumulatively. Think about it, $3.1 million. We are going to open up this process so the more money you have, the more influence you are going to have.

The Republican bill codifies the soft money loophole in the current law. This bill vastly increases the role of national parties in local elections. Just what America is looking for, isn't it?

The party bosses in Washington are going to decide to put hundreds of thousands of dollars into individual districts all over America. That is exactly fundamentally what is wrong with the system. That is exactly and fundamentally the opposite of what Americans all over this country are demanding.

This Congress should have done better. The Republican bill would vastly increase the contributions on every area. The Republican bill would actually not limit spending like the Democratic bill and the bipartisan bill would do. This Republican bill is an absolute disaster.

Guess why they are not going to have it come up this week? Because there are moderate Republicans who know this is a sham. There are moderate Republicans who know that this is a fraud. They cannot get the votes for this disgusting, regressive piece of legislation that has no business on the floor of this House.

I would hope that as we debate campaign finance reform for an hour coming up that we would find a way to call Members of Congress, find a way to get Members of Congress to wake up and realize that we need to change this system, and the way to change this system is not to go home tomorrow afternoon at 3:00 and fail on campaign finance reform.

The SPEAKER pro tempore (Mr. HAYWORTH). Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

ORDER OF BUSINESS

Mr. BONILLA. Mr. Speaker, I ask unanimous consent that in light of the fact that the gentleman from Minnesota [Mr. GUTKNECHT] is not present, I ask that his name and my name be reversed in the list of special orders tonight so we can proceed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEFICIT HAS FALLEN AS A RESULT OF THIS CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BONILLA] is recognized for 5 minutes.

Mr. BONILLA. Mr. Speaker, tonight I rise to commend my colleagues who have succeeded in cutting spending. Cutting spending, Mr. Speaker, that is something that has not occurred in this body for 40 years. The news is out, the deficit has fallen as a result of this Congress' historic and unprecedented budget restraint.

According to yesterday's Congressional Budget Office mid-season review, this country's deficit has been cut nearly in half, and that is wonderful news for all Americans.

Mr. Speaker, making cuts is not easy. Just like making cuts and restraining ourselves from spending in our very own homes is not easy, but it is necessary to preserve the opportunity for our children's future.

Last year, here in the Capitol I had my two young children, Alicia, who is 11 and my son, Austin, who is 7, here in the Capitol watching what I do at work and it struck me how profound the decisions are that we make in this chamber and how critical sometimes the votes that we cast are to their future.

Mr. Speaker, we are here today for the future of our children. We possess,

each one of us in this Chamber, a voting card that is ironically just about the same size as a credit card, a Visa or Mastercard, that most Americans carry in their pockets. This credit card for 40 years has run up the deficit, a trillion-dollar deficit that we have now, bills that we are going to be paying in the future even if we were to cut spending drastically for years to come now.

We have a lot of catching up to do, Mr. Speaker. This voting card that we have has been put in the electronic voting card slots here for many years running up deficits that our children, as I looked at my children's faces last week, I felt very sad for the fact that we have so many years of catching up to do to cut spending so that we can preserve their future, Mr. Speaker, so that when they grow up, they still have the same opportunities that we have in this country now to live the American dream, as I did.

I come from a neighborhood, low-income neighborhood, primarily Spanish-speaking, on the south side of San Antonio, and I had no special privilege when I grew up. All I had was opportunity guaranteed by this wonderful country of ours. But at the time I was not saddled with the tremendous deficit that the Congress had left behind; therefore, as I grew up, and my father often had to work two jobs to send us to school, he was not faced with looming mega interest rates and deficits in his future that we are going to saddle our ability as a family to prosper.

That opportunity could be threatened, Mr. Speaker, in the future because if we keep running up the charges with these credit cards that we vote with, we are going to threaten the future for our children. My constituents understand this as well, Mr. Speaker. They know, I represent one of the poorest districts in the Nation, they understand how difficult it is to live on a budget.

These are tough choices that we must make and must continue to make. When we cut the deficit and we have a balanced budget, we are going to have lower interest rates for our children as well in the future. When they want to buy a car, when they want to borrow money to go to school, to go to college, when they want to buy, make that first purchase to buy a stereo or books for college or anything that they need to sustain themselves, they are going to have lower interest rates as we continue, as this Congress has done, in cutting spending to cut the deficit and balance the budget.

It is with our children's hearts in mind, Mr. Speaker, that I am going to continue working to cut spending in this Congress, because I know that is what the American people want.

I came from the private sector, never ever having held public office before being elected in 1992, and I remember what it is like to be in the private sector making tough decisions to balance the budget at your business, in your homes, at the dining room table each night having to decide what you have to do to make the future of your family sustain itself and not with a deficit but with a promising future because you are paying your bills as you are going along.

I promise, Mr. Speaker, that as long as I am here serving in this wonderful Congress, I am going to use this credit card wisely and continue to cut spending for the future of our children in this country because, Mr. Speaker, I ask if we are not here to do this for the future of our children, I ask what are we doing here, what are we here for in the first place?

REFORM WEEK HAS CEASED TO EXIST

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, Reform Week, it has been on a life support system for the past few weeks, but now the plug has been pulled and Reform Week has been officially terminated.

The Republican leadership announced less than 2 hours ago that Reform Week, the much-heralded and touted week that was going to turn the House of Representatives back over to the American people, has been postponed once again. This is the same Reform Week that had become the Reform Hour and now has simply ceased to exist.

What happened? Well, rather than actually engaging in real reform, the Republican leadership in this House had decided to bring to the floor of the House legislation that would not actually reform the system but, quite to the contrary, would make it worse.

Ten of my Republican colleagues circulated a ''Dear Colleague'' letter this week that said, and I quote, ''Instead of leveling the playing field in elections, this bill will result in greater incumbent protection. The bill actually increases the amounts that wealthy individuals can contribute to Federal elections.'' This is the letter. I am not making it up.

That is right, they are right. Under current law, an individual can give $25,000. Under the Republican campaign finance reform bill, an individual will be able to give up to $3.1 million. I have to repeat that because the magnitude is startling, it truly is. But it is not startling when you consider that the Speaker of the House said not too long ago that rather than less money in the system in terms of campaigns, we need more money into the system. That is why we had this piece of legislation.

Again, an individual will be able to give up to $3.1 million. Current law again, individuals can contribute $25,000. It is mind-boggling to think of how they have turned this concept of reform into something that is totally unimaginable to anyone here, let alone the American public who truly believes that we need to reform our campaign finance system, and we do.

This is not reform. As my Republican colleagues also said in their ''Dear Colleague,'' and I quote again,

> The average American will be left even further behind in the Washington money chase as they are frozen out of political process. Given the fact that only about 1 percent of Americans gave contributions over $200 or more during the last election, it is indisputable that raising the individual contributions limit will only increase the influence of the wealthy on our political process.

Mr. Speaker, no wonder the House of Representatives is at one of its all-time lowest approval ratings in history. The American people have lost confidence in this institution's ability to lead and in this institution's ability to do the right thing.

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We have no business considering legislation that will make it even harder for ordinary individuals to participate in the political process and make it easier for the rich to participate in this process.

This bill is a sham, just in the same way that Reform Week is a sham. Reforming the process has deteriorated into providing political cover to politicians who came to Washington and they promised to make a difference. Well, it is not going to work.

Even once again the Republican ''Dear Colleague'' says, ''The fact is that H.R. 3760; that is, the Republican campaign finance reform bill, will not give you political cover as we head into Reform Week.''

We do need to pass real campaign finance reform so that hard-working Americans can participate in the political process and that the special interests are limited in the political process. And doing that would go a very, very long way toward restoring the American people's faith in our ability to govern our own House, and it would restore their faith and put in the faith and the confidence and the trust that they would like to put in to those people who are elected every 2 years to do the people's business.

ORDER OF BUSINESS

Mr. MICA. Mr. Speaker, I ask unanimous consent to replace the gentleman from California [Mr. RIGGS] on the list of 5-minute special orders.

The SPEAKER pro tempore (Mr. HAYWORTH). Is there objection to the request of the gentleman from Florida?

There was no objection.

DRUG ABUSE AND LACK OF LEADERSHIP IN THE WHITE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, and my colleagues, I serve on the committee that has been dealing with the FBI files

misuse question and also serve on the subcommittee that deals with our national drug policy, and until today I never thought that the two issues would meet until I sat and heard the testimony of those who work for our Secret Service and viewed the proceedings in the White House.

What I learned was most disturbing and concerns me as a citizen, as a Congressman, and someone who has always held the White House in the highest respect. It is the Chief Executive Office of our land.

First, we heard the tales of an admitted drug user who ended up as the chief personnel security officer for the White House, an unbelievable tale in the White House Legal Office of ignoring the details of this individual's past in placing him in such an important position.

I have come to the House and talked with my colleagues and tried to call to the attention of the Congress and the country the situation with drug abuse and use and the lack of leadership from the White House, and today it really struck home what has been happening.

First, we saw the President take office, and then in a startling move, he cut the White House drug czar's office. He cut the staffing in the White House of the drug czar's office by 85 percent. That did not make sense. Then he cut drug interdiction programs, decimated them, that stopped drugs at their source countries, and that did not make sense and I wondered why. And then the President appointed as the chief health officer for the Nation, the Surgeon General, an individual who said to our children and the American public, ''Just say maybe. Maybe drugs are OK.'' And that did not make sense and I wondered why.

Now I see this pattern of people who are in the White House, and most disturbing we learn today that the situation got so bad with people coming in that even the Secret Service, and these are people coming in with drug use and abuse histories, and some, it appears, current activities, that, in fact, the Secret Service demanded that some action be taken. And only after, through what has been called some remedial action, instituting a program within the White House, was something done.

This administration has talked about regulating cigarettes and the harmful effects of nicotine, and this, I am afraid, has been a diversion. The real question is what has been happening with drugs, and we can look at the results. The results are that marijuana use among our children, our children, 50 percent a year each year since this administration took office. These are not idle statistics. These are facts.

If we look at what is happening, this chart shows here that in 1980 is when President Reagan just said no to drug use, and President Bush, and drug use with our children dropped. Here in 1992, it starts going up, and we see why.

Cocaine, heroin, designer drugs are at epidemic proportions with our young people, 8th, 10th, 12th grades, and we see that the lack of leadership is the lack of a policy in the Chief Executive Office of this land.

If you are a parent, you should be concerned. Our children's drug use is dramatically up. If you are a minority, you should be concerned. Our jails are packed with minorities. In Washington, DC, we have a record number of killings. And throughout our land, every time you turn on the news you see the mayhem created by drugs, and 70 percent of those in prisons today are there because of a drug-related incident, and the President has failed to mention this or make this a priority.

Let me cite this statistic here. He gave 1,628 statements in 1993 and only mentioned drugs 13 times. In 1994 he gave 1,742 Presidential statements and only referred to drug use or drug abuse 11 times.

We see this pattern that has not been a priority of this President. It has not been a priority of this White House. What we must have is a President that will lead this Nation and people in the Chief Executive Office of this land to lead by example.

WELFARE REFORM LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I just wanted to spend my 5 minutes tonight talking about the so-called welfare reform legislation that we will be voting on tomorrow, and that debate was started on tonight.

I intend to be very critical of the Republican leadership proposal which has been brought up on the floor and to praise, if you will, the bipartisan alternative that has been put forth by the gentleman from Delaware, Congressman CASTLE, who is a Republican, and also the gentleman from Tennessee, Congressman TANNER, who is a Democrat.

When I talk about welfare reform, and I discuss it with my constituents in my district in New Jersey, what I hear is that most of my constituents feel that in the process of welfare reform children should not suffer, children should not be harmed in any way.

What my constituents say they want is they want to get people off welfare to work and to have a future for themselves and a certain pride in the fact that they are working for their families. They do not necessarily think that welfare reform should be money driven; in other words, that we should use welfare reform as a way to save money. They seem to be more concerned about the need to change the social fabric, to eliminate the so-called welfare mentality.

My point tonight is that the Republican leadership bill, which we are going to be voting on tomorrow, I think falls short in terms of what my constituents want. In fact, it is tough on kids. It makes kids suffer. It does substantial harm to children, and it is very weak on work. It does not really do very much to get people to work or make it possible for them to work.

The Castle-Tanner bipartisan substitute, I think, is just the opposite. It achieves the goals of trying to get people off welfare and working, and, at the same time, making sure that kids are protected, that they are not suffering in terms of food nutrition programs, housing, or the other things that would keep them healthy and prepare for their future.

Now, let me just give an example. The Republican leadership bill would probably push more than 1 million children into poverty, just the opposite of what most of my constituents would expect it would do.

When it comes to the work program, which I say is rather weak, the Congressional Budget Office says that no State would be able to meet the work requirements in the Republican proposal given the resources or the lack of resources that the bill devotes and gives to States so that they can train people and get them into productive jobs.

The worst example, though, is with regard to the Food Stamp Program. I do not think that any American would think that the purpose of welfare reform would be to cut back on the amount of money that the average welfare recipient has available to pay for food, particularly for their children.

The Center on Budget and Policy Priorities did a study, which was issued today, and it says that the Nation's poorest households, those with incomes below half of the poverty line, would lose an average of $650 a year in food stamp benefits under the welfare legislation now before Congress, the Republican leadership proposal.

The study also found that working poor households, and these are people that are working, that receive food stamps, because we know many people get food stamps who are not on welfare; in other words, they are not on Aid to Families with Dependent Children, they are actually working, but what the study found is that working poor households that receive food stamps to help supplement their low wages along with the elderly poor and poor families with children would lose several hundred dollars a year in food cash assistance as well.

The welfare bills coming this week to the House and Senate floors contain $28 billion in food stamp reductions over the next 6 years, with many of those reductions being achieved by across-the-board cuts that affect all groups of the poor. What the report basically says is that a large share of the welfare bill's food stamp savings would come from across-the-board food stamp benefit cuts with only 2 percent of the food stamp savings in the bill coming from provisions to reduce administrative cost, curb fraud or end benefits for people failing to comply with work requirements.

I think that is what most Americans think, that with reform we would say that if you do not work then you lose your benefits or that we would try to get at the welfare fraud or curb the cost of the bureaucracy administering the program. That is what is happening here.

What was supposed to be a historic effort to balance the budget has deteriorated into legislation that does relatively little to reduce the long-term deficit, but would substantially increase the depth of poverty and likely cause substantial numbers of poor children and elderly people to fail to secure adequate food and nutrition.

Now, the Castle-Tanner substitute, which I will be supporting tomorrow, basically ensures that States would be able to meet the work requirements in the bill by providing $3 billion in additional mandatory funds that States can access in order to meet the cost of moving welfare recipients to work.

It costs money to get the States to train people to get them to work. That is why we need the Castle-Tanner substitute. We need a program that is going to get people to work and not hurt the children.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

[Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

[Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MANZULLO] is recognized for 5 minutes.

[Mr. MANZULLO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORAN] is recognized for 5 minutes.

[Mr. DORNAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CAMPAIGN FINANCE REFORM POSTPONED

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. FARR] is recognized for 60 minutes as the designee of the minority leader.

Mr. FARR of California. Mr. Speaker, I rise tonight during this hour of special orders to bring to the attention of this country, and particularly to my colleagues in this House, what is going on here in Washington, what is going on here in this Congress at this moment.

We heard earlier speakers talk about this was going to be the week that has been postponed, and it had been postponed that we were going to have Reform Week, where Congress was going to address all of those issues that the constituents of this country, the people, have said are broken and need fixing. This was the week to fix things.

Just hours ago we were told that the issue that we have all been waiting for, one of the biggest issues facing the United States in this election year, campaign reform, has now been taken off the table.

□ 2145

Postponed until next week, and who knows, if not taken up next week, maybe indefinitely. I am here tonight to talk with some of my colleagues about the importance of campaign reform. I am serving in my 21st year of elective office, having been in local government, State government. I do not think there has been a time in those 21 years when people did not ask me what we are going to do about campaign reform.

In California, a big State, we have done a lot. It certainly is not enough because there are two measures on the ballot this November that will radically change campaign law for election to State and local office. Perhaps the one that is most focused on is the Federal law that governs all of us who get elected to the United States Congress.

This is an issue that we have been working on for many years. My colleague, MARTY MEEHAN, from Massachusetts, has been a strong voice from the moment he arrived, talking about the need for Congress to address campaign reform. Indeed, he led a bipartisan effort to put together a bill that he spoke about earlier tonight that had about an even number of Democrats and Republicans cosponsor it.

The Republican leadership will not even allow that bill to come to the floor for a vote. Why? Perhaps Mr. MEEHAN might want to join me here in discussing why his bill cannot even get to the floor, and I yield to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. First of all, Mr. Speaker, I thank the gentleman from California not only for reserving an hour of time but also for his efforts on campaign finance reform.

The Committee on Rules is meeting right now and taking all kinds of testimony, so you never know, maybe they will come up with a rule that will allow a debate on this bill.

I think that one of the things that many on the Committee on Rules are afraid of is that the President will sign the bill. President Clinton has said when he spoke in the State of the Union address that we needed campaign finance reform and he specifically mentioned the bill that I have been working with LINDA SMITH from Washington and CHRIS SHAYS from Connecticut. It is a bicameral and bipartisan bill.

He challenged the Congress to pass that bill. I cannot help but think that part of the reason is, President Clinton has said, I am going to sign campaign finance reform if it limits how much money is spent in congressional elections and begins the process of trying to lessen the influence of special interests.

There are some times, with all respect, I think that the Republican leadership down at the Committee on Rules are afraid the President will actually sign the bill. Would that not be something?

Mr. FARR of California. Well, I think what your bill and my bill, which is very similar to it, very minor differences, frankly, our bills, we are relatively new to Congress, but our bills are based on what this House has been able to produce in the 103d Congress, the 102d Congress, the 101st Congress, going all the way back to 1988 to the 100th Congress.

The Democrats have led in putting our campaign reform bills that are very much similar to the bill that we are trying to get on the floor now and in fact had gotten through this House, and every time they have been blocked by the Republican leadership. In fact, in one case in 1992, President Bush just before the Presidential elections in 1992 vetoed the campaign reform passed by both the House and the Senate.

We are back at it again, and I think what is so shocking about where we are now, because some of the controversies in that bill were that you had vouchers, essentially the process where taxpayers would help pay for the cost of campaigns and that was always very controversial. Took those out. No longer in the bill.

And what do we see come along from the other side? Nothing about reform. There is no reform in the Republican leadership bill. There is no reform in the reform week of the Republican dialog. We are here tonight, three colleagues who are down in the trenches fighting for these issues and I think we are befuddled, we are just amazed that the bill they brought forth this week essentially allows you to auction off seats in the U.S. Congress.

It says, if you have got money, come on down. Buy yourself a campaign seat. Move into a district where there is a poor person living or does not have much wealth. Use your own wealth, because you know to run for Congress, interesting thing that a lot of people do not understand, the first time you run, you do not have to live in the district. You can move in and I would not be surprised if there was not an attempt to sort of organize people around this country to say, hey, you with a lot of money, if you really want to get a seat in the U.S. Congress, go find a district under the Republican campaign reform bill that would allow you to use your own money to get elected.

There is no reform in the Republican bill, and we are here tonight appalled not only at that, and we will go into some of the details, but I think to also express our dismay at the fact that we could not get reform week dealt with, we could not get your bill on the floor, and who knows whether we will ever get our bill, the Democratic majority bill on the floor.

Mr. MEEHAN. Mr. Speaker, another point I wanted to make, we were new to this Congress in the 103d Congress. I was part of the largest freshman class since 1946. We did not get campaign finance reform because the Republicans in the U.S. Senate filibustered so that bill died.

But I cannot help but remember the freshman Democrats running for reelection and nearly half of them lost. That is how the Republicans got control of the House. Half of the freshman class lost. There is a message there for Republican freshmen in this Congress. If this Congress cannot produce a campaign finance reform that, No. 1, limits special interests and, No. 2, caps how much money is spent, there is no question that the American people are going to respond and respond quickly and decisively in November.

We have seen this in the past. We have seen an inability and the public reacts to it. I feel strongly if this Congress or this House does what it looks like it is going to do, which is nothing, then the November elections will be an opportunity for the American people to respond.

Mr. FARR of California. I agree with the gentleman. I want to defer here for a moment to our colleague, FRANK PALLONE, who has been in this well many, many nights. We just heard him on the concern of welfare reform. I really appreciate it. I think he pointed out to us that in that debate we have a lot of people to come down to the well as conservatives who seem to know the price of everything and the value of nothing. Transfer that into campaign reform and that price tag is in their favor. I appreciate you coming tonight to discuss this issue.

Mr. PALLONE. Mr. Speaker, if the gentleman will yield, I just wanted to day to the gentleman from California that I appreciate both your efforts, initiatives, as well as the gentleman from Massachusetts, in trying to come up with real campaign reform. As the gentleman from Massachusetts says, we have actually had the opportunity when the Democrats were in the majority, and I have been here, I guess this is my eighth year, we have had the opportunity in those prior Congresses when the Democrats were in the majority to vote on real campaign finance reform. I am not as optimistic as the gentleman from Massachusetts is, though, that the Republican freshmen who were voted in overwhelmingly in 1994 are necessarily going to be voted out because they do not campaign finance reform. I think that what they are counting on, at least what the Speaker and the Republican leadership are counting on is just being able to raise so much money, massive amounts of money from both special interests as well as wealthy individuals to just basically have those Republicans who are now incumbent be able to outspend their Democratic rivals, 2, 3, 4, 5 to 1. The sky is the limit.

I think that this effort in the so-called Republican reform bill, which has now been postponed maybe indefinitely, was to accomplish just that, to make it possible for more money to come from wealthy people. We heard some of the speakers earlier say that instead of a campaign limit of $25,000 per election, you could actually spend, an individual, up to over $3 million under this Republican proposal.

The reason I believe very strongly why it did not, is not coming to the floor tomorrow is because they could not get the votes. Once people started to realize, both on the Republican side as well as on the Democratic side, that this was going to be possible and that what this really was is to bring more cash from wealthy people into the races, a lot of people balked.

We had, I do not know, I guess about 10 Republicans who initially sent out a letter to their colleagues pointing that out and saying that the bill should not be approved. I would be very surprised if we see it again. I think that they have been embarrassed, essentially because of your work, Mr. MEEHAN's work, pointing out the flaws with this legislation.

I just wanted to say very quickly that a lot of times I think that maybe people do not understand practically what all this means. If I could just give a brief example, some of which reflects upon my own races that I have run for Congress.

I think what we are seeing more and more, and Mr. FARR, you mentioned it, is that you either have to be very wealthy and just spend your own money, unlimited funds to run for Congress, which increasingly more and more people do, or you have to be this person who maybe is not personally that wealthy but is in a position where you can tap very large contributors.

Without mentioning names, I ran against someone in one of my races who had a chain of stores, and he basically was able to get thousand-dollar contributions from each of the vendors or people who dealt with this business so that when I looked at his FEC report, it was just the maximum thousand-dollar contributions from quite a few individuals.

So what you are leaving out basically is the person who has their own means, their own resources, or who is not in a business or in a position where they can tap those very wealthy individuals for those thousand-dollar contributions.

If you change the law, as the Republican leadership has proposed, so that now instead of $1,000 that individual can get $2,500 or some of the other things are in this bill, you are just making the situation more and more that you either have to be spending your own money or you are just tapping these very wealthy individuals. And I think it is unAmerican. I really do. I think a person should be able to run for Congress regardless of their financial means. I think most people think that, but increasingly it is not the case.

The ideal situation that I would like to see, and I have actually voted on it, I am not saying that everyone agrees with me, is to lessen the impact of any particular type of source of funding. In other words, you have a maximum cap, if you will, on total campaign expenditures. You say that only a certain amount can be raised with large individual donors, only a certain amount with political action committees and a certain amount with small individual donors. So you have sort of a diversity and combination of money coming in so there is not a dependence on any one source.

Then you have an overall cap. I would go so far as to say that should be matched with public financing, although I know everyone does not necessarily agree with that. But this effort by the Republican leadership to tip the scale more and more toward very wealthy people contributing is definitely going to wreak havoc on the system and make it impossible for people of average means to run for Congress.

Mr. FARR of California. I would like to follow up on that point because the bill that we designed, I think it is important to point out, the Democratic bill and the bipartisan bill limit the amount of money you can spend in an election. ''Limit,'' you will not find that word in the Republican bill. The word ''limit'' is not there.

What we have tried to look at in tailoring this bill, and frankly, you know why it has been so difficult, because everybody who got elected to Congress is an expert on how they got here. And everybody has their own way. And they are biased in one way or another. So it is very difficult to put together a bill that can garner enough votes to get off this House, but history has shown that Democrats have been able to do that.

Let me point out quickly what we do here. The Supreme Court has said you

cannot limit free speech and free speech is, essentially, you cannot limit what people want to spend by themselves or others want to spend on you unless you can show that that money is corrupting. And some of us argue that massive amounts of money do corrupt. But that is a debate yet to be held in the court.

We have approached this saying, however, the court has never said, and we think it is constitutional, that if you voluntarily limit yourself and say, I want to run for U.S. Congress and I am going to operate under this proposal that we have here, that we are offering, that says, OK, you cannot spend more than $600,000. You limit yourself to that. You challenge your opponents to limit themselves to that.

Once you have done that, that triggers the mix that you are talking about. OK, $600,000 is all you can spend. That is a lot of money. That is over a half a million dollars. That is what was the average to get elected, in 1994, to the U.S. Congress. You have districts like New York and Los Angeles and Chicago where you go out and buy media and radio and television, much more expensive than buying it in very small rural areas. So some campaigns are more expensive and some are less. But that is the average, $600,000.

You say, all right, of that $600,000, going back to your mix, only a third of it, $200,000, can be raised from political action committees. By the way, we limit the amount that any one political action committee can give to you. We lower the current law rate. We say, OK, the other third, up to $200,000, can be raised from what we call wealthy contributions. We define those as anybody who can contribute $200 or more.

The final third can be raised or even more can be raised by small contributions, but in no way can the small, large, and PAC contributions in aggregate exceed $600,000.

□ 2200

So we have the mix there. You cannot be unduly influenced. We have limits there. And that is so important to beginning a step about campaign reform.

And lastly let me say one of the things that really bothers me about the Republican bill.

It sounds like good government, and I think a lot of people listening will say it is. They require that if you are going to run for Congress, you have to raise 50 percent of your money in your district. That sounds good, in your district. But think about it for a minute. What if you live in a really poor district, and because in their bill they put no limits on what an individual can contribute, and by the way in our bill you cannot contribute more than $50,000 of your own money. So if you are a very wealthy person, you are limited if you want to go by the campaign reform limits. But they do not do that.

So what you are doing is you are saying this is where you get into this debate about the fairness of this in-district stuff, and you will find if you go around in Congress, it is not the people that have the money that are worrying about this. It is the people that come from districts that do not have the money that are very worried. They are worried that they are being penalized.

I have to raise my money from my district, and I can have my opponent spend any kind of money they want and get help from their party on a national level on top of that. The reform bill, the bipartisan bill, was fair about that. They addressed it and say you have to raise the money in your State. They did not limit it just to your district.

So I think, frankly, if we go back and look at the Republican effort and why it is so threatening, so damaging, to representational government is—and you listen to the people who got elected, people of color, women, the things that the kind of people that ought to be in the United States Congress—we ought to be reflective of the people we govern out there, and frankly we know, sitting here tonight, and, you know, three white males; that is the dominant composure of the United States Congress. That is not the dominant composure of the American electorate.

Mr. MEEHAN, If the gentleman will yield, to follow up on that, not only those from poorer districts, but what has also happened with the recent United States Supreme Court decision relative to political parties making contributions in districts, this bill would allow, the Republican bill, would allow hundreds of thousands of dollars of special-interest contributions that a party would raise and go in and basically try to buy that election.

Well, why would they want to do that? Well, they want to do that because they are out-raising Democrats by record numbers. Why are they outraising Democrats? Because we do not have hearings any more in the House of Representatives. All of the legislation that we are dealing with, somebody decides over here or over there without a hearing, behind closed doors, and then it comes to the floor, and we see that the very interest that we are to be protecting people against have helped write the bills. And those same interests time and time again show up on campaign reports, show up contributing to the parties, and then the parties are going to be able to take this money and influence individual districts all over America. That is taking the power away from individual districts and bringing it into the party bosses in Washington where they will determine whether it is 2 or 3 or $400,000 in negative ads or whatever they are going to decide.

That is exactly what the American people do not want. They do not want Washington to be determining who wins a congressional election. They want to decide those races at home.

So that is the other point on that, this bill that would, according to the Republican bill, an individual could conceivably donate $3.1 million to State and national parties cumulatively.

Think about it.

Mr. FARR of California. That is each year.

Mr. MEEHAN. Each year. Absolutely, each year. Can you imagine how much money that is?

So you have all of these millionaires contributing up to $3 million to the political parties, and then the parties, taking that money, using the recent Supreme Court decision and funneling millions and millions and millions of dollars into individual districts all across America from Washington to tell them in the form of 30-second ads who they should elect to Congress.

It is exactly the wrong message; it is exactly the opposite of what the American public is demanding.

So this bill is without—this Republican bill is a disaster, and the Democratic bill and the bipartisan bill are very, very similar in that for real campaign finance reform you have to do two things: One is you have to limit, do voluntary limits, the overall amount of money that is spent. Second, what we need to do in America is try to find a way to limit the role the PAC's are playing. Both bills do; there is no question both bills do that. Unfortunately, this Republican bill does nothing but infuse millions and millions and millions of dollars from millionaires.

I mean do millionaires not really have enough influence in America? I think most people in America would say that they already have enough influence in everything we do. For crying out loud, the tobacco lobby has contributed $10 million in the past 10 years to Members of Congress. If you look at how much money they have contributed to the Republican Party since they have gotten in office, it has grown dramatically.

So that is what this is all about. It is about Republican Party takes control, raises millions and millions of dollars setting all kinds of records and then says, well, we want the person with the most money to win.

Mr. PALLONE. If the gentleman would yield, I think in many ways the most significant thing that both of you mentioned was—and specifically, Mr. FARR mentioned—that none of the Republican bills, and maybe I should not say none, but certainly none that I have seen, actually have a cap on campaign spending, and that is what is really so important. Whatever means I think the Republican leadership can find to try to spend as much money as possible is what their real goal is here, and that is why they are bringing forth this bill or tried unsuccessfully so far to bring forth this bill that allows so much more money to come from large contributors.

I just had this quote, which I looked at before but I just have to read again, where Speaker GINRGICH calls for more money in politics, not less, and it is

from last year where he said one of the greatest myths of modern politics is that campaigns are too expensive, the political process in fact is underfunded. It is not overfunded. I would emphasize far more money in the political system.

Now that says it all. I mean he just wants more money to be available and more money to be spent, and the whole idea, the cap on campaign expenditures, is anathema to him and, I believe, to the Republic leadership, and that is why you are not going to see a cap. Regardless of the mix that is achieved to reach that cap, you are not going to see that cap in something that they support because they just do not think they want to spend more money.

Mr. MEEHAN. If my colleague will yield, that point is right on point and exactly the truth. Since the beginning, Republican leadership has been wedded to the special-interests corporate contributions that drive their agenda. That is what they have been wedded, protecting big tobacco, sheltering corporate subsidies, promoting environmental regulation and rolling back environmental laws. These goals are not driven by the views of the American people, they are not driven by the views of the public. They are on the high-priorities list of the biggest contributors to the Republican Party.

That is was this is about.

Mr. FARR of California. And look what has happened this year and last year. What we have seen here and why we even need to have a reform week is some of the abuses of this institution that have been carried out by this leadership, lobbyists literally sitting and writing the bills, not the paid professional staff of Congress. Lobbyists and former Members who are lobbyists being able to be at the dais during a debate, the fact that the attack has been on sort of the monied interests, the money interests that would rather cut it out for us rather than preserve it, the money interests that would rather pollute our drinking water than clean it up, the money interests that would rather keep minimum wage from being passed and signed into law, the money interests that would like to make sure that welfare reform is all about just making people work, which is fine, but who is going to provide the jobs out there?

So you begin to see that there is a very conservative agenda building in Congress, and that agenda is only thwarted by the fact that this room is made up of a awful lot of diverse people who come here with viewpoints different from just a one standard cookie-cutter financial bottom line ''what is in it for me,'' and that has been able to make the Congress the vibrant place that it is.

If you do not like the product that is coming out of here and the product that the Democratic leadership is adding here, you want to change that, and the best way to change that is to change the Members of Congress, and if you can make those Members of Congress more reflect just that bottom-line mentality that everything has a price tag on it, there is not a better way to do that than the campaign reform bill, the campaign—no reforming it—the campaign bill that has been introduced by our colleague, Mr. THOMAS.

Mr. MEEHAN. If the gentleman would yield, let me just get into a couple of specifics. These are probably the five worst things about the Republican bill. But the Republican bill vastly increases all of the—nearly all—of the contributions set in current law.

Reforming campaigns, let us face it. It is about limiting the influence of money, not expanding it.

The Republican bill would also allow an individual to contribute $310,000 to campaigns in political parties in a single election cycle. That is more than 10 times the current legal limit.

Now, we have already mentioned that according to the Republican bill, an individual could conceivably donate $3.1 million to State and national parties cumulatively. The Republican bill also codifies the soft-money loophole in the current law, which is how millions and millions of these dollars slip in. It is through the soft money.

The Republican bill also vastly increases the role of national parties in local elections. That is a move that would clearly benefit the Republican parties because, as they are in the majority, raising millions and millions of dollars, they are hoping, as we said earlier, that they can buy close elections because of all of the money they are raising.

Those are five of the worst reasons, worst things about this bill, and I think the reason they cancel Reform Week, and let us be clear about this. How long have we been hearing about Reform Week? We are going to straighten everything out in Reform Week, we are going to limit how much money is spent, we are going to change the system, we are going to change the way Congress does business.

Nonsense. Here we are. It is Wednesday night at 10:15 Washington time, and we do not have Reform Week. The Committee on Rules is up considering a bill that goes in the opposite direction.

NEWT GINGRICH is one of the only people in America that thinks you reform the system by putting more money into it. It is absolutely ridiculous, and I cannot imagine the response of people in this country over the next few days when they realize Reform Week was a sham, it never happened. Maybe some day next week, maybe next month, maybe next year.

I think the American people are going to respond very, very angrily to what has happened here tonight.

Mr. PALLONE. If the gentleman will yield, and I have to confess that I am going to have to leave after this remark, but one of the myths that I constantly hear from the Republican leadership is this notion that somehow individual contributions, large individual contributions, are not exerting influence on Congress or on politicians the way, for example, that political action committees would, and to me it is sort of ironic because I do not really put a tag on any particular kind of contribution. I really think that what we need to do is to create a diversity of contributions and limit the overall amount of money that is spent which is essentially what your bill would do, Mr. FARR.

But this myth that somehow if someone gives a thousand dollars individually, that is clean, or under this Republican proposal that they give $2,500, that that is clean, but a PAC is not clean or some other method is not clean. And I always think to myself, if there is a large corporation and the individuals in that corporation contribute to the political action committee and then a check was written for $5,000 to a Congressman from that PAC so to speak, how was that any different from the five individuals or ten individuals each; you know, the chairman of the corporation, the president of the corporation, the various vice presidents of the corporation, each writing an individual check for a thousand dollars, or in this case, you know, as they proposed it would be $2,500. The ability of people to influence is no different whether they are running an individual check or they are contributing to a political action committee.

I think that the answer is to simply limit the overall amount that can be spent and the amount that can be contributed, if you will, from these individual sources so that if you say, for example, that a PAC can give $5,000, but you require that a lot of that be small donations, OK, maybe that is some sort of reform, or if you say that, as you propose, that you can only have so many individual large contributions or so many PAC contributions, that is reform. But they keep, the Republican leadership, keeps putting out this notion I call a myth that individual contributions are somehow OK and that they are not going to influence people, and therefore it is OK to increase them and perhaps to almost unlimited amounts, and it is simply not true. There is no difference between the president of the corporation writing me a check and having him contribute to a PAC that writes me a check. I do not see it, and I know for a fact that a lot of times when individuals contribute to your campaign, and particularly if it is a large donation, a lot of times they expect, you know, to have access or to be treated or, you know, to have your ear just as much or if not more than some of the other special interests that contribute through a political action committee.

□ 2215

But we keep hearing this from the Republicans, it is okay to keep coming with those individual large contributors.

Mr. FARR of California. Mr. Speaker, before the gentleman leaves, I just want to comment, and I think it is true in your office, and I would be curious to know, we have received 362 letters in favor of limiting campaign finance in congressional campaigns. We have received two to suggest we ought to spend more money, or are opposed to the limits. It is running over 150 to 1 in favor of exactly what we are doing.

I presume your mail is in the same category, so what boggles my mind is how do you come up with a bill they have come up with that goes just opposite, that blows all the lids, takes all the limits off current law and says just more money, more expensive campaigns, money buys influence, let us get more of it?

Mr. PALLONE. I really think what happens, Mr. Speaker, is that the Republican leadership takes advantage of the fact that the campaign finance system is a complicated structure and that most people really do not understand how it applies to individual races. We understand it because we are in it, but a lot of people do not. So they just try to basically throw out to the public these myths.

I am very glad to see that this latest effort on their part to try to basically raise the individual limits and get so much more money into campaigns have been exposed. As I think I mentioned before, or maybe I did not, we have all the public interest groups opposing this bill: Common Cause, Public Citizen, the League of Women Voters. There was an editorial in the New York Times today, as well as in a lot of my local papers, criticizing the proposal. We even have some of the Republicans who put out a letter opposing it.

We are sort of fortunate, in a way, that this has been exposed for what it truly is, a way to try to put a lot more cash into the campaigns. But I think a lot of times it is a complicated subject, and it is very difficult sometimes to make people understand how it works in practical terms.

That is why I think it is so important to do what the two of you are doing tonight, by trying to expose it for what it really is.

Mr. FARR of California. I appreciate you coming down tonight. You have a family, it is a little late, and you have young kids at home. I hope you will get a chance to see them tonight with the little time that is left. That will leave the gentleman from Massachusetts [Mr. MEEHAN] and myself here. We have been two of the sponsors of the major alternatives to the bad bill that we have been talking about all night.

I want to just publicly thank you for the effort that you have had in leading the bipartisan effort to bring a sensible bill to the floor for a vote, and hopefully you will get that vote. I am certainly supportive of it. If that is not successful, then the bill that I have authored, which is just about the same bill with some minor changes, I hope will prevail in lieu of that.

Mr. MEEHAN. Mr. Speaker, if the gentleman would yield for just a minute, we have been working hard on this bipartisan bill. The gentleman from Connecticut, CHRIS SHAYS, and the gentlewoman from Washington, LINDA SMITH, ironically enough, LINDA SMITH and I, for example, we do not agree on very much. She is a conservative Republican and I am a more progressive Democrat. But the one thing that we do agree on is the fact that we will never get to balance the budget fairly, we will never get decisions made in Washington on the merits until we change the campaign finance laws.

It is really frustrating to be here again, near the end of another session, and see all the publicity that the Republican majority got about having reform week and see it turn into nothing but a total fluke, a sham. They are not going to do it. It is just really, really frustrating.

The one thing about it that I think that the American people get is that the worst thing that we could do is nothing. The worst thing we could do is to publicize a reform week and then have nothing. I think ultimately the American people will have their say. It may be a complicated issue, but they understand that we need less money, not more money, spent in the electoral process, in elections in this country. They understand we need to level the playing fields so that people of average, modest means are able to get onto the people of average, modest means are able to get onto the ballot in districts all across America; whether they are liberal or Democratic, Republican or conservative, are able to get on and run for Congress. That is what democracy is all about.

As long as we have the corrupting influence of millions and millions and millions of dollars being spent on these campaigns, the American public is going to be suspicious of decisions that have been made. I think ultimately, maybe it will not be this Congress, but I think ultimately the American people are going to demand the type of reform we have been fighting for.

Mr. FARR of California. I appreciate my colleague's passion on this, Mr. Speaker. The gentleman got married last weekend and he is down here giving up part of his honeymoon to be here and talk about reform week.

Mr. MEEHAN. I thought we were going to be here to do reform week. I have been working for 3 years. I can just imagine my wife at home saying, wait a minute, they are not doing campaign finance reform. You told me you had to be there for campaign finance reform. But what are you going to do? The Committee on Rules just a few hours ago made the decision to block again changing the way our campaigns are financed. I guess the priest said forgiveness is important, so hopefully she will remember that when she finds out that campaign finance reform again ended up on the back burner.

Mr. FARR of California. I think the biggest tragedy that would be caused by a vote on the Republican bill, if that ever became law, is that I think it would kill the very dream that people have when they come into this building that they or maybe a relative or son or daughter, and certainly as I talk to, I know you talk to all the school children that we meet with every week, and I would like to instill in them that there are ordinary people serving in Congress, and that they too, maybe not even knowing it at young school age or high school age or a young student in college, that they could someday serve in the United States Congress, because if they look around, that is what this Congress has been made up of.

I think that the bill that is being debated in the Committee on Rules to be brought to the floor as the major bill, as the Republican leadership bill for campaign reform, would kill the opportunity for ordinary people to become Members of Congress. That would be the greatest tragedy we could ever perform on this institution that we are so proud of.

Mr. MEEHAN. There is no question about that. I did get married last weekend, and I come from a large family, and my father worked as a compositor at the Lowell Sun, and my mother raised 7 children. I am very fortunate to have the opportunity to have been able to get elected to the Congress.

Could you imagine a system where the political parties, the bosses in Washington, determined, well, we are going to spend a few hundred thousand dollars in the Fifth District up in Massachusetts because we do not want to see this former prosecutor get elected. I never would be here, and there are a lot of other people who would not be here if we had a campaign finance system that allowed an individual person to contribute $3.1 million to political parties all over the country, and then those parties can funnel this money into congressional races.

There is no way that a lot of people would be here, and increasingly, more and more people are getting elected to Congress because of money. It is the wrong direction. The American people understand that. They feel that. They may not understand the intricacies of election law, but they know that we need less money, not more money, in the system. That is why the Republicans are going to have a lot of difficulty getting the votes on this ridiculous bill to increase the influence of money in American politics.

Mr. FARR of California. Mr. Speaker, I appreciate the gentleman's remarks. I want to continue on, because we have in the gallery tonight guests that are here watching this debate, and I think we see night after night people coming here to watch.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the gentleman that he should refrain from references to the guests in the gallery.

Mr. FARR of California. Thank you, Mr. Speaker. People come here from all

over the world to watch Congress in session. It is an opportunity to see how in this country laws are made.

What we are about tonight is the special order talking about what is going on in a room upstairs here called the Committee on Rules room, where they determine the rules to bring bills to the floor: whether the bill will come to the floor, what kind of amendments can be offered to the bill, how much time there will be for debate, whether the amendments are in order.

As we saw, this was the promise that this would be the week that these issues would all be addressed on the floor. We are here at almost 10:30 at night in Washington, DC, and we have no resolution to this promise that was made to this Congress.

Mr. MEEHAN. Mr. Speaker, if the gentleman will continue to yield, I guess the only promise we have is that we are not going to have reform week.

Let me also say one of the reasons why there was reform in terms of what happened on the floor of this House when television cameras were brought in, the American people got an opportunity to see what happened firsthand, was to get people involved in the process. I think once the American people hear the debate on this floor, they are going to respond to the fact that the Republicans have not done anything about reform week.

Not only that, you mentioned the letters in your office. Clearly the American people who watch the debate on the floor here day in and day out, and there are thousands who do, who watch the debate day in and day out, will be appalled to find out that we are doing nothing on campaign finance reform.

I wanted to mention one other thing, Mr. Speaker. I mentioned the tobacco industry, because I have been involved in the whole issue of trying to prevent kids in America from being susceptible to tobacco, a product that kills over 400,000 people a year in this country. One of the difficult things about that battle is the amount of money that tobacco companies invest in political campaigns and in the political parties.

When I see a bill come before the Congress of the United States at a time when States all over America are increasing the tax on cigarettes, we are still providing subsidies to tobacco companies. Guess what? Every time there is a proposal that comes before the floor, it loses, to end these subsidies.

The assault weapons ban. That debate that we had on the floor of the Congress on assault weapons I felt was really an appalling debate. There was a press report that shows that there were Members in the majority, the leadership are the party that made commitments to the NRA and other groups that we would have a vote to reverse the ban on assault weapons. No one in America wanted that assault weapons ban to be repealed. All of the public opinion polls were against it. Even in the U.S. Senate they did not take up this battle. Senator Dole said, ''I want nothing to do with it.''

What did we do? As a payback to over $300,000 that were contributed by these interests, the NRA and other interests, we have a debate for an entire day on repealing the assault weapons ban. Think of it. We pass the toughest, smartest crime bill, bipartisan, by the way, and Republicans helped pass that bill, as well as Democrats did. We pass it, and then in this Congress there were compliments made in the last election, all kinds of money invested, literally millions of dollars invested in special interest gun lobby money, and we spend an entire day voting to repeal the assault weapons ban.

As far as I can see, Mr. Speaker, that was nothing more than payback time. I said that at that time. We had a whole day debate over it on a Friday. And here we are, trying to debate one of the fundamentally most important reforms a country like ours could ever institute, campaign finance reform. And guess what? The Committee on Rules is up there determining we are not going to debate it this week, we are not going to deal with it. They were only going to give us an hour or so on it anyway.

I just think back to an entire day on repealing the assault weapons ban that was part of the crime bill, with bipartisan support. And here we are, and we cannot even get a vote on campaign finance reform. It is absolutely incredible to me and incredible to the American public, how that could happen.

Mr. FARR of California. It may speak to how bad it has gotten in Washington. That is that the interests that you just talked about and others really would not want a campaign reform bill. You can see them out lobbying against it.

What it would do, it would limit the amount of money that they could give any one candidate. It would require that if they put out bulletins independent of the candidate, that they would have to disclose those as a campaign piece. If they put out your voting record and said your voting record is good because it supports us or it is bad because it opposes us, that at campaign time could be considered a campaign piece, and they would have to be registered as giving an in-kind contribution to the candidate that it benefited. They do not like that. They do not want that kind of disclosure.

So this campaign reform really hits, the Democratic version hits at the very concerns that some of the biggest special interests and most controversial special interests in Washington have.

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On the other hand, the leadership bill comes to the floor with no limits. They could buy and sell and own campaign elections throughout America.

Mr. MEEHAN. Actually, if the gentleman will yield, I would never believe that the majority party would come in with a bill like that. I just never would have believed it. Let me just say there are a number of Republicans who are committed to campaign finance reform. I have worked diligently, day in and day out with the gentleman from Connecticut [Mr. SHAYS] and the gentlewoman from Washington [Mrs. SMITH]. They are fully and totally committed to campaign finance reform.

Mr. Speaker, the problem is with their leadership. The problem is when the Speaker of the House testifies before a congressional committee that there is not enough money being spent in the political process, that in fact we need to raise the limit, more than double the limits of what individuals can contribute. Then the problem is with the Republican leadership. That is what the American people are responding to. How is it that we have a leadership that promised to change the way Congress does business, has an opportunity to fundamentally change the way Congress does business?

The President has been asking for this bipartisan bill all year long, challenging the Congress to pass limits on how much money is spent, challenging the Congress to set some limits on special interest money. We lost by six votes in the bipartisan bill over in the U.S. Senate. If the House could pass real bipartisan campaign finance reform, I believe that it would result in action in the other body. But instead, we have a bill that even Members of the Republican party are embarrassed about, totally embarrassed.

Some of my colleagues read the Dear Colleague letter that was sent around by, I believe, 10 Republican Members, Republican Members who want to see real campaign finance reform. They are embarrassed and they are appalled. What do we do? We say, All right, if you guys are embarrassed, if you guys are appalled, we'll do nothing. Let's take it up later.

That never ever should have been done. We should have known it was coming when the Speaker testified before the congressional reform committee and said: Hey, look, we do not need to limit how much money is spent. We need to increase it so we can compete with Coca-Cola and the major companies.

We are talking about elections in a democracy. We are not talking about selling away to the highest bidder. We are talking about how we elect people to the U.S. Congress and whose interest they are going to represent. We are not talking about competing with Motorola or competing for billions of dollars in advertising on the television set. Absolutely the wrong message. We should have known this was going to happen as soon as the Speaker said he wanted to see more money in the process.

Mr. Speaker, I guess we should not be surprised, but I have to admit I am surprised that just 2 weeks ago the press releases were going out about reform week. And here we are, Wednesday at 10:30. Everyone is going home tomorrow at 4, and we have done nothing on reform, absolutely, positively nothing.

Mr. FARR of California. Reclaiming my time, Mr. Speaker, does the gentleman get the sense that this reform effort, so-called reform effort by the Republican leadership is actually imploding on them, that it is blowing up? Because we frankly have, between the Members that have cosponsored your bill and the Members that have voted for my bill in the past, we have enough votes to put our bill out. Frankly, we have enough time left where that bill could become law and signed by the President, and we have a letter from the President saying, if the measure gets to his desk, he will sign it. He is very supportive of the Farr bill.

I get the sense that one of the reasons we see a lot of this sort of slippage and speculation here that things are blowing up is because we really have a chance to do campaign reform because the American public has spoken. They want it. They like this bill. They like your bill. They like my bill. They like them so much better than the alternative that they have allowed their voices to be heard here in Washington.

The letters are coming in. The League of Women Voters, a strong advocate group here, nonpartisan, has let Congress know that they want to see campaign reform.

Does the gentleman have a sense that the Republican bill is really exploding in their face, so to speak?

Mr. MEEHAN. Mr. Speaker, it is interesting. I have talked to a lot of my colleagues on both sides of the aisle, and they say: Look, the President is going to sign campaign finance reform.

There are all kinds of different versions. But if it is true campaign finance reform, this President is going to sign it. I believe that. The President is willing to compromise. If he can get any kind of limits on how much money is spent, I think he is going to sign the bill. An I think that is what they are afraid of.

Mr. Speaker, what do they do? They come up with the only possible idea or notion to make the President not sign the bill. Okay, we will put more money in the process. Obviously the President is going to sign this bill. I am reminded of when the Congress rushed to pass campaign finance reform when President Bush indicated he was going to veto the bill. That bill got right over to the President's desk right away so the President could veto it, and everyone went home. But now we have a President that is over there at the White House waiting for a campaign finance reform bill, willing to sign it, pushing the Congress to try to get some kind of limits, and guess what? Congress is blinking.

There is not going to be a campaign finance reform bill that is going to go to the President's desk. I will tell the gentleman that there is no greater failure of this Congress that the inability of the Congress to get a campaign finance reform bill over to the President's desk. That will be viewed in history and by the American people as the single biggest failure of this Congress, to get that bill or some bill that the President can sign over to him. Republicans have come up with the only conceivable bill that the President would not sign, a bill that increases rather than decreases the influence of money in American politics.

So I give them credit for that. They have found a bill the President cannot support. It is a bill that increases the amount of money individuals can contribute.

Mr. FARR of California. Mr. Speaker, I am not sure they can even get enough support from their own Congress. Fortunately I do not think they will get the support.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield, I heard my colleague say some people over here were interested in the debate. I wanted to actually have a debate instead of people throwing softballs back and forth at each other.

Mr. MEHAN. Go ahead. Ask a question.

Mr. KINGSTON. The question is, as I have listened to my colleague and the gentleman who left earlier, and I believe we are in the same class, the gentleman is a freshman class Democrat.

Mr. MEEHAN. Could the gentleman ask a question?

Mr. KINGSTON. Absolutely. I did not want to derail it by just coming out. But the Democrats had a reform bill, Republican freshmen had a reform bill in the 103rd previous Congress. Then if I recall correctly, the Democrats controlled the House, the Democrats controlled the Senate, and President Clinton was in the White House. I am just kind of wondering why we did not have campaign reform then. If it is fair to blame it on Republicans at this point, why would it not be fair to blame it on Democrats?

Mr. FARR of California. I am glad the gentleman asked, because in the 103d Congress with a bipartisan vote, we passed a bill over to the Senate. It was very similar to the bill that President Bush had vetoed in 1992. That bill ironically was filibustered by none other than Senator GRAMM who blocked it from the conferees being appointed. It was again a Republican defeat of a Democratic bill as it had been in the 102d, in the 101st and 100th Congress, every one of those Congresses.

Mr. MEEHAN. If the gentleman would yield to me, I am really glad for that question because that is exactly what happened with the bill. There was a Republican filibuster. This House passed it, it was bipartisan because that is when I started working with my colleague from Connecticut, CHRIS SHAYS. Let me just say, I have worked diligently in a bipartisan way to pass campaign finance reform. I have worked with Republicans on campaign finance reform in this session since I got here. There are a number of Republicans who are committed to campaign finance reform. There are 20 Republicans on my bill who want to see a bipartisan bill pass. We have worked with both sides. The gentleman wants to ask a question, we have answered the question, and the public record is clear. This bill in the last Congress was killed by a Republican filibuster. If we want to lay blame, we will give a little bit of the blame to Democrats that are not pushing the bill quickly enough. But the bottom line to this is we have an opportunity to pass a bipartisan campaign finance reform bill, and what do the Republicans come up with? With a bill that increases how much money is spent on elections.

Mr. KINGSTON. Are we going to debate or grandstand?

Mr. MEEHAN. Neither part have had the audacity to submit to the Congress a bill that increases limits.

Mr. KINGSTON. Are we going to debate or grandstand?

The SPEAKER pro tempore (Mr. HAYWORTH). The gentleman from Georgia will suspend. The gentleman from California controls the time.

Mr. FARR of California. I thank the Speaker. We have a few minutes left. I would rather not yield to the gentleman. He can have the next hour and speak as much as he wants.

Mr. KINGSTON. And I will be glad to yield to you on my time if you do want to have a debate.

The SPEAKER pro tempore. The gentleman from Georgia will suspend. The gentleman from California controls the time.

Mr. FARR of California. I thank the Speaker.

Mr. MEEHAN. If the gentleman will yield further, obviously we are finishing up our debate. The gentleman had a question, and it was a great question, ''Should we not blame the Democrats?''

The truth was the bill in the 103d Congress had bipartisan support, it died in a Republican filibuster, and never got to the President. Clearly President Clinton would have signed that bill had it gotten there on time.

Mr. FARR of California. We do not even need to go back to last year. We can talk about this year. We have the same action by the Republican leadership in the Senate this year on the bill that was a counter bill to the one the gentleman has authored in this House.

Mr. MEEHAN. That is exactly right. It was a bipartisan bill. I worked with Senator MCCAIN who did an outstanding job working this bill and trying to get Members of the Republican Party to support this bill. What happened? The Republicans killed that bill in the U.S. Senate. I worked diligently with Senator MCCAIN on that. He did a great job. But the Republican majority in the Senate killed that bill. I testified before a Senate committee over there. The fact of the matter is that the increases in campaign contributions that the Republican Party are enjoying at this point I think prevents any real campaign finance reform.

Just for the record, that bill over in the Senate that the gentleman from California [Mr. FARR] mentioned is a

bipartisan bill. It is not about Democrats or Republicans. I recognize the fact that we cannot get a bill to the President without Republican support. That is why I went out and worked with the Republicans to get a bill that we could agree on, a bipartisan bill. But it has to limit how much money is spent. Otherwise, it is not real reform. I am delighted to have had this opportunity to speak out about my bipartisan bill and the really sorry state of affairs that we are faced with here on Reform Week, day 3, I guess. We are going to leave tomorrow, I guess, not doing anything in terms of any of the reforms that were advertised, including campaign finance reform.

Mr. FARR of California. I think history will show as we end this debate here that the Democratic caucus with bipartisan support in the past has passed campaign reform out of this House, in the 103d Congress, the 102d Congress, the 101st Congress, and the 100th Congress and in every one of those instances, that action has been thwarted by Republican actions either in the Senate or a veto by a Republican President. It is obvious that the campaign reform that we are talking about that the American public wants and has supported these number of years is about to be thwarted by actions in this House as well, It is a tragedy. It is a tragedy that Reform Week has diminished into this kind of strained effort to not have effective campaign reform. I thank the gentleman for coming down tonight and being in the well and sharing his thoughts with me as one of the leaders in campaign reform in America.

Mr. MEEHAN. I compliment the gentleman for having this hour on campaign finance reform.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all speakers that it is inappropriate to characterize possible action or inaction in the other body.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3820, CAMPAIGN FINANCE REFORM ACT OF 1996

Mr. SOLOMON (during consideration of the Special Order of the gentleman from Georgia, Mr. KINGSTON) from the Committee on Rules, submitted a privileged report (Rept. No. 104–685) on the resolution (H. Res. 481) providing for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3734, PERSONAL RESPONSIBILITY ACT OF 1996

Mr. GOSS (during consideration of the Special Order of the gentleman from Georgia, Mr. KINGSTON) from the Committee on Rules, submitted a privileged report (Rept. No. 104–686) on the resolution (H. Res. 482) providing for further consideration of the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, which was referred to the House Calendar and ordered to be printed.

MORE ON REFORM WEEK

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 60 minutes as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, I appreciate the time and wanted to say first of all a couple of things about the, and I am not going to call it a debate, my friends from the other side of the aisle who would yield 1 minute and then go off on a tirade. I do not think that is quite a debate, but then again I am not from their districts.

But I want to point out one thing, Mr. Speaker. The Clinton administration came to office, and they have been in office for 3½ years. They enjoyed 2 years of majority rule in the Senate and in the House. During that period of time, campaign finance reform was not passed. I have heard that PHIL GRAMM was the problem.

Who controlled the Senate during that period of time? Obviously the Democrats did. If they are going to bring in partisan politics, then it certainly stands to reason it should have passed under their watch the first 2 years.

I know this, Mr. Speaker, because I worked with TILLIE FOWLER and PETER TORKILDSEN on a campaign finance bill that we introduced as a freshman class.

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ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. If the gentleman from Georgia would suspend, the Chair would remind all those assembled that it is inappropriate to discuss individual Members of the other body or action or inaction they may have taken with regard to legislation.

Mr. KINGSTON. I understand that, Mr. Speaker, and I appreciate that point.

Let the record be clear that the Senate and the House were controlled by Democrats for the 2-year period of time. The House Republicans have been working on campaign finance reform on a bipartisan basis for some time now, and one of the issues that we are trying to get bipartisan support on but we cannot is the issue of soft money and the practice of unions and big union PACs to participate in elections and not even to have to report that money even though it is spent on behalf of a candidate. They can come into a district and spend under the label of soft money, an independent expenditure of money on ads, money directed toward the incumbent Republican, almost unlimited, and there is no check on that.

True campaign finance reform would account for all political money, not just the reportable money, and I hope that we do get some Democrats who are willing to stand up to the big union bosses. I know that they are raising $35 million on behalf of Democrat candidates right now and Democrats are somewhat very reluctant to take on such a cash cow, but it would be great if they would.

Just to give Members some idea, AFL–CIO in 1994 spent $804,000 on Democrat congressional candidates, 99 percent of their contributions. The American Federation of Teachers spent $1,053,000; 99.3 percent of their total contributions went to Democrats. The American Trial Lawyers Association spent 94 percent of their campaign contributions on Democrat candidates, $1,759,000. The Human Rights folks spent 96.5 percent of their money on Democrats. That is $470,000. The Community Action Program spent 96 percent of their money on Democrats, $42,000. The International Longshoreman's, $300,000, which was 96 percent going to Democrats. The IUE, this is some other union, I am not sure which, $204,000, 100 percent going to Democrats. The International Union of Bricklayers, $143,000 going to Democrat candidates, 98.9 percent of their entire budget of contributions. The National Education Association, $1,968,000; 99 percent of it going to Democrats. And one more, the UAW union PAC, $1,914,000, 99 percent going to Democrat candidates. I would say if you want true campaign finance reform, this has to be included in the formula.

Mr. Speaker, the gentleman from Massachusetts wanted some time, and let me yield to him.

Mr. MEEHAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I was just going to make the point that the bipartisan bill, which I have been working on with CHRIS SHAYS and with LINDA SMITH, would in fact limit, in fact the first provision is to abolish PAC money. The second fall-back provision because of constitutional problems is to limit PAC's to $1,000 per primary, $1,000 for general. And there are 21 Democrats on that particular bill so I think the characterization of Democrats is inaccurate.

Mr. KINGSTON. Reclaiming the time just a minute with the intent of yielding back to you for further explanation, does your bill also limit or eliminate independent expenditures, such as those that have been targeted

by the AFL–CIO to the tune of $35 million?

Mr. MEEHAN. The U.S. Supreme Court has just recently ruled that one cannot limit the independent expenditures in these races. But what we do is require more accurate recordkeeping so that we know where the money is coming from and where it is going.

One of the difficulties with campaign finance reform is the U.S. Supreme Court decisions which make it impossible to limit independent contributions.

Mr. KINGSTON. Reclaiming my time for a minute, I understand that and I think that is a good point. Let me ask the gentleman this, though, in terms of individual union members who are not necessarily buying the big labor union Democrat embrace, should they not have the right to know where their dues are going? For example, here is a union, the Democrat-Republican Independent Voter Education Committee. I am not sure which union this is, maybe the gentleman can tell me. But just the name, Democrat-Republican Independent Voter Education Committee would lead me as a rank and file union member to think that my money was going everywhere when in fact $2,131,000 went to Democrats which represented 97.8 percent of the entire expenditures. Clearly that is a Democrat PAC. It would be fair to tell the people who have to contribute where their money is going.

So my question is, do you support that worker contributor's right to know clause, which we have been working very hard with in our campaign finance reform to try to get in there?

Mr. FARR. May I respond?

Mr. KINGSTON. I yield.

Mr. FARR. I think that every worker has a right to know where their contribution is going. I do not think that your provision is the one that I support because it does not apply equally to corporate as well. A PAC contribution is a PAC contribution. It is a check-off system, whether you work for a corporation or whether you work for a union.

Mr. KINGSTON. Reclaiming the time for a second, I agree with you absolutely. PAC contributors, people who work for banks or insurance companies or manufacturers, they should know also because clearly some of those PAC's are lopsided, also.

Now, none of them are as lopsided as the labor union PAC's, but I mean, for example, even NRA and tobacco PAC's, the tobacco PAC's gave more to Democrat candidates in 1994 than they did to Republicans. NRA is on like maybe a 60–40 split. I do not have the number with me but I did look at it. I truly believe anybody who contributes to a PAC needs to know to the dollar where that money went. So I am in complete agreement with you on that.

Mr. MEEHAN. Will the gentleman yield?

Mr. KINGSTON. Yes.

Mr. MEEHAN. I just ask the question, why do you think big tobacco decided to stop contributing more to Democrats and retool their efforts contributing to Republicans after NEWT GINGRICH and the Republicans took over?

Mr. KINGSTON. That is a good question. Reclaiming the time, this is the way I understand it as a student of campaign finance reform. In 1972, when PAC's started because of the large, individual contributor, the gentleman may remember the man, he was in the life insurance business, gave over $1 million to Richard Nixon's campaign, and one of the reactions were to have PAC's and PAC's were originally supposed to be a campaign finance tool, a way to get around the influence of a guy who can write a million-dollar check. And so what happened is that PAC's, people thought back in the early 1970's, would be ideological, and the gentleman knows there are some that are truly ideological. For example, a lot of the women's group PAC's they will give to a pro-choice candidate who has no chance of winning, whereas a lot of the pro-life groups hold back and want to make sure that they are winning.

Let me even take that back. I would say the abortion PAC's are more ideological. The business PAC's are absolute pragmatists. They do not truly have an ideological philosophy except their own special interest. So what they do, and the gentleman knows well, they contribute to the majority, and a lot of those tobacco contributions that have come in have come in because they best against the freshmen who knocked out incumbents, and the first thing that happens, as the gentleman is well aware of, is PAC's that bet on the wrong horse try to make amends early on in the game and that was part of the thing that was going on.

Had you guys kept the majority, there is no doubt the money would have stayed with you on that.

I agree, let us fix it. Let us have more worker right to know, contributor right to know, and let us get into it. There is plenty of room here for finance reform.

Another thing that I am interested in, and I believe the gentleman is too, is making sure that the money comes from the district. I think 75 percent of the money ought to come from somebody's individual district. But we are willing to settle on 50 percent plus $1. But that is more to your side than our side.

Mr. FARR. The difficulty with your plan is you have no limits. If you are concerned about PAC contributions influencing, whether they be labor PAC's or business PAC's or whatever the ideological framework of a PAC may be, you put no limits on them, none, absolutely none. We put limits, we say all right, candidate, if you are going to run with a limit on yourself, then you cannot take more than one-kind of your money, $200,000 maximum from a PAC and no PAC can give you more than, in a 2-year cycle, $6,000. That is what you are missing. You are missing this sort of idea of putting any kind of limits on an individual.

Mr. KINGSTON. Reclaiming my time, I agree with that and I know you are supporting the one-third limitation. I would support that.

In my race generally I am well under that. Let me give the gentleman some live true-to-life examples, Members of your party. I will share this list with you. I am not going to tell their names at this point. This one here is one of your leadership, $77,000 from PAC's, $281,000 from individuals. Seventy percent PAC contributions. Here is another one, 80 percent from PAC's, $229,000, $63,000 from individuals, or 16 percent.

Going through your list, here is one who is in your leadership, $753,000 from PACs or 78 percent and $167,000 from individuals, or 17 percent.

The list goes on and on. I could tell the gentleman, as a conservative Republican, I would love to limit this because I think it would help my party a lot more than it would help your Members.

If you want to be partisan about it, and I am not trying to be, I know the gentleman and I are both trying to clean up the system.

Let me yield to the gentleman.

Mr. FARR. In response to your question, if I knew you were going to bring your list, I would have brought my list. I think there is probably a list of similar sorts with your leadership as well. The point of the fact is this is not about what has occurred in the past because we are trying to clean that up. We are trying to put some limits on it. You cannot put limits on a bill that, frankly, the Committee on Rules has just reported to the floor. Your leadership's bill does not reform campaign finance.

Mr. KINGSTON. Well, there are a lot of things that are not in that bill. My freshman class bill that we introduced in January 1993 reached a lot further. The gentleman's freshman class bill when he first came here or the bills that the gentleman worked on reached further, also. I think that what we are trying to do is get this done, maybe plank by plank.

There is a big debate when it comes to campaign finance reform: Do you have a big bill that is a delicately stacked thing that you know winner-take-all, and if it goes down, you get nothing, or do you do piece-by-piece and does it take years to accomplish?

Before I was in Congress, I was in the State legislature. Just about every year we had a campaign finance bill. We always had to add to it, we always had to tighten it up, and I would say over a 10-year period of time, there have been dramatic changes in the Georgia campaign finance laws. So I have seen it both ways where you try a big, comprehensive bill, then it falls flat, then I have seen the smaller bills. I am not going to tell the gentleman

one is better than the other, but we have got to get, as you know, a lot of folks on the other side to pass it.

We have got to get the President to sign it. We have got to get 218 votes here. We always want it to be bipartisan.

□ 2300

And I overheard you say earlier tonight one of the big problems is everybody is an expert, because the way he or she won his or her race, they believe is the absolute for everybody.

Mr. FARR of California. I, like you, served in a State legislature for 13 years and was very active in campaign finance reform in the State of California. It is a very complex system. You have 6,000 local governments in the State besides the 58 counties and the State legislature, and your are dealing with an awful lot of campaign filings and technical process.

Unfortunately, you cannot reform campaign financing piecemeal because it has so many different versions. It has amounts of money that people can give, whether they can give them to a candidate, whether they can give them to a party, whether they can give them to a PAC, whether they can give them to a national party.

So just the individual giving money, how much, how often, whether each of those organizations, a PAC, how much money they can give, what they have to report, in California you still have what we call corporate contributions to campaigns. You can give either an in-kind contribution. You may be a corporation that has a lot of telephones and, therefore, on election night you can give your office for people to come down and make calls. Under Federal laws you cannot do that.

Mr. KINGSTON. Reclaiming my time, I want to say normal PAC's cannot do it, but union PAC's can do it. And union PAC's provide manpower, whereas banks or a Chamber of Commerce, they cannot. In terms of the lopsidedness, in terms of a big union PAC, it is incredible.

I also want to throw out something that I consider campaign finance reform. Many Members around here do not, on both sides of the aisle, mostly on your side, which has to do with Federal Government agencies lobbying.

I served with you on the Committee on Agriculture last session and this session moved over to the Committee on Appropriations. I can tell you, Mr. FARR, anybody who thinks Federal Government agencies do not lobby has never served on the Committee on Appropriations because that is all they seem to do.

They come up to our office, they have money for conferences, they have money to fax themselves around their offices and so forth. I believe a key portion and one of the stumbling blocks in balancing the budget is the fact we have agencies who are feeding out of the taxpayers' trough and they do not want to have finance reform that would stop them from lobbying.

Maybe this is more in the lobbying category, but, see, I would still consider it under that general topic of cleaning up the House.

Mr. FARR of California. Well, I think we have to address lobbying reform separately from campaign reform. Lobbying reform is essentially people who make their living there in Washington, whether it be on the public payroll or the private payroll, trying to convince Members of Congress that their opinion is the right one.

I frankly believe that lobbying is good. I do not think that lobbying is bad, because these are complex decisions that we have to make, and, as the gentleman knows, we need to have all the information that we possibly can, both sides, pro and con, and, fortunately, people are supposed to be independent after getting all that knowledge.

We know the decisions are complex. A lot of it deals with minutia and the only way we can get a grasp on it is listen to people who have vested interest in it. That does not mean because they come see you that they have our vote.

I think if we are to address campaign and lobbying reform, we have to do it, but we have to do it in such a way that it does not cut off getting good information to make a tough decision.

Mr. KINGSTON. I agree with the gentleman, and I agree it certainly can be done. Having again served in the State legislature, I would say that the State agencies also lobby, some more than others. For example social service agencies I think lobby a lot more than something like the natural resources or the fish and wildlife agencies in the State of Georgia. And that kind of model, where we do see two different agencies, one that is very aggressive, one that is passive but there with good information, but you as the legislator had to initiate the conversation as opposed to fax machines and working networks and conferences, and so forth, and bringing people into town and so forth like that. I just think that that should be part of the process.

I would love to have campaign finance reform and lobbying reform, because I think they are twin sisters. I think it should be one bill. Now, I have learned, there again going back to piecemeal, you have to take what you can get passed. So there has to be a practical side to it.

Mr. FARR of California. Under your scenario of piecemeal, the campaign reform would be piecemeal and lobbying reform would be piecemeal, but as you know, under each of those tents there is a tremendous amount of technical law that has to be developed.

My point of it is that you are not going to get campaign reform. You may get technical adjustments along the way; for example, the issue you brought up about requiring people who contribute, PAC's who annually have to go through the process of committing that, that is I think a technical adjustment. That is not campaign reform.

Campaign reform is really the whole comprehensive effort of trying to control how money comes in and how it is spent. I do not think we will do that unless we put limits on what people can do. Otherwise it is just a feeding frenzy of getting money from wherever you can get it and trying to influence the outcome.

Mr. KINGSTON. There again I think it is important that people at least have a requirement that at least 50 percent of the money come from their own district, because you can be elected from one district and then gallivant around the globe, going to Hollywood, going up to New York, meeting with big labor bosses in Washington and then going back home and your opponent has raised 100 grand on local contributions, you have raised $800,000 with the Washington big money types, and you can spend and annihilate your opponent. You can make yourself look conservative, a liberal, a moderate; you can target women, you can target minorities, or white middle class, people with blue suits, people with red hair, anything you want with that kind of money, and that is what lopsides this thing in favor of incumbents. We need to level the playing field more.

Mr. FARR of California. May I share with you the concerns I have by limiting 50 percent of your contributions just to your district? And I can probably do that and I am sure if I looked at it, I do, but it is not something I really support.

When I first ran, I ran against a very wealthy individual and when I was interested in running for office, I did what I think everybody does, you sit down and say where do I start. And what do you start with? You start with your friends and your relatives and you write everybody you ever knew, everybody you went to school with. I happened to serve in the Peace Corps so I went and wrote all my Peace Corps colleagues.

I wrote my relatives around the country and said, hey, I am running for public office and you know I am better than anybody because I have grown up and worked with you, will you help me with your initial contributions? And I think that is where everybody every candidate starts.

What disarms them is if they cannot do that and only the person who has a lot of money, a person of wealth, and by the way we limit the person——

Mr. KINGSTON. Hold on 1 minute. I want to reclaim the time and I want to admonish you. Have you ever read Robert Mitchum, who wrote ''Alaska''? Have you ever read any of his books? He always starts at the very beginning, and I am interested.

But I do have something else to talk about, and so I want to say if you can quickly get to the point, I would appreciate it, so that I can talk about this other issue.

I do also want you to acknowledge the fact you guys did not yield us any time, and I do want you to remember that.

Mr. FARR of California. I appreciate your allowing me to dialog with you.

Mr. KINGSTON. I had to slap myself on the back since you are not volunteering to do it.

Mr. FARR of California. I appreciate your allowing us to have this colloquy. Without people talking, sometimes it is kind of lonely in this chamber. But my point is limiting raising that money in your district will put the advantage on a wealthy person versus a person who really has the passion to run for office, and I think we should be very careful before we do that because you do not put any limits on what a wealthy person can spend. Our bill does. It says you cannot contribute more than $50,000 of your own money.

Mr. KINGSTON. Well, now, the bill that I have cosponsored with the gentleman from Tennessee, ZACH WAMP, which is a bipartisan bill, does put individual limits on there. We do not want anybody or any organization to have undue influence.

Taking your situation and saying you have to take money where you can get it. The other problem is, though, if there is going to be influence, and if influence and money are related, should that not be district driven rather an outside interest driven?

Mr. FARR of California. I think that is for the voters to decide in your district, frankly. If they do not like where your money is coming from, you have to publicize it. It is a public record, and the newspapers pick it up the moment it is of public record. And we see that because our campaign reports, everybody in this House had to file them, and I think they become public record any day now, and you will see the stories all next week about where contributions are coming from. That gives the voters in the District an ability to decide whether they like what they are seeing or not.

I am not sure that is so broken that it needs that kind of fixing, because I think that if you do not put limits on what the individual can contribute, the advantage all goes to the wealthy, and I do not think that is fair.

I do not want to take any more of the gentleman's time. I really appreciate this colloquy with you tonight.

Mr. KINGSTON. Well, listen, I appreciate what you guys are doing, and I know you appreciate what we are doing. I think that what we will do, as we do have these genuine disagreements on just different portions or sections of campaign finance reform, as long as we can identify those that we do agree with and keep the ball moving, then we will continue haggling over some of the other parts.

And, again, that might take a while, but I believe Democrats and Republicans all realize on an issue like this we have to have each other, we have to work forward if we want it to move down the road.

Mr. FARR of California. We have a bill on the floor, as the Committee on Rules just indicated, and I hope we can gain your support. Thank you very much.

Mr. KINGSTON. Thank you, Mr. FARR.

Mr. Speaker, I wanted to talk a little bit in regards to tax relief and economic issues and jobs. I got a call last night from a gentleman, a father from Pennsylvania, had two kids, and I could tell he was a lot like my middle-class friends back home, struggling to make the ends meet. And he just left a message, ''Please keep us in mind; keep working.''

I think about this man. I think about the women I see that are my wife's friends, who are around the neighborhood raising those 3-year-olds, those 5-year-olds. I drive the carpool every Monday when school is in, and when I am driving the carpool, quite often I get out and I talk to people. Mostly it is women. There are a few other dads, but, fortunately, one of the good benefits about this job is we do have some odd hours during the day and we are a little more flexible when we are home.

I see these families struggling. They save a little money, but at the end of the month instead of going down to Florida for the weekend, they have to spend it on a new dryer, or they have a car payment, or the house mortgage is payable. And they can manage it, but then they want to do something else to the house, a little modification, or they have to put in a new stove or oven, or something like that, and there is no money at the end of the month.

We passed a $500-per-child tax credit. If you had two kids, this gentleman, this family in Pennsylvania, that would have been $1,000 more that they could have. Is that a tax cut for the rich? I do not think so, Mr. Speaker. What that thousand dollars would have meant for this middle-class man is that he and his wife could have bought a few more pairs of tennis shoes, a few more clothes, or maybe they could have gone to another ball game this summer and seen the Philadelphia Phillies do something. It just would have been a good thing for them.

That was vetoed. We are going to keep working on that, Mr. Speaker, because that $500-per-child middle-class tax cut is important.

Another thing that we have passed is an increased deduction for the home-office tax. In this day and age, with two-income families and high-technology, men and women have an opportunity to work at home. I think of Liz Simpson. She is a neighbor of mine, a friend of mine, an underwriter with an insurance company, and she was able to hook up by modem to her business and stay at home with their little boy, John, and their other child so that she could spend a little more time but also continue earning a living there at home. It gave her a lot of flexibility, and I am glad we increased this home-office tax deduction.

We also had a thousand dollar elder deduction so that if your elderly mom or dad, because of medical or economic necessity, has to move in with you, you can deduct up to $1,000, again, helping that sandwich generation, you know the ones who have dependent children and dependent parents. And they are getting squeezed one more time.

We need to do things like this for the American middle class.

Above all, Mr. Speaker, of course we have to balance that budget. We are paying $20 billion each month interest on the national debt, and that money could be going to education, could be going to health care, could be going to crime prevention.

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All it is doing is paying the bondholders on the national debt. If we balance the budget, we can bring down interest rates, which would bring down the cost of home mortgages and automobile payments. It would stimulate the economy.

On small business entrepreneurs, do my colleagues know, Mr. Speaker, that one-third of the small businesses in America are owned by women? If they could get money cheaper, borrow money at lower interest rates, then these female entrepreneurs could create more jobs, expand their businesses, create more opportunities and in turn earn more and be able to spend more leisure time at home, which is very important to the American family these days.

In terms of other family issues, we have got to increase security back home. A friend of mine called me. Obviously, I am not going to mention her name, but this woman was in her house. It was about 10:00 in the morning, mid-morning, washing her 3-year-old. The door bell rang. She goes to the door bell. She sees somebody through the curtain and does not open the door and goes back to the bathroom where she is bathing the baby. The guy kicks in the door, comes in and rapes her. Does not hurt the child, fortunately.

Do you know, Mr. Speaker, that this rapist only was sentenced for 3 years. They caught him but he was sentenced for 3 years. I never would have known about the story except she called me because she was notified that he was getting out. They have a law in Georgia that you notify the victims when somebody on probation is coming. That just makes your stomach cringe, Mr. Speaker. This thug, this deadbeat who kicks down the door on a housewife at home and then only gets 3 years, that is why we need truth in sentencing. Mr. Speaker, it says, if you are sentenced for 10 years, 15 years, then you serve 10 years or 15 years. You serve your full sentence.

I want to say this, that when folks are in prison, they ought to have work requirements and they ought to have education requirements. They ought to be out there busting bricks. Hard work, 40 hours a week. Education, 20 hours a week. That adds up to 60 hours. And do you know what, Mr. Speaker? That is what my middle-class friends are working anyhow. The people who are paying

the taxes, they are not doing it on 40 hours a week anymore. They are running around doing all kinds of things. Sixty hours a week for a prisoner, that is nothing.

Another case, heart breaker, a man calls me at home. His daughter, 12 years old, was spending the night at a friend's house and was raped by the friend's older brother who was 19 years old. He called me, Mr. Speaker, because it had been 3 or 4 weeks and the police had yet to pick up the rapist.

When the daughter was raped, they took her to the hospital. They got the fluid samples and all the necessary identifications for this horrible experience. Yet it was 3 weeks. The reason why it was 3 weeks, I talked to the authorities about this, is that the police were so afraid of messing the case up because of all the loopholes that we now have in our court system that allows trial lawyers to bend and manipulate the system to get rapists, 19-year-old rapists who rape 12-year-olds, get them off because a police officer did not dot an I or cross a T, or the arrest papers.

So in the meanwhile, while the police are out very carefully, meticulously building up a case on this, guess what? The 19-year-old is still driving by the house every day. The little 12-year-old who is now in trauma, who is now in therapy, she still sees this guy out walking the streets.

We have an absurd court system right now, Mr. Speaker. We have got to get common sense back in it. We have got to say common sense is that we want to give everybody a fair trial, but it has got to be one that is governed by common sense, not by technicalities and loopholes.

Justice should not be determined by money and whoever is the cleverest. It should be determined by what is right. So in this Congress, we have worked hard to crack down on criminal thugs and in lawsuits.

Another problem, Mr. Speaker, that is adding to the stress of the middle class has to do with the fact that drugs are just going crazy on our streets. Earlier tonight the gentleman from Florida [Mr. MICA] had a chart that showed how drug usage has been going up in the last 3 or 4 years. One of the reasons is because we had cut funding on drug awareness programs.

Mr. Speaker, I have been in a lot of schools in my district, the First District of Georgia. I have spoken to the DARE classes, drug education for eighth graders and seventh graders and sixth graders and fifth graders, telling them what illegal drugs are all about, what the consequences are about.

Do you know, Mr. Speaker, that the average age right now nationwide for trying marijuana is 13 years old? That is the bad news. The good news is, if we can keep a child drug-free until he or she is 19 years old, then, Mr. Speaker, they have a 95-percent chance of being drug-free the rest of their life. So what we have got to do as families, as educators and as government officials and as a society is keep our kids drug-free until they are 19. If we can do that, they are 95-percent home free, and that is one of the things we have got to do.

I believe drug education is extremely important for the youth of today.

Now, in terms of the pushers, we have got to be very tough on sentencing for pushers. Let us get them off the street. Let us protect our families again.

Health care is one more security issue that we have got to deal with as a society. We right now are trying to pass a bill that gets portability on health care. Very important for people who have job lock because of some situation that they can switch from job to job. My wife, Libby, her college roommate, a young lady named Kathy Haggard, was working for a bank when she discovered that she had cancer. And God rest her, she lost the battle. But during the period that she was fighting it, she went into remission for a short period of time. She was engaged. She, I think, was living in Atlanta and her fiance was living in Birmingham.

They, Mr. Speaker, could not get married because Kathy could not quit working for her bank in Atlanta because, if she did, she could not get insurance through her fiance's insurer in Birmingham. So this young lady sadly lost the battle to cancer. She went to her grave without ever being able to marry, which is, as you know, probably one of the most wonderful things that anybody can experience.

And if we had portability on health care, people like that would be helped by it, Mr. Speaker. That is something very important.

Medical savings accounts. Something that I am very big on, and I know you have worked hard on it. Medical savings accounts would allow middle-class people to take health care with a high deduction and with that deduction it would be funded through a special account, kind of an escrow account. And out of that escrow, middle-class people would pay for their kids stitches, for pediatric shots, for their glasses, the small things.

And at the end of the year, the middle-class families would get the money out of the account and get to keep it. They could use it for a college education account, if they wanted to, or they could put it in their pocket. They could spend it for Christmas money. This is a tool that middle-class families need all over America, Mr. Speaker. It is something that we are working on, and we have got to keep working for.

The breast cancer situation. Breast cancer now gets, I believe, it was a couple years ago the statistic was one out of every nine women. Now it is even higher than that. And we have increased funding on breast cancer research in this Congress. We have also expanded Medicare coverage to include breast cancer. It is something that we have to do to make sure that our mothers and our sisters are well protected, because so much of it, if detected early, we could prevent.

Our colleagues, JOHN MYERS and BARBARA VUCANOVICH, have been great champions on this because of personal family situations. JOHN MYERS brought to the Committee on Agriculture, the ag subcommittee that overseas FDA, this plastic looking device. It was a circle about this big. And he put a grain of salt on the committee table and he put this on it and he said, find the salt with your hands. And you could feel the spec.

This was a device that would not substitute for a medical exam, but it is something that in their own houses women could use for just kind of a home breast cancer analysis. And, Mr. Speaker, the FDA fought us on that. They did not want to approve the device.

I believe that American women would know that a home analysis is no substitute for a doctor's analysis. But give them the tool. Because not only could the tool detect it, but it would raise the interest level, raise the awareness level. And you and I know, as men, when we are over 40, we have to start testing for prostate cancer and so forth. Preventative medicine has got to be part of the health care planning. I truly support the efforts to increase awareness of health in the school systems and so forth, because if we can get our kids exercising and eating right early, we will have less problems down the road.

Mr. Speaker, I am going to just close with this. Another thing we can do for the middle class is to have good education systems. We have increased student loans from $24 to $36 billion in this Congress in our budget. That is going to expand the availability of a college education for many middle-class kids. I think that that would be good. But to the classrooms back home, Mr. Speaker, we want to get the bureaucracy out.

A school teacher in Darien, GA, told me at a town meeting recently that she spends 2 to 3 hours a day each day on paperwork. That is 10 hours a week that she cannot spend teaching children in her own class reading, writing, and arithmetic.

We want to take the bureaucracy in Washington out of the American classroom and let the parents and the teachers teach their own children. And we believe that that local control will help us compete in the world market.

Mr. Speaker, these are some of the things that we are working on and have worked on and have accomplished in this Congress. We need to keep the commitment for the American family and for the American middle class.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for today, on account of personal business.

Mr. WOLF (at the request of Mr. ARMEY) for today after 2 p.m., on account of attending a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FARR of California) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

(The following Members (at the request of Mrs. MEYERS of Kansas) to revise and extend their remarks and include extraneous material:)

Mr. JONES, for 5 minutes, today.

Mr. MANZULLO, for 5 minutes, today.

Mr. MCINTOSH, for 5 minutes, today.

Mr. BONILLA, for 5 minutes, today.

Mr. DORNAN, for 5 minutes, each day on today and July 22 and 23.

Mr. MICA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FARR of California) and to include extraneous matter:)

Mr. HOLDEN.

Mr. UNDERWOOD.

Mr. BORSKI.

Mr. FROST.

Mr. ENGEL.

(The following Members (at the request of Mrs. MEYERS of Kansas) and to include extraneous matter:)

Mr. GOODLING.

Mr. MCINTOSH.

Mr. ROS-LEHTINEN.

Mr. BURTON of Indiana.

Mr. SAXTON.

Mr. RADANOVICH, in two instances.

Mr. BAKER of California.

Mr. DUNCAN, in two instances.

Mr. FIELDS of Texas.

Mr. GILMAN.

Mr. HAYWORTH.

Mr. FLANAGAN.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 248. An Act to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 248. An Act to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, and for other purposes.

ADJOURNMENT

Mr. KINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 27 minutes p.m.) under its previous order, the House adjourned until tomorrow, Thursday, July 18, 1996, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4166. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President has determined that it is in the national interest for the Export-Import Bank to make a loan of approximately $56 million to the People's Republic of China (Presidential Determination Nos. 96–38 and 96–37), pursuant to section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Financial Services.

4167. A letter from the Acting Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 2437, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

4168. A letter from the Director, Office of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting the Commission's final rule—Elementary-Secondary Staff Information Report EEO–5 (29 CFR Part 1602) received July 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

4169. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal-Aid Project Authorization (Federal Highway Administration) [FHWA Docket No. 94–30] (RIN: 2125–AD43) received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4170. A letter from the General Counsel, Department of Energy, transmitting the Department's final rule—Energy Conservation Program for Consumer Products: Procedures for Consideration of New or Revised Energy Conservation Standards for Consumer Products (RIN: 1904–AA83) received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4171. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Dihydroazadirachtin; Exemption from the Requirement of a Tolerance [FRL–5381–1] (RIN: 2070–AB78) received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4172. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—policy regarding the release of 888 toll free numbers corresponding to 800 toll free numbers [CC Docket No. 95–155] received July 12, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4173. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—implementing the statutory requirement that local exchange carriers [LEC's] provide number portability as set forth in Section 251 of the Telecommunications Act of 1996 [CC Docket No. 95–116] received July 12, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4174. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administrations final rule—Antibiotic Drugs; Clarithromycin Granules for Oral Suspension [Docket No. 96N–0117] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4175. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Change Notice No. 2, NRC Enforcement Manual, NUREG/BR–0195, Rev. 1—received July 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4176. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of the Secretary's determination and justification for authorizing the use of $3.1 million in funds made available for fiscal year 96 to carry out chapter 4 of part II of the FAA and $3.9 million in funds to carry out chapter 6 of part II of the FAA for States participating in the ECOMOG peacekeeping mission in Liberia, pursuant to 22 U.S.C. 2261(a)(2); to the Committee on International Relations.

4177. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

4178. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Amendment to the List of Proscribed Destinations [Public Notice 2407] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

4179. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Northern Rockfish in the Western Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 071096B] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4180. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific Ocean Perch in the Western Regulatory Area [Docket No. 960129018–6018–01; I.D. 071096D] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4181. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific Ocean Perch in the Central Regulatory Area [Docket No. 960129018–6018–01; I.D. 071096H] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4182. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service,

transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific Ocean Perch in the Eastern Regulatory Area [Docket No. 960129018–6018–01; I.D. 071096G] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4183. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Air Brake Systems; Long-Stroke Brake Chambers (National Highway Traffic Safety Administration) [Docket No. 93–54, Notice 3] (RIN: 2127–AG25) received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4184. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Extension of Great Lakes Load Line Certificate (U.S. Coast Guard) [CGD 96–006] (RIN: 2115–AF29) received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4185. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation and section-by-section analysis to implement the President's fiscal year 1997 Budget with respect to the programs of the U.S. Small Business Administration; to the Committee on Small Business.

4186. A letter from the Clerk of the House of Representatives, transmitting the annual compilation of personal financial disclosure statements and amendments thereto filed with the Clerk of the House of Representatives, pursuant to 2 U.S.C. 703(d)(1) and rule XLIV, clause 1, of the House Rules (H. Doc. No. 104–245); to the Committee on Standards of Official Conduct and ordered to be printed.

4187. A letter from the Chief, Forest Service, transmitting the annual report of Forest Service accomplishments for fiscal year 1995, pursuant to the Forest and Rangeland Renewable Resources Planning Act [RPA] of 1974, as amended; jointly, to the Committees on Agriculture and Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. H.R. 3215. A bill to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians [Rept. 104–681). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3159. A bill to amend title 49, United States Code, to authorize appropriations for fiscal years 1997, 1998, and 1999 for the National Transportation Safety Board, and for other purposes; with an amendment [Rept. 104–682). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3267. A bill to amend title 49, United States Code, to prohibit individuals who do not hold a valid private pilots certificate from manipulating the controls of aircraft in an attempt to set a record or engage in an aeronautical competition or aeronautical feat, and for other purposes [Rept. 104–683). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3536. A bill to amend title 49, United States Code, to require an air carrier to request and receive certain records before allowing an individual to begin service as a pilot, and for other purposes; with an amendment [Rept. 104–684). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 481. Resolution providing for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes (Rept. 104–685). Referred to the House Calendar.

Mr. GOSS: Committee on Rules. House Resolution 482. Resolution providing for further consideration of the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997 (Rept. 104–686). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 or rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KASICH:

H.R. 3829. A bill to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997; to the Committee on the Budget, and in addition to the Committees on Agriculture, Commerce, Economic and Educational Opportunities, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FILNER (for himself, Ms. MCKINNEY, Mrs. CLAYTON, Mr. CLYBURN, Mr. CONYERS, Mr. DELLUMS, Mr. DIXON, Mr. FIELDS of Louisiana, Mr. FLAKE, Mr. FORD, Mr. JACKSON, Ms. JACKSON-LEE, Mr. LEWIS of Georgia, Ms. NORTON, Mr. PAYNE of New Jersey, Mr. RUSH, Mr. SCOTT, Mr. THOMPSON, Mr. TOWNS, Ms. WATERS, Mr. WYNN, and Mr. BISHOP):

H.R. 3830. A bill to prohibit insurers from canceling or refusing to renew fire insurance policies covering houses of worship and related support structures, and for other purposes; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEFAZIO (for himself, Mr. LIPINSKI, and Mr. COSTELLO):

H.R. 3831. A bill to amend title 49, United States Code, to ensure that the primary duty of the Administrator of the Federal Aviation Administration is to enhance the safety and security of the commercial civil aviation industry; to the Committee on Transportation and Infrastructure.

By Mr. TANNER (for himself and Mr. CASTLE):

H.R. 3832. A bill to restore the American family, enhance support and work opportunities for families with children, reduce out-of-wedlock pregnancies, reduce welfare dependence, and control welfare spending; to the Committee on Ways and Means, and in addition to the Committee on Agriculture, Commerce, Economic and Educational Opportunities, Government Reform and Oversight, Banking and Financial Services, the Judiciary, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DICKS:

H.R. 3833. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to allow certain grant funds to be used to provide parent education; to the Committee on the Judiciary, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FLANAGAN (for himself, Mrs. COLLINS of Illinois, Mr. COSTELLO, Mr. CRANE, Mr. DURBIN, Mr. EVANS, Mr. EWING, Mr. FAWELL, Mr. GUTIERREZ, Mr. HASTERT, Mr. HYDE, Mr. JACKSON, Mr. LAHOOD, Mr. LIPINSKI, Mr. MCHUGH, Mr. MANZULLO, Mr. PORTER, Mr. POSHARD, Mr. RUSH, Mr. WELLER, and Mr. YATES):

H.R. 3834. A bill to redesignate the Dunning Post Office in Chicago, IL, as the ''Roger P. McAuliffe Post Office''; to the Committee on Government Reform and Oversight.

By Mr. HOLDEN:

H.R. 3835. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Ways and Means.

By Ms. ROYBAL-ALLARD (for herself and Ms. WOOLSEY):

H.R. 3836. A bill to amend the Internal Revenue Code of 1986 to allow a small business family and medical leave credit and a credit for wages paid to employees who are allowed to shift hours of employment or work at home in order to reduce child care needs; to the Committee on Ways and Means.

By Ms. ROYBAL-ALLARD (for herself, Ms. WOOLSEY, and Ms. NORTON):

H.R. 3837. A bill to provide unemployment insurance and leave from employment to battered women; to the Committee on Ways and Means, and in addition to the Committees on Economic and Educational Opportunities, Government Reform and Oversight, and House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STEARNS:

H.R. 3838. A bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry certain concealed firearms in the State, and to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns; to the Committee on the Judiciary.

By Mr. BORSKI (for himself, Mr. MARTINI, Mr. ENGLISH of Pennsylvania, Mr. DIAZ-BALART, Mr. QUINN, Mr. FILNER, Mr. NADLER, Ms. KAPTUR, Mr. FOGLIETTA, Mr. FATTAH, Mrs. MEEK of Florida, Mr. DURBIN, Mr. NEY, Mr. HOLDEN, Mr. ANDREWS, Mr. METCALF, Mr. DEFAZIO, Mr. KING, and Mr. FROST):

H.R. 3839. A bill to terminate the effectiveness of certain amendments to the foreign repair station rules of the Federal Aviation Administration, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. KASICH (for himself, Mrs. THURMAN, Mr. DREIER, Mr. MILLER of California, Ms. PRYCE, Mr. GILLMOR, Mr. WALKER, Mr. INGLIS of South Carolina, Mr. CONDIT, Mr. SMITH of Michigan, Mr. HOBSON, Mr. CHRYSLER, Mr. MILLER of Florida, Mr.

SHAW, Mr. MCCOLLUM, and Mr. LARGENT):

H.R. 3840. A bill to empower States with authority for most taxing and spending for highway programs and mass transit programs, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MICA (for himself, Mr. MORAN, and Mrs. MORELLA):

H.R. 3841. A bill to amend the civil service laws of the United States, and for other purposes: to the Committee on Government Reform and Oversight.

By Mrs. THURMAN (for herself, Mr. BILIRAKIS, Ms. BROWN of Florida, Mr. CANADY, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. GIBBONS, Mr. FOLEY, Mr. HASTINGS of Florida, Mrs. MEEK of Florida, Mr. MILLER of Florida, Mr. PETERSON of Florida, Mr. SCARBOROUGH, Mr. SHAW, Mr. MICA, Mr. MCCOLLUM, Mr. STEARNS, Ms. ROS-LEHTINEN, Mr. BACHUS, Mr. BEVILL, Mr. BONIOR, Mr. BORSKI, Mr. BROWDER, Mr. CALLAHAN, Mr. CLEMENT, Miss COLLINS of Michigan, Mr. COMBEST, Mr. CONYERS, Mr. CRAMER, Mr. DOOLEY, Mr. DOYLE, Mr. ENGLISH of Pennsylvania, Mr. EVERETT, Mr. FAZIO of California, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. HOLDEN, Ms. JACKSON-LEE, Mr. JEFFERSON, Mr. JOHNSTON of Florida, Mr. KANJORSKI, Ms. KAPTUR, Mr. KLINK, Mr. MASCARA, Mr. MEEHAN, Mr. MOAKLEY, Mr. MORAN, Mr. MURTHA, Mr. NEAL of Massachusetts, Mr. OLVER, Mr. PAYNE of Virginia, Ms. RIVERS, Mr. SMITH of Michigan, Mr. STENHOLM, Mr. STUDDS, Mr. STUPAK, and Mr. TANNER):

H.R. 3842. A bill to amend the Internal Revenue Code of 1986 to provide an exemption from income taxation for qualified State tuition programs; to the Committee on Ways and Means.

By Mr. UNDERWOOD (for himself, Mr. GEPHARDT, Mr. BONIOR, Mr. FUNDERBURK, Mr. LANTOS, Mr. BERMAN, Mr. RICHARDSON, Mr. ACKERMAN, Mr. EVANS, Mr. ABERCROMBIE, Mr. MORAN, Mr. MANTON, Mr. TORRES, Ms. LOFGREN, Mr. TRAFICANT, Mr. HILLIARD, Mr. FRAZER, Mr. KENNEDY of Massachusetts, Mr. SCHUMER, Mr. FALEOMAVAEGA, Mr. TOWNS, Mr. SPRATT, Mr. ROMERO-BARCELO, Mr. FILNER, Mr. YATES, Mr. DEFAZIO, Mr. HINCHEY, Mr. SANDERS, Ms. KAPTUR, Mr. FATTAH, Mr. LIPINSKI, Mr. WATT of North Carolina, Mr. MEEHAN, Ms. VELAZQUEZ, Ms. ROYBAL-ALLARD, and Mr. HOLDEN):

H.R. 3843. A bill to amend title 10, United States Code, to prohibit the Defense Commissary Agency and nonappropriated fund instrumentalities of the Department of Defense from purchasing imported consumer items to be sold in commissary or exchange stores when such consumer items are not produced in conformity with minimum labor standards; to the Committee on National Security.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ROSE introduced a bill (H.R. 3844) for the relief of the estate of William R. Holden and the estate of John Davis; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 78: Mr. BAKER of California, Mr. COBURN, and Mr. THORNBERRY.
H.R. 104: Ms. WOOLSEY and Mr. HAYWORTH.
H.R. 303: Mr. ABERCROMBIE.
H.R. 801: Mr. KING.
H.R. 938: Mr. ABERCROMBIE.
H.R. 1010: Mr. MARKEY.
H.R. 1078: Mr. DURBIN.
H.R. 1127: Mr. FALEOMAVAEGA.
H.R. 1846: Mr. GEJDENSON.
H.R. 2211: Mr. LEWIS of Georgia.
H.R. 2270: Mr. DICKEY and Mr. HANCOCK.
H.R. 2682: Mr. FRANKS of New Jersey.
H.R. 2834: Mr. CUMMINGS.
H.R. 2867: Mr. HUTCHINSON and Mr. TATE.
H.R. 2912: Mr. GREEN of Texas, Ms. ROS-LEHTINEN, Ms. NORTON, and Mr. DIAZ-BALART.
H.R. 2930: Mr. LAHOOD.
H.R. 2976: Mr. COLLINS of Georgia.
H.R. 3006: Ms. WOOLSEY.
H.R. 3199: Mrs. ROUKEMA and Mr. TALENT.
H.R. 3202: Ms. MCKINNEY, Mr. SANDERS, Mr. STARK, and Mr. LEWIS of Georgia.
H.R. 3207: Mr. NEAL of Massachusetts, Mr. HERGER, Mr. MCINNIS, and Mr. SABO.
H.R. 3212: Mr. GRAHAM.
H.R. 3234: Mr. MCCOLLUM and Mr. STUMP.
H.R. 3266: Mr. POMEROY, Mr. LEVIN, Mr. KILDEE, Mr. DINGELL, and Ms. RIVERS.
H.R. 3331: Mr. FILNER, Mr. RAHALL, Mr. COYNE, and Mr. WAXMAN.
H.R. 3332: Mr. GREEN of Texas.
H.R. 3355: Mr. GUTIERREZ, Mr. HOLDEN, and Mr. OLVER.
H.R. 3427: Mr. DORNAN and Mr. WAMP.
H.R. 3463: Mr. ENGEL and Mr. ACKERMAN.
H.R. 3480: Mr. GUTKNECHT and Mr. SOUDER.
H.R. 3487: Mrs. CLAYTON, Mr. GEJDENSON, Mr. DEUTSCH, Mr. TORKILDSEN, Mrs. SEASTRAND, Mr. BEILENSON, Mr. GILCHREST, Mr. FALEOMAVAEGA, Mr. LONGLEY, Mr. CAMPBELL, Mr. CANADY, Ms. WOOLSEY, Mr. PORTER, Mr. RIGGS, Mr. GOSS, Mr. JONES, and Mr. GALLEGLY.
H.R. 3505: Mr. JOHNSON of South Dakota.
H.R. 3537: Mr. KENNEDY of Rhode Island and Mr. FARR.
H.R. 3564: Mr. FAWELL.
H.R. 3577: Mr. STEARNS.
H.R. 3587: Mr. JACKSON.
H.R. 3619: Mr. FARR and Mrs. SEASTRAND.
H.R. 3621: Mr. MENENDEZ, Mr. ZIMMER, Mrs. ZIMMER, Mrs. KELLY, and Mr. MCNULTY.
H.R. 3696: Mr. ZELIFF.
H.R. 3708: Mr. TORRICELLI, Mr. GREEN of Texas, Mr. FROST, and Mr. YATES.
H.R. 3729: Mrs. THURMAN, Mr. FROST, and Mr. LIPINSKI.
H.R. 3752: Mr. NETHERCUTT, Mr. BONO, Mrs. CHENOWETH, Mr. MILLER of Florida, Mr. HERGER, Mrs. VUCANOVICH, Mr. HOSTETTLER, Mr. BARR, and Mr. STOCKMAN.
H.R. 3757: Mr. MANTON.
H.R. 3787: Mr. OLVER.
H.R. 3794: Mr. SKELTON and Mr. HUTCHINSON.
H.R. 3797: Mrs. KELLY.
H.J. Res. 114: Mr. OWENS.
H. Con. Res. 190: Mrs. THURMAN, Ms. ESHOO, Mr. FOGLIETTA, Mr. CLYBURN, Mr. HOKE, Mr. LEWIS of Georgia, Mr. WAXMAN, Mr. OLVER, Mr. WELDON of Florida, Mr. MARTINEZ, Mr. TORRES, Mr. GALLEGLY, and Mr. YATES.
H. Con. Res. 196: Mr. GREEN of Texas, Mr. LIPINSKI, and Mr. DEAL of Georgia.
H. Res. 39: Mr. TORRICELLI, Mr. BROWN of California, Mrs. MEYERS of Kansas, and Mr. FAWELL.
H. Res. 286: Mrs. THURMAN.
H. Res. 452: Mr. FILNER and Ms. ROYBAL-ALLARD.
H. Res. 480: Mr. HAYWORTH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 359: Mr. BEVILL.
H.R. 3505: Mr. PETERSON of Minnesota.

AMENDMENTS

Under Clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3814

OFFERED BY: MR. DAVIS

AMENDMENT NO. 13: In the item relating to ''DEPARTMENT OF JUSTICE—FEDERAL PRISON SYSTEM—SALARIES AND EXPENSES'', insert before the period at the end the following:

: *Provided further,* That the Director of the Federal Prison System shall establish a site for the construction of a Federal prison facility within 250 miles of the District of Columbia for the purposes of incarcerating District of Columbia felony prisoners.

H.R. 3814

OFFERED BY: MR. DAVIS

AMENDMENT NO. 14: In the item relating to ''DEPARTMENT OF JUSTICE—GENERAL ADMINISTRATION—SALARIES AND EXPENSES'', after the first dollar amount, insert the following: ''(increased by $250,000)''.

H.R. 3814

OFFERED BY: MR. SCOTT

AMENDMENT NO. 15: Page 28, line 6, after the dollar amount, insert the following: ''(reduced by $497,500,000)''.

Page 32, line 13, after the dollar amount, insert the following: ''(increased by $497,500,000)''.

H.R. 3816

OFFERED BY: MR. SOLOMON

AMENDMENT NO. 1: Page 36, after line 10, insert the following new sections:

SEC. 506. (a) DENIAL OF FUNDS FOR PREVENTING ROTC ACCESS TO CAMPUS.—None of the funds made available in this Act may be provided by contract or by grant (including a grant of funds to be available for student aid) to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that the institution (or any subelement thereof) has a policy or practice (regardless of when implemented) that prohibits, or in effect prevents—

(1) the maintaining, establishing, or operation of a unit of the Senior Reserve Officer Training Corps (in accordance with section 654 of title 10, United States Code, and other applicable Federal laws) at the institution (or subelement); or

(2) a student at the institution (or subelement) from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

(b) EXCEPTION.—The limitation established in subsection (a) shall not apply to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the institution (or subelement) has ceased the policy or practice described in such subsection; or

(2) the institution has a longstanding policy of pacifism based on historical religious affiliation.

SEC. 507. (a) DENIAL OF FUNDS FOR PREVENTING FEDERAL MILITARY RECRUITING ON CAMPUS.—None of the funds made available in this Act may be provided by contract or grant (including a grant of funds to be available for student aid) to any institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that the institution (or any subelement thereof) has a policy or practice (regardless of when implemented) that prohibits, or in effect prevents—

(1) entry to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of Federal military recruiting; or

(2) access to the following information pertaining to student (who are 17 years of age or older) for purposes of Federal military recruiting: student names, addresses, telephone listings, dates and places of birth, levels of education, degrees received, prior military experience, and the most recent previous educational institutions enrolled in by the students.

(b) EXCEPTIONS.—The limitation established in subsection (a) shall not apply to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the institution (or subelement) has ceased the policy or practice described in such subsection; or

(2) the institution has a longstanding policy of pacifism based on historical religious affiliation.

SEC. 508. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

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Senate

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

PRAYER

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

Almighty God, You have wonderfully preserved and guided our Nation through the years and given us a position of leadership in the world. Now we ask You to bless the Senators and all who assist them in their high calling. Stir up our patriotism for our Nation and our passion for the work of Government. When we get weary, refresh us with new vision for the importance of our work. Give us a new burst of enthusiasm for our assignments by reminding us that we really report to You and are working for Your glory. Help us to remember that we are Your agents in shaping our society. Purge from us any vestige of selfish ambition or combative competition that would hinder teamwork. In a time of history when our Nation needs greater trust in You, we commit ourselves to be leaders who unashamedly live their faith and seek to keep our Nation deeply rooted in You, Your Commandments, and Your vision for us, through our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. This morning there will be a period for morning business until 11 a.m. Following morning business, the Senate will resume consideration of the Department of Defense appropriations bill. We are attempting to reach agreement to limit amendments on that bill. However, if we are unable to reach an agreement, there will be a cloture vote on the Defense bill during today's session.

There has been good cooperation on both sides of the aisle on trying to identify and limit the amendments. While we still have a lengthy list, it seems to be that we can cut them down to a reasonable number, and I would like for us to make every effort to complete this Department of Defense appropriations bill today.

Senators can expect rollcall votes throughout the day and evening in order to make progress and, again, to possibly complete action on the bill tonight.

I remind my colleagues that a number of appropriations bills now have become available for consideration. I think there are five pending counting the Defense appropriations bill. So we have a lot of work to do, and I hope to move forward on those the first part of next week. We need cooperation of all our Members in allowing us to consider and complete these bills in a timely manner. I call on our colleagues on both sides of the aisle to stick with germane amendments and try to limit them so that we can get this work done.

Also, in accordance with last night's agreement, the Senate will vote on the motion to invoke cloture on S. 1936, the Nuclear Waste Policy Act, on Thursday of next week. That is July 25.

MEASURES PLACED ON CALENDAR—S. 1954 AND H.R. 3396

Mr. LOTT. Mr. President, I understand there are two bills at the desk that are now due for their second reading, and I ask that they be read consecutively.

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

The assistant legislative clerk read as follows:

A bill (S. 1954) to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment.

A bill (H.R. 3396) to define and protect the institution of marriage.

Mr. LOTT. Mr. President, I object to further consideration of these matters at this time.

The PRESIDING OFFICER. The bills will be placed on the calendar.

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Arizona, [Mr. KYL], is recognized to speak for up to 10 minutes under the previous order.

Mr. KYL. I thank the Chair.

RELIGIOUS UPBRINGING OF CHILDREN

Mr. KYL. Mr. President, while the Supreme Court has issued decisions protecting the rights of parents to direct the religious upbringing of their children, the lower courts have narrowly interpreted these decisions to give them almost no value as precedent. As a result, public school officials have been permitted to abuse their authority and compel students—at the objection of their parents—to participate in activities violative of deeply held religious beliefs. This must be of concern at a time when we are all seeking ways to strengthen families and inculcate values in our children.

One case, which a respected Federal court judge brought to my attention,

not only demonstrates the courts' unwillingness to respect the constitutional rights of parents to direct the religious upbringing of their children, it illustrates a bizarre dichotomy that has developed between the first amendment religious clauses: the establishment clause, which prohibits an official religion in the United States, and the free-exercise clause, which ensures every American's freedom of conscience. It is my sincere hope that this discussion will prod the Congress into considering ways we can assure that the Constitution will be applied to protect the rights of parents committed to firm moral guidance of their children, and in the process repair the glaring inconsistency that now exists regarding enforcement of these religious clauses in our Constitution.

One Senator who has responded to this challenge is Senator GRASSLEY, who has introduced an important bill, the Parental Rights and Responsibilities Act, which would forbid Federal, State, and local governments from interfering with ''the right of a parent to direct the upbringing of the child of the parent.'' This could resuscitate the Supreme Court's pro-parental rights decisions. Senator GRASSLEY cited the case I am going to discuss as an example of why his legislation deserves serious consideration.

II. THE CASE

On March 4, the U.S. Supreme Court declined to hear *Brown* v. *Hot, Sexy and Safer Productions, Inc.*, 68 F.3d 525 (1st Cir. 1995), cert. denied, U.S. (1996), in which the district court ruled, and the circuit court upheld, that it is constitutional for a public school to compel students—some as young as 14—without notifying parents, to sit through an explicit AIDS awareness presentation. A ruling that permits public school officials to force students—over the objections of their parents—to participate in activities that violate deeply held religious beliefs should be of concern to us all.

School officials at Chelmsford High School in Chelmsford, MA, knew full well what they were getting when they hired Suzi Landolphi, the owner of a company called Hot, Sexy, and Safer, to give presentations at two 90-minute assemblies at the school. They viewed a promotional videotape of the organization's past presentations as well as promotional brochures and articles. The superintendent and the assistant superintendent attended the presentation. The principal introduced the presenter to the students.

While school officials were busy securing what the principal described as ''a very special program,'' no effort was made to alert parents about the assembly, and students were compelled to attend it. Some argue that public school officials cannot keep parents apprised of every detail of their children's education. But Landolphi's presentation was not a calculus exposition. It was a highly charged event, unrelated to subjects traditionally taught to high school students.

A videotape of the program reveals that the presenter concentrated on personal matters and used language so graphic that it would make former Surgeon General Jocelyn Elders blush.

Abstinence was never discussed as an option to avoid contracting AIDS. The assemblies were, however, filled with lewd demonstrations of crude sexual acts. Landolphi kicked off her presentation to 9th and 10th grade students by saying, ''This is amaz[ing]—I can't believe how many people came here to listen to someone talk about sex, instead of staying home and having it yourself.'' This may have been the high water mark for the show.

During the program, the presenter told the students that they were going to have a ''group sexual experience, with audience participation''; told a minor he was not ''having enough orgasms''; commented about a minor's ''nice butt''; characterized the loose pants worn by a student as ''erection wear''; and had a male student lick an oversized prophylactic, after which she had a female student pull it over the male's head.

Landolphi was also philosophical: ''When we are younger, we know about our private parts. We're less embarrassed. Why is that? With all of us sitting in this room right now—I mean, have you ever really sat down and thought about your private parts? Did you ever think about them?''

She concluded her presentation by instructing the students to ''Become sexually proud and confident people. Know how you work. Tell your parents about sex.''

Not only was Ms. Landolphi's program salacious, it was astonishingly inaccurate. Example: ''When you find out someone you love has this virus, you tell them they can fight this virus, and they might fight it so well that they may never get ill. That's a fact.'' She informed these students that those infected with HIV could avoid AIDS by getting rid of drugs, alcohol, tobacco, and stress. And what, according to Landolphi, relieves stress? ''Sex, of course.''

For school officials to hold such a controversial—to put it mildly—event without parental notification suggests these officials may have deliberately sidestepped the parents. Even if, on the other hand, this heedlessness was inadvertent, it begs a broader question: Have some public school officials become so arrogant that they do not even give thought to the views of the people they serve—the community—when planning school events?

Some Chelmsford parents believed that their constitutional right to direct the upbringing of their children was violated. A Federal district court judge and a court of appeals, however, ruled against the parents.

The district court judge, in granting the defendant's motion to dismiss, opined: ''Parents who send their children to public schools * * * daily risk their children's exposure, both inside and outside the classroom, to ideas and values that the parents and the children find offensive.'' Memorandum and Order, *Brown* v. *Hot, Sexy and Safer Productions*, No. 93–11842, slip op. at 10 (D. Mass. January 19, 1995). The effect of this brush off is to treat a convinced Christian, Jew, Muslim, or parent of other religious faith as insufficiently enlightened, deserving of exclusion from the educational process along with other narrow-minded and ignorant people. The erosion of our values that this kind of indiscriminate reasoning represents is truly breathtaking.

III. CONSTITUTIONAL PROTECTION FOR PARENTAL RIGHTS

The liberty clause of the 14th amendment, and the free exercise clause of the first amendment, should protect parents from overreaching public school officials. The 14th amendment claim is stronger, but there is also precedent for the first amendment to protect a religious person from neutral government action hostile to his or her beliefs.

A. FOURTEENTH AMENDMENT

The Supreme Court firmly recognizes that certain practices are ''so rooted in the traditions and conscience of our people as to be ranked as fundamental'' and therefore merit protection under the 14th amendment. *Palko* v. *State of Connecticut*, 302 U.S. 319 (1937). I can think of few rights as fundamental as the right of a parent to control the religious upbringing of his or her children.

A troika of Supreme Court decisions have encouraged us to see this route as potentially fruitful. In *Meyer* v. *Nebraska*, 262 U.S. 390, 399 (1923), the Court ruled that the liberty clause of the 14th amendment protects the fundamental right of parents to bring up children. The right of the parents to have their children instructed in a foreign language was, according to the Court, ''within the liberty of the amendment.'' Id. at 400.

The Court reaffirmed this right in *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925). In Pierce the Court declared unconstitutional a State statute that required public school education of children aged 8 to 16. The Court reasoned that the statute ''unreasonably interferes with the liberty of parents and guardians to direct the upbringing and education of children under their control * * * The child is not the mere creature of the State; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations.'' Id. at 534, 535.

While decided primarily on free exercise grounds, *Wisconsin* v. *Yoder*, 406 U.S. 205 (1972), a decision upholding the right of Amish parents to remove their children from public schools, acknowledged the liberty interest of parents to control the upbringing of their children. ''The history and culture of Western civilization reflect a strong tradition of parental concern for the nurture and upbringing of their children.

This primary role of the parents in the upbringing of their children is now established beyond debate.'' Id. at 232.

In the Chelmsford case, the circuit court arrogantly dismissed the 14th amendment claim of the parents, commenting that ''the Meyer and Pierce cases were decided well before the current 'right to privacy' jurisprudence was developed, and the Supreme Court has yet to decide whether the right to direct the upbringing and education of one's children is among those fundamental rights whose infringement merits heightened scrutiny.'' Hot, Sexy and Safer 68 F.3d at 533. For the Court to suggest that decisions regarding fundamental rights, including, for example, the right to marry, are preempted until reanalyzed under the Supreme Court's constitutionally suspect privacy decisions is, if not novel, absurd. But again, when cases involve religion, the courts all too often come up with imaginative reasons to avoid following good case law.

B. FIRST AMENDMENT

At first blush, the first amendment's free exercise clause seems like a weak instrument for those who seek relief from neutral State action that inhibits the practice of religion. It was, after all, Justice Scalia who wrote the decision in *Employment Division, Department of Human Resources of Oregon* v. *Smith*, 494 U.S. 872, 879 (1990), which announced that a ''neutral, generally applicable'' law does not violate the free-exercise clause even when it prohibits religious exercise in effect.

The free exercise claim advanced by the Chelmsford parents would have the same problem, if Smith were to be our guide. While the school officials at Chelmsford High School certainly offended religious children by offering the AIDS presentation, it does not seem that they intended to single out religious individuals for the offensive show. Indeed, they were equal opportunity offenders.

But for those ready to close the door on free exercise claims when government, by application of a neutral mandate, coerces individuals to violate their own religious practices, such as in the Chelmsford case, the matter is not set. Relevant to Chelmsford, the Yoder Court held that when a 14th amendment-based claim to protect the fundamental right to control the religious upbringing of their children is combined with a free-exercise claim—a ''hybrid'' situation—the first amendment claim is enhanced. Yoder, 406 U.S. at 233. Smith acknowledges Yoder hybrid claims. Smith, 494 U.S. at 881.

Also relevant to the Chelmsford case, Justice Scalia, in a useful concurrence in *Church of Lukumi Babalu Aye, Inc.* v. *City of Hialeah*, 508 U.S. 520, 559 (1993), questioned whether the rule he authored in Smith, which garnered five votes on the Court, and was the subject of a spirited attack by Justice O'Connor, merits adherence. Justice Scalia suggests that Smith is deficient in resolving free-exercise claims when ''Neutral, generally applicable' laws, drafted as they are from the perspective of the nonadherent, have the unavoidable potential of putting the believer to a choice between God and government.'' Id. at 577. In chronicling the tensions in free exercise jurisprudence—the mechanistic approach of Smith, versus the more nuanced approach of Yoder—the Justices concludes that neither line of cases is controlling: ''Our cases now present competing answers to the question when Government, while pursuing secular ends, may compel disobedience to what one believes religion commands.'' Id. at 559.

If the Court does reevaluate the free-exercise clause, and decides that a more expansive reading is warranted—as it has already done with gusto for the other first amendment religious clause, the establishment clause—Justice Scalia offers some preliminary thoughts on a revitalized free exercise clause more sympathetic to the plaintiffs in coercion cases, such as that of Chelmsford, and a persuasive rationale for why the Court should resolve this conundrum:

> A law that is religion neutral on its face or in its purpose may lack neutrality in its effect by forbidding something that religion requires or *requiring something that religion forbids*. A secular law, applicable to all, that prohibits consumption of alcohol, for example, will affect members of religions that require the use of wine differently from members of other religious and nonbelievers, disproportionality burdening the practice of, say, Catholicism or Judaism.'' Id. at 560 (emphasis added).

What the Chelmsford school officials did, with the District Court's backing, was require something that was against the religion of some of the students. Thus this legal framework could provide relief for such compulsion situations.

The circuit court in Chelmsford dismissed the free-exercise claim under the Yoder scheme on two grounds: First, the free-exercise challenge was not ''conjoined with an independently protected constitutional protection,'' and Second, the free-exercise claim was distinguishable because the parents did not ''allege that the one-time compulsory attendance at the Program threatened their entire way of life.'' Hot, Sexy, and Safer, 68 F.3d at 539. Neither rationale is persuasive. As mentioned above, the Supreme Court has firmly recognized that parents enjoy certain constitutional protections in directing the upbringing of their children. And the hybrid situation developed in Yoder, and noted in Smith, does not require that an individual's entire way of life be threatened for there to be constitutional recourse.

IV. DICHOTOMY IN FIRST AMENDMENT RELIGIOUS CLAUSES

While the courts have taken great pains not to disturb neutrally drafted laws when considering free-exercise claims, and even Justices sympathetic to religious freedom, such as Justice Scalia, have agonized over these decisions, the courts are aggressive in restricting religious activities under the establishment clause. The result: an extreme dichotomy in religious clauses jurisprudence.

Contrast the federal courts' refusal to recognize free-exercise claims with their zeal in banning prayers at school ceremonies under the establishment clause. In the same year the AIDS presentation at Chelmsford High School occurred, the U.S. Supreme Court ruled in *Lee* v. *Weisman*, 505 U.S. 577 (1992) that a prayer given by a rabbi during a middle school commencement program violated this clause. Let's take a look at a part of the offending prayer:

> God of the Free, Hope of the Brave: For the legacy of America where diversity is celebrated and the rights of minorities are protected, we thank You. May these young men and women grow up to enrich it. . . . May our aspirations for our country and for these young people, who are our hope for the future, be richly fulfilled. Id. at 581,582.

In his opinion for the majority, Justice Kennedy reasoned that ''heightened concerns [exist] when protecting freedom of conscience from subtle coercive pressure in the elementary and secondary public schools.'' Id. at 592.

But where is the concern for the subtle coercive pressure of a mandatory AIDS assembly, whose graphic details and panderingly hip attitude toward human sexuality, offend the core values of believers in the great religions of the world? Consider that if one agrees with Justice Kennedy that students should not be coerced to listen to prayer, it is hard to understand why one wouldn't agree that the free-exercise clause should protect a school from coercing a student to participate in an activity which violates that students's religion. But a double-standard has emerged that the Chelmsford case perfectly illustrates.

The offending prayer delivered by the rabbi in Weisman was less than 2 minutes long, compared to the 90-minute presentation which took place at Chelmsford High School. The Court in Weisman did not require that the student's life lie in ruin when invalidating a benign commencement prayer. Also consider that the prayer in Weisman is a religious statement that is well within the tradition of benedictions at graduation ceremonies, and that parents accompanied the students and had notice that the rabbi was speaking.

We remove prayer because it's offensive to 1 out of 100, but don't remove—or at least make optional—material highly offensive to a student of faith. I believe that most Americans would agree that something is corrupt within our jurisprudence when an indecent presentation directed at minors is constitutional while a short commencement prayer delivered by a member of the clergy is unconstitutional.

V. CONCLUSION

When a public school presents controversial subjects, out of courtesy, it should notify parents, and give them

the opportunity to have their children opt out. This isn't burdensome; it's the morally right thing to do. If public school officials exercised this courtesy in the first place, the Chelmsford controversy could have been avoided.

I believe the courts should return to the spirit of the Supreme Court decisions on parental rights, and recognize and protect the right of parents to direct the religious upbringing of their children. The U.S. Constitution requires no less. Meanwhile, Congress should consider legislation, such as Senator GRASSLEY's parental rights bill, to prod the courts to respect one of the most basic, and important fundamental rights.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. ROCKEFELLER], is recognized to speak for up to 15 minutes under the previous order.

Mr. ROCKEFELLER. I thank the Chair.

(The remarks of Mr. ROCKEFELLER pertaining to the introduction of S. 1963 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. ROCKEFELLER. I thank the Presiding Officer and yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER [Mr. BROWN]. Without objection, it is so ordered.

NATIONAL MISSILE DEFENSE

Mr. INHOFE. Mr. President, I have been presiding, and I know that we are going to be continuing with the defense appropriations bill later on. I noticed something that I read just in the last couple days that was in the Wall Street Journal under the title of ''Do We Need a Missile Defense?'' This has been a debate in this body for quite some time during the Defense authorization bill. It is so obvious on its face, that virtually every strategist, in terms of strategic defense in the country, agrees that we are under probably a greater threat today than we have been maybe in the history of this country in that we no longer are in a cold-war posture where there are two superpowers and you can identify who the other one is, as it was in the case of the cold war.

Some of us, I think, may be looking back wistfully at the days when there was a cold war and we could identify who the enemy was. I can recall that back during the Nixon administration, Richard Nixon and Dr. Kissinger put together the whole concept of the ABM Treaty, which was there are only two superpowers that have weapons of mass destruction and the missile means to deliver them, at least part way. Therefore, if we all agree not to defend ourselves, then the philosophy of mutual assured destruction would serve us all well. In other words, the Soviets fire at us, we fire at them, everybody dies and no one is happy.

That is not the situation today. I did not agree with it back in 1972. Back when we had the ratification of the START II agreement, I was the only Senator halfway through the rollcall to vote against it. Everyone else was voting for it until a few others realized that what we were doing is going back and reinstating or resurrecting that philosophy of the ABM Treaty, except now it would be with Russia as opposed to the Soviet Union since it no longer exists.

I think it is insane that we would even consider something like that. In fact, I had permission from Henry Kissinger himself to stand on the Senate floor and quote him when he said that he did agree at the time that that was a good policy for America in 1972, but he said that now some 25 nations have weapons of mass destruction, and he said, ''It is nuts to make a virtue out of our vulnerability.''

This article that I read—I will, without exceeding my time, just paraphrase a few of the comments here by some of the experts. Donald Rumsfeld was the Secretary of Defense during the Ford administration. He said:

> Only someone deep in denial can contend that the U.S. cannot be threatened by ballistic missiles. Rogue states like Iran, Iraq and North Korea have made clear their determination to acquire chemical, biological or nuclear weapons and the missiles to deliver them. China and Russia, if inclined, could threaten many countries, near and far, with nuclear missiles. Missiles are a weapon of choice for intimidation, precisely because the world knows that once a missile is launched, the U.S. is not capable of stopping it.

Henry F. Cooper was the director of the Strategic Defense Initiative during the Bush administration and the chief U.S. negotiator in the Geneva defense and space talks during the Reagan administration. He said—I will just quote this first sentence:

> America's vulnerability to ballistic missile attack is a leadership failure of potentially disastrous proportions.

Then it goes on to quote many others, including James Woolsey, who was President Clinton's former Director of the Central Intelligence Agency and now practices law in Washington. He was the one who 2 years ago said that—this was 2 years ago—we now have 22, 25 nations that have weapons of mass destruction or are in the final stages of completing those weapons and are working on the missile means of deploying them, delivering them.

I think, Mr. President, if you update his statement, as he did the other day, it is now up to some 30 nations. Look at who these nations are. When you are dealing with the Middle East mentality of Iran, Iraq, and Syria and Lebanon and Libya, and, of course, people like Saddam Hussein, who would murder his own grandchildren, we are not dealing with people that we can predict, people who think like Westerners think. Yet here we are today considering the defense appropriations bill and giving virtually no attention to our ability to defend ourselves with a national missile defense system.

So, Mr. President, I am hoping, as we keep repeating this over and over again, that we can penetrate somehow this Eastern media who would like to make people believe that the threat is not out there, this administration that keeps saying over and over again that it will be 15 years before we can be threatened by a missile attack, when in fact there are intercontinental ballistic missiles that can reach the United States from as far away as China or Russia.

We have been held hostage. We were held hostage in the Taiwan Strait when the Chinese went over and were doing their missile experimentation. One of the highest ranking Chinese officials at that time said, ''We're not concerned about the Americans coming in and defending Taipei because they would rather defend Los Angeles than they would Taipei.'' That has to be at least an indirect threat at the United States.

The threat is real. The danger is real. We are living in a time when the threat is greater than it has been at any time in this country's history. We, as a body, are trying to do something about it against the wishes of the administration, and we have to prevail in this effort for our kids' sake.

Lastly, I am from Oklahoma, and those who saw the Murrah Federal Office Building and saw the television accounts of it—you almost had to be there to get the full impact of the tragedy that was there. It was just indescribable. The power of that bomb that blew up the Murrah Federal Office Building in Oklahoma City was equal to 1 ton of TNT. The smallest nuclear warhead known to man is 1 kiloton, 1,000 times the explosive power. So the threat is there, Mr. President. We need to deal with that and do something about it. After all, is that not what Government is for? 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. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Utah is recognized.

THE CRISIS IN EDUCATION IN AMERICA

Mr. BENNETT. Mr. President, you and some others in this body have heard me say that the one experience that took me out of the private sector and brought me back into public life was my term as chairman of the Strategic Planning Commission for the Utah State Board of Education. I was

happily serving as the chief executive of a very successful, functioning corporation when I was asked to take that assignment in public service. It brought me face to face with the current crisis in education.

I have been interested in that issue ever since. I was interested in this morning's Wall Street Journal where the following appeared. I would like to call it to the attention of the entire Senate and, hopefully, through the CONGRESSIONAL RECORD and C–SPAN, as wide an audience as possible. In this morning's Wall Street Journal there is the following article that I find incredible:

New York City's Cardinal John J. O'Connor has repeatedly made the city an extraordinary offer: Send me the lowest performing 5% of children presently in the public schools, and I will put them in Catholic schools—where they will succeed. The city's response: Silence.

In a more rational world, city officials would have jumped at the cardinal's invitation. It would have been a huge financial plus for the city. The annual per-pupil cost of Catholic elementary schools is $2,500 per year, about a third of what taxpayers now spend for the city's public schools.

Mr. President, I have had this debate with leaders of the Teachers' Association in Utah. Members of the National Education Association do not come to see me because they apparently know that I have already come to the conclusion that something must be done to break the monopoly that current teachers' unions have on the way education is conducted in this country.

The author of this article goes on to tell us his own experience with his own children. He tells us how he takes his children past the Catholic schools every morning, to enroll them in what are considered the best public schools in New York City. One day he decided he would go in and see what was going on in the Catholic schools, to compare it to what was happening in the public schools. He says, ''* * * I was impressed. I sat in, for example, as fourth-grade teacher Susan Viti conducted a review lesson on the geography of the Western United States.'' He goes on to describe the things that were done, and then he says:

I found myself wishing that my own son's fourth-grade teachers at nearby Public School 87, reputedly one of the best public schools in the city, were anywhere near as productive and as focused on basic schools as Miss Viti. Both my boys' teachers have wasted an enormous amount of time with empty verbiage about the evils of racism and sexism. By contrast, in Miss Viti's class and all other Catholic school classes I attended, it was taken for granted that a real education is the best antidote to prejudice.

Miss Viti earns $21,000 a year, $8,000 less than a first-year public-school teacher. ''I've taught in an all-white affluent suburban school, where I made over $40,000. This time I wanted to do something good for society, and I am lucky enough to be able to afford to do it. I am trying to instill in my students that whatever their life situation is now, they can succeed if they work hard and study.''

Mr. President, monopoly is a terrible thing, whether it is in an economy or in an intellectual circumstance. Establishing a monopoly that prevents people from looking for other ideas or other ways of doing something is the best way to guarantee stagnation. What we have in public education now is a monopoly, firmly enforced by the teachers' unions and geared to prevent any kind of intellectual competition.

We have seen it on the floor of this Chamber. Again and again last year, we tried to pass an appropriations bill for the District of Columbia. Certainly, there is no place in the world that needs appropriations more than the District of Columbia. Mired down in financial disaster and management chaos the District needed that money as quickly as it could come. Yet because we put into that bill the opportunity for experimentation on just that situation described in this morning's story in the Journal, there were people on this floor who filibustered against that appropriations bill, willing to hold up needed financial support for the District, all in the name of preserving an educational monopoly for the teachers' unions.

Now, I have very good friends in the Utah Teachers Association who come to me and say, ''It is unconstitutional for you to spend public money on a private institution, particularly a private institution that has connection to a religion.'' Mr. President, we crossed that line, successfully, 50 years ago. All of us are familiar with the GI bills, considered by many to be the most successful Government program ever, the most successful expenditure of Government money to help people's lives that has ever taken place in the history of the United States. I have heard the GI bill being described thusly here on the floor by some of my colleagues. What do we do in the GI bill? We say to individuals, ''Here is the money that we promised you to help you with your education. Now you make the decision as to where that money will be spent.'' Is it unconstitutional to someone under the GI bill to take that money and go to the University of Notre Dame just because the University of Notre Dame is affiliated with the Catholic Church? Is it unconstitutional for you to take that money to go to Georgetown University here in the District just because Georgetown University is run by the Jesuits? Of course, not. We have long since come to the conclusion that the money follows the student, not that it goes to support the institution.

Would it be unconstitutional for the city of New York to take Cardinal O'Connor up on his offer and say we will give you the 5-percent lowest students, we will give you the 5-percent worst problems we have, allow the money to follow the students, and let you take care of it for us? No, the constitutional precedent has been firmly established. What are they afraid of? They are afraid of saving money? They are afraid of doing better by the children? No, they are afraid of the political retaliation of the teachers' union.

The article goes on to describe that retaliation in some detail. Mr. President, I ask unanimous consent that the entire article be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BENNETT. Mr. President, there is no issue that we face in this body more serious than the challenge of educating our young people. That is not a cliche. That is a statement of our primary survival challenge of the future. Talk to CEO's, talk to personnel directors around the country, and they tell you more and more the primary challenge we have long term in this country is maintaining a work force that can survive international competition. Talk to many of these CEO's and they tell you that more and more of their budget is going to pay for remedial learning skills for their new hires. They are hiring people who cannot read the instructions that they are given to carry out their work. They are hiring people who cannot figure enough to even make change in a retail situation.

Recognizing that the schools will not teach these people to read and figure, they are beginning to allocate more and more of their corporate dollars to give this kind of education themselves. It is potentially, as I say, Mr. President, the single most important issue we face. I think with the collapse of the Soviet Union, this has become the long-term survival issue for the United States. Yet we allow ourselves to insist that the status quo, producing these kinds of results, is what must be maintained at all costs. We allow ourselves to say we will not even experiment with a voucher system that might challenge the present monopoly. We will not even allow an educational system that is willing to try and experiment with 5 percent of the kids who are doing the worst in our Nation's largest city, to see what might happen with that experiment.

What are the teachers' unions afraid of, when challenged with the opportunity to have an experiment of this kind? They are afraid of people like Miss Viti, described in the article, demonstrating to all of the world the bankruptcy of the present circumstance. Education is the only place I know, Mr. President, where professionals—and I consider teachers to be professionals—are willing to accept less money in order to avoid working for public payroll. In every other circumstance, the professionals earn more money when they get out of the public payroll. Lawyers in private practice earn more than lawyers who work for municipalities and State governments and the Federal Government. Doctors in private practice earn more than doctors who work for the Public Health Service. But in education, teachers earn less who work in private schools than those who work for the public. Why do they do it? Because as Miss Viti says, ''I wanted to do something

good for society. I am lucky to be able to afford to do it.''

Mr. President, I will return to this from time to time. I am not on the appropriate committee for a variety of reasons which we understand around here. The committee assignments come by virtue of the State that you represent and the interests that you have in seeing that State is properly represented. But I could not pass the opportunity to call to the attention of the Senate this incredible statement in this morning's paper, whereby the Nation's teachers' union, working through its affiliates in New York State, have denied the lowest 5 percent of the city of New York the opportunity to try something new, and have thus condemned those 5 percent to a continued future of bleakness and lack of opportunity.

A final demonstration of this, Mr. President, again, from the information contained in the article comparing what happens in New York City schools—the public schools that are spending three times as much as the Catholic schools—in terms of the results. Here is the conclusion that comes from the New York State Department of Education. This is not a conclusion that comes from the managers of the private schools, the Catholic schools. This is the conclusion that comes from the New York State officials themselves:

Catholic schools with 81 percent to 100 percent minority composition outscored New York City public schools with the same percentage of minority enrollment in grade 3 reading . . .

In grade 3 reading, they were 17 percent better; in grade 3 mathematics, 10 percent better; in grade 5 writing, 6 percent better; in grade 6 reading, 10 percent better; in grade 6 mathematics, 18 percent better.

A Rand Corp. study compared the performance of children from New York City's public schools and Catholic high schools and came up with these statistics. Again, this is not from the Catholic school system itself; this is from an outside observer known for its excellence and its objectivity, the Rand Corp.:

Only 25 percent of the public school students graduated at all . . .

Let me repeat that statistic, Mr. President. It is staggering.

Only 25 percent of the public school students graduated at all, and only 16 percent took the Scholastic Aptitude Test.

By shameful contrast, the small ''elite'' of public school students who graduated and took the SAT averaged only 642 for those in neighborhood schools and 715 for those in magnet schools.

Here is the shameful contrast: 25 percent of the public school students graduated, and 16 percent took the SAT; and 95 percent of the Catholic school children graduated, and 75 percent took the SAT's. The Catholic school students scored an average of 815 on the SAT, compared to 642 of the public schools.

Once again, Mr. President, let me stress that these are in schools where the minority makeup is identical to the minority makeup in the public schools. If there is ever a statistical case to be made for the fact that we need to experiment with this kind of education and break the monopoly that the teachers' union has established and is maintaining on public education, this is it.

I thank the Chair for his indulgence. As I said, I will return to this subject from time to time because I consider it the Nation's No. 1 survival issue in the long term.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, July 17, 1996]

WHY THE CATHOLIC SCHOOL MODEL IS TABOO

(By Sol Stern)

New York City's Cardinal John J. O'Connor has repeatedly made the city an extraordinary offer: Send me the lowest-performing 5% of children presently in the public schools, and I will put them in Catholic Schools—where they will succeed. The city's response: silence.

In a more rational world, city officials would have jumped at the cardinal's invitation. It would have jumped at the cardinal's invitation. It would have been a huge financial plus for the city. The annual per-pupil cost of Catholic elementary schools is $2,500 per year, about a third of what taxpayers now spend for the city's public schools.

NO IDLE BOAST

More important, thousands more disadvantaged children would finish school and become productive citizens. For Cardinal O'Connor's claim that Catholic schools would do a better job than public schools is no idle boast. In 1990 the RAND Corporation compared the performance of children from New York City's public and Catholic high schools. Only 25% of the public-school students graduated at all, and only 16% took the Scholastic Aptitude Test, vs. 95% and 75% of Catholic-school students, respectively, Catholic-school students scored an average of 815 on the SAT. By shameful contrast, the small ''elite'' of public-school students who graduated and took the SAT averaged only 642 for those in neighborhood schools and 715 for those in magnet schools.

In 1993 the New York State Department of Education compared city schools with the highest levels of minority enrollment. Conclusion: ''Catholic schools with 81% to 100% minority composition outscored New York City public schools with the same percentage of minority enrollment in Grade 3 reading (+17%), Grade 3 mathematics (+10%), Grade 5 writing (+6%), Grade 6 reading (+10%) and Grade 6 mathematics (+11%).''

Yet most of the elite, in New York and elsewhere, is resolutely uninterested in the Catholic schools' success. In part this reflects the enormous power of teachers' unions, fierce opponents of anything that threatens their monopoly on education. In part it reflects a secular discomfort with religious institutions.

I myself have felt this discomfort over the years, walking past Catholic schools like St. Gregory the Great, near my Manhattan home. Every morning, as I took my sons to public school, I couldn't help noticing the well-behaved black and Hispanic children in their neat uniforms entering the drab parish building. But my curiosity never led me past the imposing crucifix looking down from the roof, which evoked childhood images of Catholic anti-Semitism and clerical obscurantism.

Finally, earlier this year, I ventured in, and I was impressed. I sat in, for example, as fourth-grade teacher Susan Viti conducted a review lesson on the geography of the Western United States. All the children were completely engaged and had obviously done their homework. They were able to answer each of her questions about the principal cities and capitals of the Western states—some of which I couldn't name—and the topography and natural resources of the region. ''Which minerals would be found in the Rocky Mountains?'' Miss Viti asked. Eager hands shot up. Miss Viti used the lesson to expand the students' vocabulary: when the children wrote things down, she insisted on proper grammar and spelling.

I found myself wishing that my own son's fourth-grade teachers at nearby Public School 87, reputedly one of the best public schools in the city, were anywhere near as productive and as focused on basic skills as Miss Viti. Both my boys' teachers have wasted an enormous amount of time with empty verbiage about the evils of racism and sexism. By contrast, in Miss Viti's class and in all the other Catholic school classes I visited, it was taken for granted that a real education is the best antidote to prejudice.

Miss Viti earns $21,000 a year, $8,000 less than a first-year public-school teacher. ''I've taught in an all-white, affluent suburban school, where I made over $40,000,'' she says. ''This time I wanted to do something good for society, and I am lucky enough to be able to afford to do it. I am trying to instill in my students that whatever their life situation is now, they can succeed if they work hard and study.''

You might expect liberals, self-styled champions of disadvantaged children, to applaud the commitment and sacrifice of educators like Susan Viti. You might even expect them to look for ways of getting government money to these underfunded schools. Instead, they've done their best to make sure the wall of separation between church and state remains impenetrable. Liberal child-advocacy groups tout an endless array of ''prevention'' programs that are supposed to stave off delinquency, dropping out of school and teen pregnancy—yet they consistently ignore Catholic schools, which nearly always succeed in preventing these pathologies.

Read the chapter on education in Hillary Clinton's ''It Takes a Village.'' Mrs. Clinton advocates an alphabet soup of education programs for poor kids, but says not a word about Catholic schools. Similarly, in his books on education and inner-city ghettos, Jonathan Kozol offers vivid tours of decrepit public schools in places like the South Bronx, but he never stops at the many Catholic schools that are succeeding a few blocks away.

Why are Catholic schools taboo among those who talk loudest about compassion for the downtrodden? It's hard to escape the conclusion that one of the most powerful reasons is liberals' alliance with the teachers' unions, which have poured hundreds of millions of dollars into the campaign coffers of liberal candidates around the country. Two weeks ago I attended the National Education Association convention in Washington, a week-long pep rally for Bill Clinton punctuated by ritual denunciations of privatization.

Before the teachers' unions rise to political power, it was not unusual to see urban Democrats like former New York Gov. Mario Cuomo support government aid to Catholic schools. Mr. Cuomo's flip-flop on this issue is especially revealing. In 1974, when he first ran for public office, Mr. Cuomo wrote a letter to potential supporters: ''I've spent more than 15 years . . . arguing for aid to private

schools,'' he wrote. ''If you believe aid is a good thing, then you are the good people. If you believe it, then it's your moral obligation, as it is my own, to do something about it. . . . Let's try tax-credit plans and anything else that offers any help.''

Mr. Cuomo soon learned his lesson. In his published diaries he wrote: ''Teachers are perhaps the most effective of all the state's unions. If they go all-out, it will mean telephones and vigorous statewide support. It will also mean some money.'' In his 1982 campaign for governor, Mr. Cuomo gave a speech trumpeting the primacy of public education and the rights of teachers. He won the union's enthusiastic endorsement against Ed Koch in the Democratic primary. Over the next 12 years, in private meetings with Catholic leaders, Gov. Cuomo would declare that he still supported tax relief for parochial school parents. Then he would take a completely different position in public. For example, in 1984 he acknowledged that giving tax credits for parochial-school tuition was ''clearly constitutional'' under a recent Supreme Court decision—but he refused to support such a plan.

Politically controlled schools are unlikely to improve much without strong pressure from outside. Thus, the case for government aid to Catholic schools is now more compelling than ever, if only to provide the competitive pressure to force state schools to change. And the conventional wisdom that government is constitutionally prohibited from aiding Catholic schools has been undermined by several recent U.S. Supreme Court decisions.

SUCKER'S TRAP

Since the powerful teachers' unions vehemently oppose any form of government aid to Catholic schools, reformers are often skittish about advocating vouchers or tuition tax credits, fearing that will end the public-school reform conversation before it begins. But to abandon aid to Catholic schools in the name of public-school reform is a sucker's trap. We have ended up with no aid to Catholic schools and no real public-school reform either.

Catholic schools are a valuable public resource not just because they profoundly benefit the children who enroll in them. They also challenge the public-school monopoly, constantly reminding us that the neediest kids are educable and that spending extravagant sums of money isn't the answer. No one who cares about reviving our failing public schools can afford to ignore this inspiring laboratory of reform.

Mr. BENNETT. 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. PRYOR. 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. PRYOR. Mr. President, I assume we are in morning business. I ask unanimous consent I may proceed for no more than 10 minutes.

The PRESIDING OFFICER. The Senate is in morning business and the Senator is recognized for 10 minutes, without objection.

TAXPAYER BILL OF RIGHTS 2

Mr. PRYOR. Mr. President, over the past several years there has been a very extensive debate over ways to achieve more fairness for taxpayers, especially small taxpayers, through reform of our tax system. Proposals are most often very complex and sometimes extremely partisan. But there is one simple, inexpensive, and I must say unanimously-agreed upon legislative package that helps make paying taxes fairer to the taxpayer. Mr. President, we call this proposal the taxpayer bill of rights 2, which passed the Senate by unanimous vote on Thursday evening.

I am very proud we passed this particular piece of legislation by unanimous consent. The passage of this important piece of legislative work is the culmination of over one decade of dedication to its philosophy.

Many of our colleagues in the Senate today were not here in 1988 when Congress passed, and President Reagan signed into law, the very first taxpayer bill of rights. That bill was the first ever comprehensive piece of legislation enumerating the rights of the American taxpayer. For example, in the taxpayer bill of rights 1 provided:

First, the right of the taxpayer to be informed of their respective rights;

Second, the right of the taxpayer to rely on written advice of the Internal Revenue Service;

Third, the right of the taxpayer to representation; and

Fourth, the right of the taxpayer to recover, for the first time, civil damages and attorney's fees from the Internal Revenue Service.

These and other basic, commonsense provisions were codified by the first taxpayer bill of rights. The battle waged by a strongly bipartisan coalition for their codification was hard-fought, and their ultimate enactment was a first giant step for the American taxpayer.

But, since 1988 Mr. President, we have learned much about the Internal Revenue Service and the needs of taxpayers. Now is clearly time to more fully develop and expand those particular rights. With Thursday's passage of the taxpayer bill of rights 2, we have taken a very significant step forward, treating taxpayers more like customers.

This step follows the efforts taken in 1988 with the enactment of the first taxpayer bill of rights.

In 1992 I first introduced the taxpayer bill of rights 2 with considerable bipartisan backing of some 52 of our colleagues on each side of the aisle. The bill passed Congress twice that year. It was ultimately vetoed because it was included as part of two large tax bills with which President Bush did not agree. Since these two bills were vetoed at that time, the Senate has not considered taxpayer bill of rights 2 on its own merits until this past Thursday. In making its way to the Senate, this very important piece of legislation passed the House of Representatives by a unanimous 425 to 0 vote. I applaud the action of the House of Representatives, and I am proud that this Thursday, because of a strong bipartisan coalition, the Senate has now followed suit by unanimously passing taxpayer bill of rights 2.

I am also proud to say I have had the privilege and honor of working very closely with my colleagues in the Senate. Senator CHUCK GRASSLEY, of Iowa, has been a strong champion for years of increasing taxpayers' rights. He has been, certainly, a grand ally in this long fight. Senator HARRY REID, from Nevada, has also been a strong advocate for giving additional rights to the taxpayer. He has been a strong advocate and supporter of taxpayer bill of rights 2. In fact, the very first speech that Senator REID made on the floor of the U.S. Senate, shortly after his election, related to the necessity and the need of having a taxpayer bill of rights.

I look forward to President Clinton signing this very important bill in the days ahead. The taxpayer bill of rights 2 builds on a foundation laid by the original taxpayer bill of rights. It protects taxpayers by requiring the IRS to achieve higher standards of accuracy, timeliness, and fair play in providing taxpayer service. It makes the Internal Revenue Service accountable.

The taxpayers bill of rights 2 achieves these new standards through 27 new provisions—27 new protections for the American taxpayer, as a result of the passage of the taxpayer bill of rights 2.

First, expansion of the authority of the taxpayer advocate to prevent hardships on taxpayers;

Second, creation of small taxpayers' rights to an installment agreement, and further rights when installment agreements are denied or terminated are specifically spelled out to benefit the taxpayer;

Third, the expansion of the reasons for which the IRS must abate interest when it has delayed a taxpayers' case, and for the very first time in our history, a grant of authority to the courts of the power to review the interest abatement determination;

Fourth, an increase in the amount a taxpayer can recover in civil damages from $100,000 to $1 million, when the Internal Revenue Service or an agent thereof has acted negligently or recklessly in the taxpayer's case;

Fifth, provisions strengthening the code so the taxpayer may recover out-of-pocket costs;

Sixth, rules prohibiting the Internal Revenue Service from issuing retroactive proposed regulations unless the Congress provides otherwise.

Mr. President, the taxpayer bill of rights 2 contains many more commonsense provisions, designed to safeguard the rights of taxpayers. Taken together, these provisions will work to restore more faith in our system of taxation. It will provide more protection for the taxpayer in dealing with the Internal Revenue Service.

I truly believe that in the long run, this very important, bipartisan legislation will help bolster taxpayer confidence in dealing with the Government

by ensuring taxpayers that they are going to get fair treatment by the tax collector, the Internal Revenue Service.

Mr. President, in closing, I would like to this morning pay a very, very special tribute to a fine gentleman who has worked for years to make certain that the taxpayers' bill of rights No. 2 became the law of this land. This fine gentleman is Steve Glaze. He is a member of my staff. He sits to my left at this moment on the floor, and I can say without reservation that without Steve Glaze's constant help and support, his inspiration many times when we thought the taxpayers' bill of rights 2 would never see the light of day and never become law, Steve Glaze was always that optimistic individual, knowledgeable, inspired and committed to making certain that the American taxpayer got a fairer break.

So, Mr. President, I thank my very worthy staff member, Steve Glaze, for his magnificent contribution to this bipartisan piece of legislation.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI addressed the Chair.

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

Mr. DOMENICI. Mr. President, I understand morning business will be completed at 11 o'clock. I will attempt to keep my time to that. If you will advise me when the time is up, I would appreciate it.

The PRESIDING OFFICER. The Senator is correct. Morning business does expire at 11 o'clock. The Chair will advise the Senator.

Mr. DOMENICI. I had contacted Senator THURMOND about the last 5 minutes, and he is not coming, so that is why I am using his time.

FOREIGN OWNERSHIP OF U.S. TREASURIES

Mr. DOMENICI. Mr. President, while much attention has been given to the trajectory of our budget deficit in recent months, very little has been said about how we are financing this deficit. I think this latter point is crucial because there are some very troubling trends in the ownership of U.S. Treasuries which could spell trouble down the road.

Foreign ownership of U.S. Treasuries has surged in the last 3½ years. As a percent of the total private holdings, this ratio soared from 19 percent in 1992 to 25 percent by 1995. To put this in perspective, foreign treasuries and their holdings held within a fairly stable, and narrow range of 15 to 20 percent during the 12 years previous to 1992.

Some may argue that this recent rise is not worrisome. Indeed, we should be grateful, some would say, for foreign participation. However, this ignores two very key facts.

One, this money must be paid back with interest at a future date, and interest payments abroad are an unambiguous loss to American incomes. This is not the case with interest paid to domestic residents and domestic institutions. As such, continued purchases of Treasuries amount to mortgaging away our future standard of living a little bit at a time.

The second reason is that it is usually a bad sign to see a country find itself predominantly with foreign central bank money, because when they buy our Treasuries, they lend us their money. So it is usually a bad sign to see a country find that a foreign central bank is a predominant lender of money to us.

This usually bespeaks a lack of sufficient private investment and is a warning of unsustainable fiscal policies. Witness Mexico in 1995. That is why I view the first quarter's current data with such alarm. It showed that foreign central banks bought $55 billion in U.S. Treasuries from January to March of this year alone—$55 billion. That is nearly double the amount that central banks bought in all of 1994 and is over 80 percent of 1995's yearly total.

Let me put it another way. First quarter foreign official bond purchases amounted to 6.5 percent of the entire stock of foreign treasury holdings which had been built up over time. This goes a long way toward explaining why the treasury market was so resilient initially to the collapse of the balanced budget talks that we were having with the administration at the start of this year.

Why were central banks buying so many of our Treasury bills, so many of our IOU's? While some may have viewed United States debt as a good investment, the main player was the Bank of Japan. It was not buying our Treasury bills because it wanted to, but only did so to prop up the dollar and keep the yen weak as a way of aiding its ailing exporters and its banking sector.

The Bank of Japan has been forced into such defensive dollar buying ever since the Clinton administration forcibly devalued the dollar in 1993. Since 1993, the Bank of Japan's reserves have tripled from $69 billion, Mr. President, to $208 billion, underpinning our bond market with those huge quantities of purchases.

Since these reserves are held in dollars, this translates into a similar amount of treasury purchases. At present, these Japanese treasury purchases are very stable. The Bank of Japan cannot sell them without precipitating a fall in the dollar versus yen. However, once its banking sector reserves and its exporters adjust to the current yen level, there will be less need for the Bank of Japan to be buying Treasuries. Since the U.S. bond market has been accustomed to their steady purchases, this will come as a blow to the Treasury market of the United States. Indeed, we have already seen a mild example of what might happen when foreign central banks scale back their dollar purchases.

In April through June of 1996, official Treasury purchases were only one-tenth as large as in the first quarter. It was no accident that bonds fell sharply during this period, with the 30-year yield soaring from 6.6 to 7.2 percent.

The recent example stresses the importance of reducing the amount of U.S. debt issuance now. Only in this way will we be able to prevent a sharp future bond market selloff if foreign central banks scale back their enormous appetite for our securities, which appetite is not singularly predicated upon their confidence in us but, rather, in this case, the Japanese purchases are in their own self-interest for the time being, for they are attempting to effect the value of the yen versus the dollar their way.

When that all gets stabilized, who will fill the gap as they begin to dispose of these inordinate holdings of American Treasuries?

Mr. President, I yield the floor and thank the Senate for the time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. 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. The Senator from Alaska.

Mr. STEVENS. What is the pending business now?

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1997

The PRESIDING OFFICER. The clerk will report the bill.

The bill clerk read as follows:

A bill (S. 1894) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Stevens amendment No. 4439, to realign funds from Army and Defense Wide Operation and Maintenance accounts to the Overseas Contingency Operations Transfer Fund.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, my understanding as to the vote on the cloture motion that was filed last week, it has been temporarily set aside and could be called back by the leadership after notice to the minority; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. The Senator from Hawaii and I are now at liberty to proceed with the bill; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. STEVENS. When we were interrupted by the proceedings on the cloture motions last week, I had an amendment pending which had been set aside. Is that still the situation with regard to this bill?

The PRESIDING OFFICER. The pending question is amendment No. 4439, as the Senator has stated. Is there further debate on the amendment?

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4439

Mr. STEVENS. Mr. President, I ask the clerk to lay before the Senate the amendment that was set aside, No. 4439.

The PRESIDING OFFICER. That is the pending question.

Mr. STEVENS. Mr. President, this is a technical amendment that transfers funds from one account to another to assure that the contingency operations of the Department will be met.

AMENDMENT NO. 4589 TO AMENDMENT NO. 4439

(Purpose: A second degree amendment to amendment number 4439 filed by Mr. Stevens)

Mr. STEVENS. Mr. President, I now send to the desk an amendment which was proposed by Senator INOUYE and introduced on Friday.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. INOUYE, proposes an amendment numbered 4589 to amendment No. 4439.

The amendment is as follows:

In lieu of the matter to be inserted by amendment number 4439, at an appropriate place in the bill insert:

SEC. 8099. (a) Notwithstanding any other provision of this Act, the number for Military Personnel, Navy shall be $16,948,481,000, the number for Military Personnel, Air Force shall be $17,026,210,000, the number for Operation and Maintenance, Army shall be $17,696,659,000, the number for Operation and Maintenance, Air Force shall be $17,326,909,000, the number for Operation and Maintenance, Defense-Wide shall be $9,887,142,000, the number for Overseas Contingency Operations Transfer Fund shall be $1,140,157,000, the number for Defense Health Program shall be $10,251,208,000, the number for Defense Health Program Operation and maintenance shall be $9,931,738,000. (b) Of the funds appropriated under the heading Aircraft procurement, Air Force, $11,500,000 shall be made available only for modifications to B–52 bomber aircraft. (c) Of the funds appropriated in title VI of this Act, under the heading Chemical Agents and Munitions Destruction, Defense for Research, development, test and evaluation, $3,000,000 shall only be for the accelerated development of advanced sensors for the Army's Mobile Munitions Assessment System. (d) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Defense-Wide, $56,200,000 shall be available for the Corps Surface-to-Air Missile (CORPS SAM) program and $515,743,000 shall be available for the Other Theater Missile Defense/Follow-On TMD Activities program. (e) Funds appropriated in title II of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: *Provided*, That for the purpose of this section, supervision and administration costs includes all in-house government costs. (f) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Navy, $2,000,000 is available for titanium processing technology. (g) Advance billing for services provided or work performed by the Navy's defense business operating fund activities is prohibited: *Provided*, That of the funds appropriated under the heading Operation and Maintenance, Navy, $2,976,000,000 shall be available only for depot maintenance activities and programs, and $989,700,000 shall be available only for real property maintenance activities. (h) The Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: *Provided*, That costs for which reimbursement is waived pursuant to this subsection shall be paid from appropriations available for the Asia-Pacific Center. (i) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Defense-Wide, $3,000,000 shall be available for a defense technology transfer pilot program. (j) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Navy, $4,000,000 is available for the establishment of the National Coastal Data Centers required by section 7901(c) of title 10, United States Code, as added by the National Defense Authorization Act for Fiscal Year 1997. (k)(1) Of the amounts appropriated or otherwise made available by this Act for the Department of the Air Force, $2,000,000 shall be available to provide comprehensive care and rehabilitation services to children with disabilities who are dependents of members of the Armed Forces at Lackland Air Force Base, Texas.

(2) Subject to subsection (3), the Secretary of the Air Force shall grant the funds available under subsection (a) to the Children's Association for Maximum Potential (CAMP) for use by the association to defray the costs of designing and constructing the facility referred to in subsection (1).

(3)(a) The Secretary may not make a grant of funds under subsection (2) until the Secretary and the association enter into an agreement under which the Secretary leases to the association the facility to be constructed using the funds.

(b)(1) The term of the lease under paragraph (1) may not be less than 25 years.

(2) As consideration for the lease of the facility, the association shall assume responsibility for the operation and maintenance of the facility, including the costs of such operation and maintenance.

(c) The Secretary may require such additional terms and conditions in connection with the lease as the Secretary considers appropriate to protect the interests of the United States.

Mr. STEVENS. I stand corrected. This is an amendment based upon a series of amendments that I will articulate after we adopt this amendment. This is a managers' amendment. It has been drafted and prepared by Senator INOUYE. With his consent, I have called it up as an amendment in the second degree to the pending amendment.

I want to give notice to all Senators that it is being brought up and it is a technical amendment. However, it does cover a series of amendments that were filed in cloture. This amendment, if adopted, covers amendments Nos. 4466, 4439, 4467, 4468, 4469, 4470, 4471, 4472, 4473, 4474, 4475, 4476, 4477, 4478, 4481, 4482, 4483, 4484, 4485, 4486, 4487, 4488, 4511, 4565, 4567, and 4576. I believe that is the list.

Because of the cloture requirements, we filed separate amendments to achieve the same objective as the managers' amendment we had worked out before the cloture motion was filed. These were a series, not totally technical, of amendments that had been worked out on both sides and cleared on both sides for inclusion in this bill by unanimous consent. If we adopt this amendment, I will ask that the amendments I have just read be withdrawn.

I turn to my friend from Hawaii to seek his concurrence in this procedure.

Mr. INOUYE. Mr. President, I have no objection, and I wish to advise my colleagues that this procedure and these amendments have been cleared by both sides.

Mr. STEVENS. Mr. President, I want to wait a minute in total fairness. We are trying to contact one Senator. I want to make sure there is no disagreement. We have the list here, if anyone who is observing these proceedings is concerned. This will, in effect, adopt the amendments that we were prepared, before the cloture motion was filed, to recommend to the Senate as one managers' amendment. That is our proceeding now.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. STEVENS. Mr. President, I restate my request. I have an amendment at the desk. I ask unanimous consent that it be considered as a substitute for the pending amendment.

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

Mr. CRAIG. Mr. President, the plasma quench technology amendment will yield valuable results for our defense and aerospace industries in the near future. I understand it has been accepted by the committee, so I will keep my remarks brief. I sincerely appreciate the help and support of the chairman of the subcommittee, Senator STEVENS and the ranking member, Senator INOUYE.

Mr. President, my amendment would provide $2 million from funds available under title IV of the legislation before

us, to support development of an innovative metallurgic technology called plasma quench developed at the Idaho National Engineering Laboratory, to be used in producing ultra fine titanium powder and developing an injection molding of titanium metal.

Titanium metal is of critical significance to a wide variety of strategically important manufactured products, and the need for titanium in the production of such products is set to increase dramatically. In the transportation and aerospace areas the feasibility of many advanced products is predicated on a high-quantity, low cost supply of titanium that simply does not currently exist. At the same time that U.S. aerospace companies and other manufacturers are becoming more dependent on titanium, the sources for processed titanium metal are increasingly moving offshore, becoming more expensive. High capital and operational costs, in addition to the waste disposal costs associated with the standard Kroll process for titanium production are largely to blame for this migration. This situation threatens to seriously diminish the leverage and control exercised by U.S. manufacturers over this important strategic material.

The plasma quench process represents an alternative to the Kroll process that could have a radical impact on the world's titanium market by dramatically reducing the capital and process costs, and eliminating the waste stream associated with titanium production. While commercial-scale production of other metals using this process has already been demonstrated, much developmental work is necessary to prove the viability of the process with regard to titanium.

Mr. President, this is an important step in assuring the cost-effective, viable, and readily accessible production in the United States. As I mentioned before, I thank the committee for accepting this amendment.

Mr. STEVENS. Now, Mr. President, I will announce, once again, that this is the managers' amendment. It incorporates a series of amendments that we had agreed to accept on both sides prior to the cloture motion being filed. It has been checked with the persons that had some question about it. I now believe that it is still cleared on both sides. With that concurrence from the Senator from Hawaii, I ask if he concurs that it be adopted.

Mr. INOUYE. Mr. President, I concur.

The PRESIDING OFFICER. If there is no objection, amendment No. 4589 is agreed to.

The amendment (No. 4589) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4439, AS AMENDED

The PRESIDING OFFICER. If there is no objection, amendment No. 4439, as amended, is agreed to.

The amendment (No. 4439), as amended, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I read the series of amendments that have been proposed in the cloture mode, and I recall all of those amendments.

The PRESIDING OFFICER. Without objection, those amendments are recalled.

Mr. STEVENS. Mr. President, we have a series of amendments that have been filed, and we have been notified of a series that Members will seek to debate. We have an understanding with the leadership that a cloture motion will continue to be set aside so long as we proceed expeditiously with this bill.

Senator INOUYE and I are prepared to debate and consider any amendments that Members have indicated they wish to bring before the Senate. We will announce to the Senate that if there are no Members that wish to bring the matters before the Senate, we will go to third reading.

Mr. INOUYE. Mr. President, will the Senator yield?

Mr. STEVENS. Yes, I will. Does the Senator from Hawaii have any remaining amendments he wishes to consider?

Mr. INOUYE. Not personally.

Mr. President, I want to advise my colleagues that the managers of this measure are prepared to not only debate but to pass this measure today. If we cooperate, we should be able to do so by a reasonable time this evening.

That would mean tomorrow and the weekend would be free for our colleagues to do what they normally wish to do at this time of the year. So, Mr. President, I hope that the staff on both sides will send the message out to those who are interested in presenting amendments to come forth to the floor and do so expeditiously.

Mr. STEVENS. Mr. President, if I can have the indulgence of the Chair, I have three small amendments that I will present.

AMENDMENT NO. 4563

(Purpose: To require a study regarding the F–22 advanced tactical fighter)

Mr. STEVENS. 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 Alaska [Mr. STEVENS] proposes an amendment numbered 4563.

Mr. STEVENS. 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 30, line 2, before the period, insert: ''*: Provided,* That not less than $1,000,000 of the funds appropriated in this paragraph shall be made available only to assess the budgetary, cost, technical, operational, training, and safety issues associated with a decision to eliminate development of the F–22B two-seat training variant of the F–22 advanced tactical fighter: *Provided further,* That the assessment required by the preceding proviso shall be submitted, in classified and unclassified versions, by the Secretary of the Air Force to the Congressional defense committees not later than February 15, 1997''.

Mr. STEVENS. Mr. President, this amendment allocates $1 million for the Air Force to assess comprehensively the implications of the service's recent decision to terminate development of a two-seat trainer variant of the F–22 advanced tactical fighter.

I might state to the Senate that we have been informed that, if there was a proposal to eliminate the two-seat variant of the F–22 advanced tactical fighter, that would leave us without a training vehicle for this very sophisticated new aircraft.

We are not mandating that the decision be changed. We are mandating that there be a study made of that decision with regard to safety and training problems, as well as budgetary and technical problems, and that the Appropriations Committees and the Armed Services Committees of the House and Senate receive this study by February 15, 1997.

The Air Force normally acquires fighter aircraft in single-seat and two-seat variants so that the latter may be used for pilot flight training. Although the twin-seat trainers cost more than the single seat aircraft, they are considered necessary for the effective and safe training of pilots in the demanding air-to-air and air-to-ground tactical environments. Should a student pilot experience difficulties, the instructor pilot can assume control of the aircraft and safely demonstrate the required procedures and maneuvers.

Recently, the Air Force decided to cease development of the two-seat F–22—known as the ''F–22B''—in order to constrain costs.

Mr. President, there are serious safety, operational, and training issues associated with this decision. The F–22 is the most complex fighter aircraft ever developed. The pilots flying it must be the best trained to operate and fight the aircraft safely and effectively. The loss of a single pilot in a training accident would be a tragedy and would deprive the nation of a talented Air Force officer needed to accomplish important military missions.

There also are major cost, budgetary, and technical issues associated with the decision. Every F–22 fighter will cost at least $111 million to procure. The entire program will cost at least $70,092,947,000. In addition to the high cost of training a pilot, the loss of just a few F–22's in training or operational accidents caused by inferior training would more than offset the savings generated by terminating the F–22B. In retrospect, this decision may well come to be seen as penny wise and fiscally and militarily pound foolish.

The amendment I am offering is intended to provide the Congress with sufficient information to enable us to fully understand the many serious implications of the Air Force decision. Congress should have the opportunity to consider, and to act on, this decision in a timely manner.

The amendment mandates that the required report be submitted in classified and unclassified versions.

Does this have my friend's support?

Mr. INOUYE. Mr. President, this amendment has been cleared by both sides.

Mr. STEVENS. Mr. President, I urge adoption of the amendment.

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

The amendment (No. 4563) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4489

(Purpose: To reduce by $100 million the maximum amount allowed for Pentagon renovation)

Mr. INOUYE. Mr. President, I call up amendment No. 4489 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Hawaii [Mr. INOUYE], for Mr. BINGAMAN, proposes an amendment numbered 4489.

Mr. INOUYE. 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 70, line 8, strike out ''$1,218,000,000'' and insert in lieu thereof ''$1,118,000,000''.

Mr. BINGAMAN. Mr. President, this amendment will bring the defense appropriations bill into conformance with the authorization bill on the total cost of the renovation of the Pentagon reservation. My amendment reduces the cost cap in the bill by $100 million to a total of $1.118 billion. This is identical in purpose to the amendment passed by the Senate on June 25 during debate on the defense authorization bill.

The amendment is very simple and straightforward. It reduces the funds for the Pentagon renovation project by $100 million. As we have realigned our defense programs to meet changing needs, funds for many projects have been reduced or eliminated. Despite big reductions in defense spending and defense personnel, the Pentagon renovation project has enjoyed a steady flow of cash.

The time has come to impose greater financial discipline on the Pentagon, just as the Pentagon has asked other military organizations to be more frugal. This would be the first reduction in funds for this expensive project since its inception half a decade ago, and it amounts to less than 10 percent of the total.

Many things have changed since this 15-year project began, and I believe Pentagon renovation plans can be better aligned with today's realities. There are many factors which ease the impact of a reduced renovation budget. For example, the Department of Defense is downsizing. As the civilian and military workforce is steadily reduced, demands on workspace have eased. Construction costs in the Washington DC area have fallen and contract costs for the renovation have turned out to be considerably lower than the original estimates. On one construction contract alone, for example, costs were 36 percent less than anticipated. Also, modern communications technology makes it unnecessary to have large staffs at the Pentagon to manage dispersed operations.

Mr. President, in 1990 Congress transferred responsibility for the operation, maintenance, and renovation of the Pentagon from the General Services Administration to the Office of the Secretary of Defense. Congress recognized that the serious structural problems of the Pentagon building had to be addressed without further delay, and we took this action to get the long overdue project moving forward. Congress earmarked the $1.2 billion DoD would have paid to GSA in rent for the next 12 or 13 years as a break even way to pay for the renovations. This $1.2 billion was not based on projected renovation costs; it was simply a sum that was available and seemed a logical way to fund the renovation. Congress also provided the Department of Defense great flexibility in managing this large and complex project.

Since fiscal year 1994, the Senate Appropriations Committee has required the Secretary of Defense to certify that the total cost of Pentagon renovation will not exceed $1,218 million. But this $1.2 billion cap does not include all the renovation costs. In fact, there are four catogories of expenses which add substantial amounts to the total. For example, the Pentagon estimates the cost of buying and installing information management and telecommunications equipment is $750 million. This amount is not part of the $1.2 billion cap. Neither is the heating and refrigeration plant, the classified waste incinerator, the furniture, or the 780,000 square feet of leased spaces for people who must be moved during the construction. A figure of $1.2 billion is misleading; the expense of renovating the Pentagon easily exceeds $2 billion.

Last year the Senate passed my amendment to cut Pentagon Renovation expenses by $100 million. During conference, however, the conferees agreed to eliminate that requirement and instead directed the Defense Department to review the Pentagon's renovation plans and recommend cost saving options. In fact, this review had been underway since March of 1995. A March, 1995 Pentagon press release stated:

> This review will include re-examination of all lower cost options. At a time when the Secretary has initiated efforts to improve housing for our soldiers, sailors, airmen and marines, we need to do all we can to insure that dollars being spent for other infrastructure projects are not being taken away from the very high priority of improving the lifestyles of our men and women in uniform.
>
> I agree with this sentiment, and now I'd like to ensure that we turn these words into actions.

This well publicized review was supposed to produce a report which was due in February of this year. We didn't get that report, but on June 5 the Armed Services Committee staff did receive a one-page memo which states the Defense Department has found a savings of $37 million and will continue to look for more. A reduction of $37 million out of a total of $1.2 billion is not what I consider an aggressive response to our call to reduce costs.

Mr. President, 15 months ago the Pentagon itself publicly announced the intent to reduce the cost of this project. The Defense Department identified a new spending target only after last year's threat of a reduced cap and after I announced at the Readiness Subcommittee markup on April 30 that I would introduce a similar amendment this year if I was not convinced by the Pentagon's long-overdue report. Well, that report is not here. I am not convinced that $37 million is the best the Pentagon can do in the way of savings. The only way in which we can force additional savings is to keep up the pressure. That is what my amendment does.

Mr. President, Americans have been asked to tighten their belts and they expect no less from their Government. The Pentagon must be expected to do the same.

I yield the floor and urge the adoption of the amendment.

Mr. INOUYE. Mr. President, this amendment conforms to the Senate-passed authorization that places a ceiling on the Pentagon renovation fund. It has been cleared by both sides.

Mr. STEVENS. Mr. President, we do support this to conform with the authorization bill as passed by the Senate.

The PRESIDING OFFICER. If there is no objection, the amendment No. 4489 is agreed to.

The amendment (No. 4489) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4566

(Purpose: To increase the funding level available to continue the Maritime Technology program to $50,000,000 within available RDT&E, Defense-Wide appropriations and provide appropriate offsets)

Mr. STEVENS. Mr. President, I call before the Senate amendment No. 4566.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Alaska [Mr. STEVENS], for Mr. LOTT, proposes an amendment numbered 4566.

Mr. STEVENS. 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:

Before the period on page 30, line 13, insert: '': *Provided further*, That of the funds appropriated under this heading, $50,000,000 shall be available for the Maritime Technology program and $3,580,000 shall be available for the Focused Research Initiatives program''.

Mr. STEVENS. Mr. President, this is to increase the funding level available to the Maritime Technology Program to $50 million within the available research and development funds of the defensewide appropriations to provide for appropriate offsets, and it is an item that I have introduced on behalf of Senator LOTT, and I ask for its consideration.

Mr. INOUYE. This amendment has been cleared and approved by both sides.

Mr. STEVENS. I ask for adoption of the amendment.

The PRESIDING OFFICER. If there is no objection to amendment No. 4566, the amendment is agreed to.

The amendment (No. 4566) was agreed to.

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

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

The motion to lay on the table was agreed to.

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, on behalf of Senator HUTCHISON, I ask unanimous consent that Michael Montelongo be admitted to the floor during the consideration of this Defense appropriations bill. He is a congressional fellow.

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

AMENDMENT NO. 4490

(Purpose: To set aside $10,000,000 for the United States-Japan Management Training Program)

Mr. INOUYE. Mr. President, in behalf of Senators BINGAMAN, DOMENICI, and SANTORUM, I call for the immediate consideration of amendment No. 4490.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Hawaii [Mr. INOUYE], for Mr. BINGAMAN, for himself, Mr. DOMENICI, and Mr. SANTORUM, proposes an amendment numbered 4490.

Mr. INOUYE. 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 30, line 13, insert before the period the following: '': *Provided*, That, of such amount, $10,000,000 is available for the United States-Japan Management Training Program''.

Mr. BINGAMAN. Mr. President, this amendment would allocate $10 million within the DOD university research initiatives program element 61103D for the United States-Japan Management Training Program.

This program was begun in fiscal year 1991 at my initiative. It has enjoyed the support of both the Armed Services and the Appropriations Committees since its inception and I have been very grateful for the support of the senior Senators from Alaska and Hawaii. The goal of the program is to train American scientists and engineers and business managers in the Japanese language as part of their graduate educations and then place them in Japanese research institutions for internships or fellowships where they could learn firsthand how the Japanese research and development system—second only to our own at more than $100 billion per year—functions. They could then later in their careers in American industry and government help tap and build bridges to the Japanese research efforts in their areas of expertise. Essentially, this was an effort on a modest scale to learn from the Japanese success in tapping our research enterprise through such fellowships at our universities.

By all reports—and there have been several thorough reviews of this program—the program, as run by the Air Force Office of Scientific Research [AFOSR], has done an impressive job of achieving its objectives. Nineteen universities from around the country have received grants under the program and there has been significant cost-sharing from non-Federal sources to match funds provided by AFOSR.

Unfortunately, in fiscal year 1996, AFOSR was only able to fund the program at $2 million from its own resources after several years in which DARPA had provided AFOSR $10 million per year for the program. Essentially, the program got caught up in the politics of the Technology Reinvestment Project [TRP], even though the Japan program's focus was only peripherally related to the TRP's focus on government-industry technology partnerships.

Earlier this year, the Senate Armed Services Committee in its report provided discretion for the Pentagon to allocate up to $10 million to the Japan program from either PE61102F, the Air Force's defense research sciences program element, or PE61103D, the Office of Secretary of Defense's university research initiatives program element. The Armed Services Committee also directed AFOSR to ensure that cost-sharing from non-Federal sources should match AFOSR funds to the maximum extent practicable in future grant awards.

The Appropriations Committee in its report on the pending bill also urged the Pentagon to fund this program up to the $10 million level in its report language on the university research initiatives program element. I agree with the Appropriations Committee that the university research initiatives line is the more appropriate source for funds for this program, although the Air Force Office of Scientific Research should continue to manage it. I very much appreciate the Appropriations Committee's continuing support for the program. My amendment would take the extra step of insuring the full $10 million is really available to the program. I believe that taking this step is warranted in light of the great success the program has enjoyed in achieving its goals. I hope that the managers of the bill can support taking this additional step in supporting the Japan program.

I urge the adoption of the amendment and yield the floor.

Mr. INOUYE. This amendment earmarks $10 million for the U.S.-Japan Management Training program. Both authorization and appropriations include supporting report language, and it has been cleared by both sides, Mr. President.

Mr. STEVENS. Mr. President, I concur with the statement of the Senator from Hawaii. This is a matter that needs to be adopted to conform with the action taken by the authorizing committees.

The PRESIDING OFFICER. Without objection, amendment No. 4490 is agreed to.

The amendment (No. 4490) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4462

(Purpose: To provide $4,000,000 for the procurement of a real-time, automatic cargo tracking and control system)

Mr. INOUYE. Mr. President, in behalf of Senator FEINSTEIN, I call up amendment No. 4462 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Hawaii [Mr. INOUYE], for Mrs. FEINSTEIN, proposes an amendment numbered 4492.

Mr. INOUYE. 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 10, strike out ''1998.'' and insert in lieu thereof ''1998: *Provided*, That of the funds appropriated in this paragraph, $4,000,000 shall be available for the procurement of a real-time, automatic cargo tracking and control system.''.

Mrs. FEINSTEIN. Mr. President, I rise today in support of my amendment to make $4 million from the Army's Research, Development, Test and Evaluation available to acquire a real-time,

demonstrated, automatic cargo tracking and control system. This cargo tracking and control system is designed to assure that the smooth flow of cargo and to reduce the occurrence of misplaced cargo at Army ports. This demonstrated cargo tracking mechanism makes it possible for the manager of a port, rail yard, or other cargo distribution area to know where each container is and to move those containers without risk of being lost.

The Army has already witnessed massive unreported but costly loss of cargo location in storage following Vietnam and Desert Storm. The Army made previous attempts to purchase this tracking system but was unable to do so due to funding constraints. It is my understanding that the Army Material Command would like to use $4 million from Army Research, Development, Technology, and Evaluation budget line PE0603804A.

I am pleased that this amendment is acceptable and I thank the managers of the bill.

Mr. INOUYE. This amendment appropriates $4 million to be made available for the procurement of a real-time, automatic cargo tracking and control system. It has been cleared by both sides, Mr. President.

Mr. STEVENS. I do concur in this amendment.

The PRESIDING OFFICER. Without objection, amendment No. 4462 is agreed to.

The amendment (No. 4462) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4442

Mr. STEVENS. Mr. President, I call before the Senate amendment No. 4442.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MCCAIN, proposes an amendment numbered 4442.

Mr. STEVENS. Mr. President, I have called this amendment before the Senate on behalf of Senator BOND and Senator FORD. It is an amendment that will prevent the reduction of the funds that are available under authorized program activities for the National Guard, and it has been cleared on both sides. It does indicate that if additional funds are required for a program, project or activity of a higher priority than any other in future acts, they should be submitted to Congress under section 1997 of the Defense Authorization Act.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4452

(Purpose: To prohibit the use of appropriated funds to inactivate or reduce any unit of special operation forces of the Army National Guard)

Mr. STEVENS. Mr. President, I apologize to the Senate. The number should have been 4452. I mistakenly called up 4442. I ask the previous amendment be set aside. We do not want to call it up or recall it, just not bring it before the Senate at this time.

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

Mr. STEVENS. And that the amendment we consider now be the amendment for Mr. BOND, Mr. FORD, and Mr. LOTT, which is 4452.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BOND, for himself, Mr. FORD, and Mr. LOTT, proposes an amendment numbered 4452.

The amendment is as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. None of the funds appropriated by this Act may be obligated or expended—

(1) to reduce the number of units of special operations forces of the Army National Guard during fiscal year 1997;

(2) to reduce the authorized strength of any such unit below the strength authorized for the unit as of September 30, 1996; or

(3) to apply any administratively imposed limitation on the assigned strength of any such unit at less than the strength authorized for that unit as of September 30, 1996.

Mr. FORD. Mr. President, as cochairman of the Senate National Guard Caucus, I join with my colleague, Senator BOND, to thank my good friend Senator STEVENS and his ranking member Senator INOUYE for including our amendment prohibiting the use of appropriated funds to inactivate any units of Special Operation Forces of the Army National Guard in the managers amendment.

This issue has just been brought to Senator BOND's and my attention. From all indications, the U.S. Special Operations Command has decided on their own to inactivate two Army National Guard Special Forces battalions by September 1998.

This inactivation represents a loss of 802 individuals—or one-third of the Army National Guard Special Forces structure. This is not only a complete surprise to me and Senator BOND, but also to the Department of Defense.

Upon hearing of this plan, I asked my staff to check with the Pentagon to see if they knew of this proposal and had given their approval. Much to my dismay, I found out this was new to them as well.

The Special Operations Command tells us that these National Guard units are excess. However, a closer examination of the facts indicates that the actual motive behind this proposal is to harvest moneys to be spent on active forces. It is my understanding that the Special Operations Command did not even bother coordinating these proposed reductions with the leadership of the National Guard Bureau, the Army National Guard, or the active duty Army.

I believe this is the first step by the Special Operations Command for the total elimination of Special Forces in the National Guard.

The National Guard Special Forces units—the 19th and 20th Groups—are made up from the following States: Alabama, Utah, Mississippi, Florida, West Virginia, Colorado, Massachusetts, Maryland, Illinois, Virginia, Washington, Ohio, Rhode Island, California, and Kentucky.

These Special Forces groups are at the highest personnel readiness levels in history. Just recently, they proved their mission readiness during Operation Uphold Democracy when they made up over one-half of the U.S. Special Forces presence in Haiti.

Mr. President, the Special Operations Command's proposal to reduce these National Guard units does not appear to be based on any thorough analysis of force structure required or cost comparison savings between Active Components and Reserve Components units.

It was because of decisions like this that Senator BOND and I joined Senator LIEBERMAN, Senator MCCAIN and others to co-sponsor an amendment to the 1997 Defense authority bill calling for a complete review of our military force structure needs.

Mr. President, I ask unanimous consent that a letter I received from the adjutant general of the State of Kentucky, Gen. John Groves, be printed in the RECORD following my remarks.

Mr. President, I again thank the chairman and ranking member and their staffs for their assistance in this matter.

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

COMMONWEALTH OF KENTUCKY, DEPARTMENT OF MILITARY AFFAIRS, OFFICE OF THE ADJUTANT GENERAL,

Frankfort, KY, July 5, 1996.

Hon. WENDELL H. FORD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR FORD: I have just become aware of a proposal by the United States Special Operations Command (USSOCOM) to inactivate two Army National Guard Special Forces Battalions by September 1998. This represents 802 ARNG spaces or one-third of the Army National Guard Special Forces structure.

As you may recall, USSOCOM conducted a comprehensive review of requirements during the 1990–92 timeframe. This review identified that two SF Groups were excess to requirements in light of the end of the Cold War. At that time, a determination was made to inactivate one group each from the Guard and USAR. The 1993 Offsite Agreement resulted in a determination that both USAR groups would inactivate and both Guard groups would remain in the structure.

Upon inactivation of the two USAR groups, the Adjutants General, with the full support

of the National Guard Bureau, committed to ensuring that the readiness levels of these two groups were appropriately maintained. This was accomplished by absorbing highly qualified SF soldiers from the inactivating USAR units and intensively managing and resourcing the other shortfalls. Today, the 19th and 20th Groups are at the highest personnel readiness levels in history. Further evidence of their mission readiness was proven during Operation Uphold Democracy, when one-half of the U.S. Special Forces presence in Haiti was from the National Guard.

This proposal by USSOCOM to reduce these SF units does not appear to be based on any thorough analysis of force structure required or cost comparison savings between Active Component and Reserve Component units. It seems to be an attempt by USSOCOM to capture dollars at the expense of the Reserve Component without regard to any hard facts. These reductions will most likely jeopardize the ninety-five SF positions in Kentucky. However, the most critical aspect of these reductions is the loss of highly skilled/trained soldiers/units at a considerable savings in OPTEMPO and PERSTEMPO costs at a time when the probability of extensive participation in military operations other than war, such as in Haiti, is at an all-time high. The skills and equipment these soldiers possess to accomplish state and federal missions at minimum costs cannot be overstated.

Your assistance in stopping any further reduction in Special Forces Units would be very much appreciated. I am available to discuss this matter or answer any questions you may have either personally or by telephone at your convenience.

Sincerely,

JOHN R. GROVES, JR.
Brigadier General, KYNG,
Adjutant General.

P.S. In order to lose no time, I directed that background materials be sent to you by Fax on 3 July. This letter is my position relative to those materials.

Mr. STEVENS. Again, this is the same item discussed before. It is what I would call a preventive amendment and really instructs that the funds cannot be obligated to reduce the number of units of Special Forces in the Army National Guard for the year 1997, and we believe that it is consistent with existing law. It just indicates that those funds shall be expended for the purpose authorized only.

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that this amendment has been cleared and approved.

The PRESIDING OFFICER. Without objection, amendment No. 4452 is agreed to.

The amendment (No. 4452) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4572

(Purpose: To require the Secretary of the Army to establish subcontracting goals for certain procurement using funds appropriated by the bill)

Mr. INOUYE. Mr. President, on behalf of Mr. SHELBY and Mr. HEFLIN, I call up amendment No. 4572 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. SHELBY, for himself and Mr. HEFLIN, proposes an amendment numbered 4572.

Mr. INOUYE. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) The Secretay of the Army shall ensure that solicitations for contracts for unrestricted procurement to be entered into using funds appropriated for the Army by this Act include, where appropriate, specific goals for subcontracts with small businesses, small disadvantaged businesses, and women-owned small businesses.

(b) The Secretary shall ensure that any subcontract entered into pursuant to a solicitation referred to in subsection (a) that meets a specific goal referred to in that subsection is credited toward the overall goal of the Army for subcontracts with the businesses referred to in that subsection.

Mr. HEFLIN. Mr. President, I rise today to propose an amendment designed to aid small business in this time of consolidation and reduced Federal spending. Over the last few years, as the Army has reduced its contracting personnel strength, I have seen larger and larger small business set-aside contracts. This process is known as bundling. Unfortunately, when the bundled contract values approach $50 million annually, the number of firms eligible to compete is greatly reduced. The pressure on small businesses is further increased by the Army's failure to place firm small business subcontracting targets in its unrestricted requests for proposals.

My amendment would, therefore, require the Army to place firm small business, small disadvantaged business, and women-owned small business subcontracting targets in appropriate unrestricted RFP's. These subcontracts would then count toward the Army's small business set-aside goal. This amendment would not, however, increase the percentage of work being set aside for small business.

As this amendment is beneficial to small business and will not affect the Army's procurement workload, I hope my colleagues will fully support it.

Mr. INOUYE. Mr. President, this amendment has been cleared. It relates to small business activities and contracts, and provides disadvantaged businesses and women-owned small businesses a slight advantage.

Mr. STEVENS. Mr. President, we have examined the amendment. There is no objection to this amendment from this side of the aisle.

The PRESIDING OFFICER. Without objection, amendment No. 4572 is agreed to.

The amendment (No. 4572) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4564

(Purpose: To require a report from the Secretary of the Air Force and the Director of the Office of Personnel Management)

Mr. STEVENS. Mr. President, I ask the clerk to lay before the Senate my amendment No. 4564.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 4564.

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

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

The amendment is as follows:

At the appropriate place in the bill, add the following general provision:

SEC. . (a) The Secretary of the Air Force and the Director of the Office of Personnel Management shall submit a joint report describing in detail the benefits, allowances, services, and any other forms of assistance which may or shall be provided to any civilian employee of the Federal government or to any private citizen, or to the family of such an individual, who is injured or killed while traveling on an aircraft owned, leased, chartered, or operated by the Government of the United States.

(b) The report required by subsection (a) above shall be submitted to the Congressional defense committees and to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives not later than December 15, 1996.

Mr. STEVENS. Mr. President, this is a general provision which requires the Secretary of the Air Force and the Director of the Office of Personnel Management to submit a joint report describing in detail the benefits, allowances, services, and other forms of assistance which may or shall be provided to any civilian employee of the Federal Government or to any private citizen, or to the family of such an individual, who is injured or killed while traveling in an aircraft owned, leased, chartered, or operated by the Government of the United States.

This report is to be submitted to the congressional defense committees, the Governmental Affairs Committee of the Senate, and the Committee on Governmental Reform Oversight of the House, no later than December 15, 1996.

This report is needed because we have had some recent accidents—the terrible accident involving Commerce Secretary Brown and other accidents—of military aircraft on which civilians who were not employees of the Federal Government were killed, as a result of the accident.

I am seeking a study to determine the fairness of the situation with regard to people who may be asked, invited, by the Government to perform

what amounts to semiofficial tasks, and they are involved in missions that are undertaken on behalf of the United States, and they are killed as a result of an aircraft accident.

There has been some indications that some of these people do not have the coverage of benefits and other assistance that employees of the Government have, and that their survivors do not have the assistance of the laws that are in effect for survivors of those who were official employees. I wish to present to the Senate and the Congress next year legislation to see if we can correct this situation.

There was a similar concept in World War II that I recall. We called them the dollar-a-year persons. They were placed on the payroll and received $1 in order that they might be considered government employees so their survivors, in the event of disaster, were given the same consideration as the survivors of those who were government employees.

I do not ask the Senate, the Congress, at this time, to try to correct this, because I think there is sort of a patchwork quilt out there of benefits for survivors. I want to be able to consider this matter in the next session, as I indicated.

The difficulty is that, in almost all instances, these aircraft are military aircraft, but some of them, now, are leased and some of them are actually leased for the United States but operated under other departments than the Department of Defense. So this has to be a comprehensive report for us to see what is, really, the situation under this patchwork quilt that I mentioned, and see if we can find some way to be fair and treat these survivors honorably, without regard to which agency of the Federal Government was in charge of the aircraft and without regard to whether or not they were, in fact, employees of the United States.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that this measure has been cleared and approved by both managers.

The PRESIDING OFFICER. If there is no objection, amendment No. 4564 is agreed to.

The amendment (No. 4564) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4550

(Purpose: To require a report on meeting Department of Defense procurements of propellant raw materials)

Mr. INOUYE. Mr. President, I ask unanimous consent that amendment No. 4550 be called up for immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. LAUTENBERG, proposes an amendment numbered 4550.

Mr. INOUYE. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) Not later than March 1, 1997, the Deputy Secretary of Defense shall submit to the defense Committees a report on Department of Defense procurement of propellant raw materials.

(b) The report shall include the following:

(1) The projected future requirements of the Department of Defense for propellant raw materials, such as nitrocellulose.

(2) The capacity, ability, and production cost rates of the national technology and industrial base, including Government-owned, contractor-operated facilities, contractor owned and operated facilities, and Government-owned, Government-operated facilities, for meeting such requirements.

(3) The national security benefits of preserving in the national technology and industrial base contractor owned and operated facilities for producing propellant raw materials, including nitrocellulose.

(4) The extent to which the cost rates for production of nitrocellulose in Government-owned, contractor-operated facilities is lower because of the relationship of those facilities with the Department of Defense that such rates would be without that relationship.

(5) The advantages and disadvantages of permitting commercial facilities to compete for award of Department of Defense contracts for procurement of propellant raw materials, such as nitrocellulose.

Mr. LAUTENBERG. Mr. President, I appreciate the cooperation of the managers of this bill in approving this amendment. The amendment is straightforward. It asks the Deputy Secretary of Defense to provide a report, not later than March 1, 1997, to the Defense committees on examining the advantages and disadvantages of allowing commercial facilities to compete for future contracts of propellant raw material requirements, such as nitrocellulose.

The report shall include an assessment of first, the projected future procurement requirements for propellant raw material, such as nitrocellulose; second, the capacity, ability, and production cost rates of the national technology and industrial base to satisfy DOD requirements; third, the national security advantage of preserving contractor owned, contractor operated facilities as part of the industrial base; and finally, the extent to which government owned, contractor operated rates for nitrocellulose are reduced as a result of their relationship with the DOD.

Nitrocellulose is the basic chemical in the propellant mixture that provides the propulsion power for a projectile or cartridge, such as for the 120 millimeter target practice cartridge used on the M1A2 tank for gunnery training.

Because of the shrinking Defense procurement budget, the Department of the Army had directed the production of propellant to its Government owned, contractor operated facility located at the Radford Army Ammunition Plant in Virginia in order to keep its industrial base operating. However, this decision has precluded a commercial facility in my home State from competing for certain grades of nitrocellulose. This commercial facility wants to compete for future contracts beginning in fiscal year 1999.

Mr. President, this study is intended to make information available to help the Congress and the administration make an informed decision on this issue in the future. Therefore, Mr. President, I am pleased that my colleagues support this amendment.

Mr. INOUYE. Mr. President, this amendment calls for a report on DOD procurement of propellant raw materials such as nitrocellulose.

Mr. STEVENS. Mr. President, we have examined this. There have been some technical changes made at our request. We do not object to the amendment offered on behalf of the Senator from New Jersey.

The PRESIDING OFFICER. Without objection, amendment No. 4550 is agreed to.

The amendment (No. 4550) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4534

(Purpose: To require the Secretary of the Air Force to carry out a cost-benefit analysis of consolidating the ground station infrastructure supporting polar orbiting satellites)

Mr. STEVENS. Mr. President, I call before the Senate amendment No. 4534, offered by my colleague from Alaska, Senator MURKOWSKI.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MURKOWSKI, proposes an amendment numbered 4534.

Mr. STEVENS. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. Not later than six months after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a cost-benefit analysis of consolidating the ground station infrastructure of the Air Force that supports polar orbiting satellites.

Mr. STEVENS. Mr. President, this is a very straightforward amendment that deals with requiring a report from the Air Force on the cost-benefit analysis of consolidating the ground station infrastructure of the Air Force that supports polar orbiting satellites. At present, there are several. We seek

to discover whether it would be cost effective to consolidate those.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, this amendment has been cleared and approved by both managers.

Mr. STEVENS. I urge the adoption of the amendment.

The PRESIDING OFFICER. If there is no objection, amendment No. 4534 is agreed to.

The amendment (No. 4534) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, we have just completed a series of amendments that would have taken about—well, about 12 hours under cloture. So I am grateful to the Senate for an opportunity to proceed with our bill.

I would now like to announce to the Senate we would like Members who have amendments that they wish to present that have not been cleared to come to the floor. We will be pleased to consider any amendment and see if we can handle it as expeditiously as we have these that we have presented to the Senate. I might add, many of those amendments were modified substantially before we agreed to them.

So we look forward to that opportunity with regard to the rest of these amendments that have been filed before cloture. The leaders, I am informed, will look at this situation somewhere around 1 o'clock to determine whether we should proceed with our cloture vote.

At present, I think we could announce to the Senate, from the way we look at the amendments that have been submitted to us for review and were submitted to the Senate under the cloture procedure, if we work cooperatively we should be able to finish this bill by 7 or 8 o'clock tonight. We can do that by limiting the amount of time a Member might seek for the debate of an amendment or by assuring Members we will be more than pleased to attempt to work with them to alter the form of the amendments so we could agree to an amendment and take it to conference.

I am sure my friend from Hawaii joins me in urging Members now to come to the floor to present controversial amendments.

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

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

COMMENDING DR. LEROY T. WALKER

Mr. STEVENS. Mr. President, this has been cleared on both sides. I ask unanimous consent that the Senate proceed to the immediate consideration of a Senate resolution that I submitted earlier today, Senate Resolution 279.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 279) to commend Dr. LeRoy T. Walker for his service as President of the U.S. Olympic Committee and his lifelong dedication to the improvement of amateur athletic opportunities in the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

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

Mr. STEVENS. I have submitted this Senate resolution to commend and thank Dr. LeRoy T. Walker, the current president of the U.S. Olympic Committee, for his contribution to amateur sports in the United States.

Dr. Walker has been the USOC president since 1992, and has been involved with the USOC since 1977. He is the first African-American to be the USOC President in the 100-year history of the U.S. Olympic Committee.

Dr. Walker started working for the U.S. Olympic Committee the year before the Congress enacted the Amateur Sports Act of 1978. That was a bill I introduced in the Senate, Mr. President.

That act marked the beginning of the modern Olympics in the United States.

Dr. Walker has been the leader in carrying out Congress' vision for the modern Olympic movement through the Amateur Sports Act.

He has brought the U.S. Olympic Committee from an era where its budget was in the tens of millions to its most recent budget in the hundreds of millions.

Athletes in the late 1970's were a different kind of amateur than today's Olympians who are able to earn millions of dollars in endorsements, and whose fame is far greater due to the substantial television coverage that we now enjoy.

The Olympics have gone from being held once every 4 years to once every 2 years, with the staggered Summer and Winter Olympics schedule.

Dr. Walker has guided the Olympic movement in the United States and in the world through these significant changes and growth.

The resolution that I have submitted mentions many of Dr. Walker's accomplishments with the U.S. Olympics and with other amateur sports organizations over the years.

Let me speak briefly on some of the remarkable things Senators may not know about my friend, Dr. Walker.

Dr. Walker was the youngest of 13 children raised in Harlem during the Great Depression. He was the first person in his family to earn a college degree in 1940.

Not only did he earn the degree, but he graduated magna cum laude from Benedict College in just 3½ years. During that time, he earned 12 varsity letters in football, basketball, and track and field during that same time.

Dr. Walker was selected as an All-American quarterback in 1938, but kept the fact that he even played football a secret from his mother until his commencement because she was worried he would get hurt.

He earned a masters degree from Columbia in 1941. Columbia did not allow African Americans to earn doctoral degrees at that time, so Dr. Walker went to New York University to earn his Ph.D.

He was only the second African American to earn a Ph.D. at New York University.

Before Dr. Walker became involved with the U.S. Olympic Committee, he had one of the most remarkable coaching careers in the history of sports in the United States.

In all, he has coached football, basketball, and track teams that produced over 80 All-Americans, 40 national champions and 10 Olympians.

He coached or consulted the Olympic track teams of Israel in 1960, Ethiopia in 1960, Trinidad-Tobago in 1964, Jamaica in 1968, Kenya in 1972, and served as the head men's coach of the U.S. Olympic track and field team in Montreal in 1976.

Any one of Dr. Walker's achievements—whether his own athletic successes, his coaching accomplishments and his academic endeavors—not to mention his service with the U.S. Olympic Committee—would be a great achievement for most of us.

Dr. Walker has made those achievements look routine.

We commend him today for his leadership in preparing the United States for the 1996 Olympics and for preparing the U.S. Olympic Committee for the challenges of the 21st Century.

Dr. Walker is the 23d president of the U.S. Olympic Committee, and truly is one of the founding fathers of amateur sports in the United States.

His tenure as U.S. Olympic Committee President, and his long and distinguished career in amateur sports, will be capped off with the 1996 Summer Olympics in Atlanta, GA, which begin shortly.

It will be my pleasure to go to Atlanta on Wednesday to deliver to Dr. Walker the resolution I am presenting to the Senate today.

I hope the Senate will join me in support of this resolution commending and thanking Dr. Walker for all that he has done for amateur sports in the United States.

Mr. President, I urge the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution S. Res. 279.

The resolution (S. Res. 279) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 279

Whereas, Dr. LeRoy T. Walker, as President of the U.S. Olympic Committee from 1992 to 1996, and through a life long commitment to amateur athletics, has significantly improved amateur athletic opportunities in the United States;

Whereas, Dr. Walker has contributed in numerous capacities with the U.S. Olympic Committee since 1977;

Whereas, Dr. Walker is the first African-American to serve as President of the U.S. Olympic Committee in its one hundred year history;

Whereas, Dr. Walker has furthered amateur athletics in the United States through service in numerous other amateur athletic organizations, including the Atlanta Committee for the Olympic Games, the North Carolina Sports Development Commission, the Pan American Sports Organization, the Special Olympics, USA Track and Field, the Athletics Congress, and Amateur Athletic Union, the Army Specialized Training Program, the American Alliance of Health, Physical Education, Recreation and Dance, the National Association of Intercollegiate Athletics, North Carolina Central University, Duke University, Prairie View State College, Bishop College, Benedict College, and many others;

Whereas, Dr. Walker was an accomplished athlete himself in collegiate football, basketball and track at Benedict College, and an All-American in football in 1940;

Whereas, as a track and field coach, Dr. Walker helped 77 All-Americans, 40 national champions, eight Olympians, and hundreds of others, reach their potential as amateur athletes;

Whereas, Dr. Walker epitomizes the spirit of the Amateur Sports Act of 1978, the nation's law governing amateur sports;

Whereas, Dr. Walker was inducted into the U.S. Olympic Hall of Fame in 1987;

Whereas, Dr. Walker is recognized as a worldwide leader in the furtherance of amateur athletics;

Whereas, Dr. Walker will be leaving his post as the 23rd President of the U.S. Olympic Committee in 1996: Now, therefore, be it

Resolved, That the Senate commends and thanks Dr. LeRoy T. Walker for his service with the U.S. Olympic Committee, his lifelong dedication to the improvement of amateur athletics, and for the enrichment he has brought to so many Americans through these activities.

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

Mr. INOUYE. I move to lay that motion on the table, Mr. President.

The motion to lay on the table was agreed to.

Mr. STEVENS. I thank the Senator from Illinois for deferring.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 4591

(Purpose: To ensure that work under Department of Defense contracts is performed in the United States)

Mr. SIMON. Mr. President, I send an amendment to the desk on behalf of myself, Senator SPECTER, and Senator HARKIN.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON], for himself, Mr. SPECTER, and Mr. HARKIN, proposes an amendment numbered 4591.

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

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

The amendment is as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) CONSIDERATION OF PERCENTAGE OF WORK PERFORMED IN THE UNITED STATES.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to evaluate competitive proposals submitted in response to solicitations for a contracts for the procurement of property or services except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) a factor in such evaluation, as stated in the solicitation, is the percentage of work under the contract that the offeror plans to perform in the United States; and

(2) a high importance is assigned to such factor.

(b) BREACH OF CONTRACT FOR TRANSFERRING WORK OUTSIDE THE UNITED STATES.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to procure property or services except when it is made known to the Federal official having authority to obligate or expend such funds that each contract for the procurement of property or services includes a clause providing that the contractor is deemed to have breached the contract if the contractor performs significantly less work in the United States than the contractor stated, in its response to the solicitation for the contract, that it planned to perform in the United States.

(c) EFFECT OF BREACH ON CONTRACT AWARDS AND THE EXERCISE OF OPTIONS UNDER COVERED CONTRACTS.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to award a contract or exercise an option under a contract, except when it is made known to the Federal official having authority to obligate or expend such funds that the compliance of the contractor with its commitment to perform a specific percentage of work under such a contract inside the United States is a factor of high importance in any evaluation of the contractor's past performance for the purposes of the contract award or the exercise of the option.

(d) REQUIREMENT FOR OFFERORS TO PERFORM ESTIMATE.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to award a contract for the procurement of property or services unless the solicitation for the contract contains a clause requiring each offerer to provide an estimate of the percentage of work that the offeror will perform in the United States.

(e) WAIVERS.—

(1) Subsections (a), (b), and (c) shall not apply with respect to funds appropriated to the Department of Defense under this Act when it is made known to the Federal official having authority to obligate or expend such funds that an emergency situation or the national security interests of the United States requires the obligation or expenditure of such funds.

(2) Subsections (a), (b) and (c) may be waived on a subsection-by-subsection basis for all contracts described in subsection (f) if the Secretary of Defense or the Deputy Secretary of Defense—

(A) makes a written determination, on a nondelegable basis, that—

(1) the subsection cannot be implemented in a manner that is consistent with the obligations of the United States under existing Reciprocal Procurement Agreements with defense allies; and

(2) the implementation of the subsection in a manner that is inconsistent with existing Reciprocal Procurement Agreements would result in a net loss of work performed in the United States; and

(B) reports to the Congress, within 60 days after the date of enactment of this Act, on the reasons for such determinations.

(f) SCOPE OF COVERAGE.—This section applies—

(1) to any contract for any amount greater than the simplified acquisition threshold (as specified in section 2302(7) of title 10, United States Code), other than a contract for a commercial item as defined in section 2302(3)(I); and

(2) to any contract for items described in section 2534(a)(5) of such title.

(g) CONSTRUCTION.—Subsections (a), (b), and (c) may not be construed to diminish the primary importance of considerations of quality in the procurement of defense-related property or services.

(h) EFFECTIVE DATE.—This section shall apply with respect to contracts entered into on or after 60 days after the date of the enactment of this Act.

Mr. SIMON. Mr. President, this is an amendment that tries to make our present Buy American Act effective on defense contracts. What it says is that when a defense contractor submits a bill, the defense contractor should indicate what percentage of that contract is going to be manufactured here in the United States, and then that should be a high factor in the determination by the Defense Department in consideration for that contract. And we also make clear that this is not to violate any agreement, any treaty we have with any other country and any memorandum of understanding we have with any other country.

The reality is that the Buy American Act just has not worked. I had the experience of being on an American base and seeing a truck made in another country, a U.S. military truck there, and I thought, you know, we really ought to be buying trucks made in the United States of America. That is just one small illustration.

I ask, Mr. President, unanimous consent to have printed in the RECORD letters from the Maritime Trades Department, from the International Association of Machinists and Aerospace Workers, from the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, from the AFL–CIO, and a letter from the Timken Co.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARITIME TRADES DEPARTMENT,
AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, July 15, 1996.

DEAR SENATOR: When the Senate takes up the FY97 defense appropriations bill, it will consider an amendment designed to provide preference to Department of Defense (DOD) contractors who maintain significant domestic production capabilities. The Maritime Trades Department, AFL–CIO (MTD) urges adoption of this amendment, which will be offered by Senator Paul Simon (D–IL) to help maintain the defense industrial base.

If adopted, this provision will provide a mechanism for assuring the American public that the nation's defense dollars are being utilized to provide the highest possible level of domestic employment. This is an important point to consider. Since 1987, over one million skilled American workers in the defense industry have lost their employment. These job losses resulted from military downsizing and, to a growing extent, American defense firms' expanding use of overseas outsourcing to fulfill their contractual obligations. In 1995, over $1.3 billion in foreign subcontracts and purchases were made as part of DOD contracts.

The Simon amendment requires the DOD to consider projected levels of domestic production when evaluating competitive procurement proposals. Defense firms are expected to reach stated domestic targets. In the event foreign outsourcing is significantly higher than declared, they may be deemed ineligible for renewal of that contract. The amendment also contains appropriate waivers for national security and international emergencies and provisions to guarantee the primacy of product quality in defense procurement decisions.

These requirements are hardly onerous when one realizes what is at stake. Americans working in this strategic field possess unique industrial skills that are vital to our nation's future, but their employment opportunities are being jeopardized by unfair trade and low-cost, heavily subsidized foreign competition. The aerospace industry, long considered the linchpin of our defense industrial system, may suffer the loss of 250,000 jobs by the year 2000.

Aside from the economic consideration involved, it simply is unacceptable for the DOD to allow defense contractors to increase their dependence on foreign-source military equipment and services. It is in this nation's vital interest to maintain a viable network of skilled defense workers so that our armed forces can respond to any contingency in an increasingly unstable world. Other nations understand this need, and until recently, so did America. Essentially, the Simon amendment would provide the necessary framework to insure that precious defense dollars be use to underwrite a competitive American base.

In closing, the MTD and its affiliates urge you to support the Simon amendment when it is considered as part of the FY97 defense appropriations measure.

Sincerely,

MICHAEL SACCO,
President.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
Upper Marlboro, MD, June 24, 1996.

DEAR SENATOR: We are writing on behalf of the International Association of Machinists and Aerospace Workers to voice our strong support for an amendment to defense appropriations sponsored by Senator Paul Simon. The amendment, which has already passed the House of Representatives, is needed to maintain the integrity of defense spending by enabling U.S. taxpayers to know how much of their money is used to retain and create jobs in the United States.

Specifically, the Simon amendment would require contractors to state during the bidding process what percentage of work performed under a defense contract would be kept in the U.S. The amendment further provides that if a contractor is awarded the contract and fails to honor its commitment, it would be considered to be in breach of the contract and render itself ineligible for contract renewal.

This amendment makes good sense. American taxpayers should know whether they are funding defense programs that result in jobs at home. The current practice which permits defense contractors to operate in a shadow by engaging in the practice of seeking subcontractors outside the U.S. to perform portions of their contracts must be put to a stop. This practice has resulted in increased profits for the defense contractor with no savings passed along to the U.S. taxpayer. Most importantly, it has resulted in the loss of major opportunities for U.S. workers.

As jobs in the defense industry continue to be drastically reduced, this issue has become even more important. Total employment in the private sector defense industry declined by more than one million workers between 1987 and 1995. Defense related employment for aircraft, missiles, space vehicles, and related parts today is less than half of what it was in 1987. At the same time defense related employment is declining, government expenditures on defense and defense related projects involving work performed abroad continues to soar.

Defense contractors should not be in the business of subcontracting technology and shipping work, funded by U.S. taxpayers, offshore. Senators should, at the very least, be aware of the economic impact that large defense contracts will have on local communities and this impact should be a major factor in awarding contracts.

The Simon amendment accomplishes this goal by merely obligating a defense contractor to state what percentage of the contract's work will be performed in the U.S. It serves as a ''truth in lending'' provision and will force a contractor to be honest with itself and the United States taxpayer before it submits a bid on federal government defense work.

The American people have a right to know—will their money be going to create good and decent jobs at home, or will it be going to pay for subcontracted defense work abroad? Once again we urge your support for the Simon amendment.

Very truly yours,

GEORGE J. KOURPIAS,
International President.

INTERNATIONAL UNION OF ELECTRONIC, ELECTRICAL, SALARIED,
MACHINE AND FURNITURE WORKERS, AFL–CIO,
Washington, DC, June 25, 1996.

DEAR SENATOR: On behalf of the working men and women of the International Union of Electronic, Electrical, Salaried, Machine & Furniture Workers, AFL–CIO, I urge your support for an amendment to defense appropriations to be offered by Senator Paul Simon. This amendment, which has already passed the House of Representatives, will enable the American public to know whether their tax dollars are creating good-paying defense jobs here in the United States, or whether they are subsidizing foreign operations.

Specifically, the Simon amendment would require contractors during the bidding process to disclose what percentage of work to be performed under a given defense contract would be kept in the United States. It further provides that this percentage be a factor in the awarding of the contract, and that the failure of a contractor to honor its commitment, constitutes a breach of the contract, rendering the contractor ineligible for contract renewal.

This amendment makes good common sense. American taxpayers should have the right to know whether they are funding defense programs which result in jobs at home. This amendment would put an end to current practice which permits defense contractors, without the public's knowledge, to ship work to subcontractors outside of the United States. While defense contractors have been the beneficiaries in the form of enormous profits, the American worker has been the loser.

Indeed, as defense work continues to decline in this country, this issue will become of increased importance. Between 1987 and 1995, total employment declined by more than one million workers in the private sector defense industry. Today, defense-related employment for aircraft, missiles, space vehicles, and related parts today is less than half of what it was in 1987.

With jobs and job stability a major concern of all workers in this country, the American people should have the right to know whether their hard-earned tax dollars will be used to create good-paying jobs at home, or whether they will be used to subsidize operations overseas. I strongly urge your support for the Simon amendment.

Sincerely,

WILLIAM H. BYWATER,
International Union President.

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC July 1, 1996.

DEAR SENATOR: Senator Paul Simon (D–IL) will offer an amendment to the DOD appropriations bill, S. 1894, that would help retain defense manufacturing capacity in the United States. A similar amendment has already passed the House of Representatives. The AFL–CIO strongly supports the Simon amendment.

Offshore production of United States defense products is an increasing concern to defense workers as well as defense strategists. The Simon amendment would give a contract preference to manufacturers who promise to build in the United States. Contracts would be required to disclose what percentage of their product would be manufactured in the U.S., and they would be held accountable for that percentage for the duration of that contract. If a contractor failed to meet its domestic production commitment, it would be ineligible to renew that contract.

The Simon amendment makes good sense by protecting defense jobs, retaining the United States defense industrial base and enhancing protection for advanced technologies by keeping them in the United States. It also provides reasonable waiver authority and excludes contracts under $100,000.

At a time of defense downsizing, it makes little sense to continue hollowing out our defense manufacturing capability. Therefore the AFL–CLO strongly endorses the Simon amendment.

Sincerely,

PEGGY TAYLOR,
Director, Department of Legisltion.

THE TIMKEN CO.,
July 9, 1996.

I am writing to express the strong support of the Timken Company for an amendment to be offered by Senator Paul Simon during consideration of the Defense Appropriations

bill for Fiscal Year 1997. The provision is similar to the Durbin amendment accepted by the House in their FY97 spending bill and would provide accountability by U.S. Government agencies in defense procurement contracts.

Under existing law and regulation, Americans are guaranteed that their tax dollars will be used by the Department of Defense in the procurement of goods and services in a manner that maintains the ability to produce certain products critical to our nation's defense. The purpose of these statutes is to sustain our national security and economy by helping to preserve the defense industrial base and the high-skilled, high wage jobs associated with it.

Unfortunately, there is no mechanism, now under law, the enforce these laws. Foreign producers consistently violate the statute by including products in U.S. defense systems that were mandated by Congress to be produced within the United States. The effect is a short term cost savings of the Pentagon with a permanent weakening of or industrial base. Such foreign sourcing of key products causes American producers to discontinue needed research and development, as well as reduce domestic capacity. We slowly become vulnerable by losing our long-term ability to produce critical defense systems.

For example, in late June, Defense Secretary Perry announced that the department would conduct an internal review of the possible illegal use of foreign high technology bearings in U.S. missile systems (such as the patriot missile and various air to air missile systems). Because these bearings are essential for the systems to work, U.S. law requires U.S.-made bearings to be used, when available, in missiles procured by the U.S. government. It is only after widespread abuse that this case received the attention necessary within the Congress and the Administration to prompt action. How many other situations simply go unnoticed and unreported? Clearly, the law must be better enforced.

The Simon amendment addresses the issue, by providing that the percentage of work a defense contractor plans to perform in the U.S. will be an important factor in the evaluation of bids; a defense contract will be deemed to have been breached if a contractor performs significantly less work in the U.S. than promised in its contract solicitation; and such a contractor will also be ineligible to have that contract renewed.

The amendment can be waived in a national emergency or for national security reasons. Also there is specific reference to not construing the provision in a manner that diminishes the primary importance of quality in the product being procured.

Your strong support of the Simon amendment is requested for a strong America. Thank you for your consideration of this matter.

Sincerely,

ROBERT LAPP.

Mr. SIMON. Mr. President, here is a defense contractor. Let me just read one paragraph here.

I am writing to express the strong support of the Timken Company for an amendment to be offered by Senator Paul Simon during consideration of the Defense Appropriations bill for Fiscal Year 1997. . . .

Unfortunately, there is no mechanism, now under law, to enforce these [Buy American] laws. Foreign producers consistently violate the statute by including products in U.S. defense systems that were mandated by Congress to be produced within the United States. The effect is a short term cost savings for the Pentagon with a permanent weakening of our industrial base. Such foreign sourcing of key products causes American producers to discontinue needed research and development, as well as reduce domestic capacity. We slowly become vulnerable by losing our long-term ability to produce critical defense systems.

I think this is a security issue.

What would happen, practically, when a company submits a bid, they would have to submit that they are going to spend 70 percent, 80 percent, or whatever percent of this contract in the United States. Then, when the Defense Department reviews the contract, that should be a high factor—not the sole factor, but a high factor—in determining where the manufacturing should go.

If a company submits a bid saying, ''We are going to produce 80 percent in the United States,'' and then they produce 20 percent in the United States, that would be considered a breach of contract, and it would have to be considered in any future contracts by that company. I think it makes sense.

A recent GAO study in April of 1996 found that other countries are much more pressing in terms of their defense establishment in how they insist their defense money is spent within their own country. The GAO found out, among other things, that U.S. companies have entered into offset agreements totaling more than $84 billion since the mid-1980's. In order to get a contract in another country, we have agreed to $84 billion in manufacturing and purchasing of their products in another country.

I understand why some companies want to go abroad. China pays an average of $50 a month. Wichita, KS, now makes part of what it made in Wichita, KS, in China. I understand the cost savings there. We are not saying that cost savings cannot be a factor, but that a high factor has to be how much is manufactured in the United States.

As the president of Timken Company said, there is a security factor here. We need to maintain our industrial base, our research. I am told that the McDonnell Douglas facility in St. Louis, where 500 employees have just been laid off, the company is subcontracting work to Finland, Spain, Australia, Germany and Switzerland for the F–18.

Now, we are not saying that none of this work can go abroad. We are just saying it ought to be upfront in the contract.

I am pleased to be joined by Senator SPECTER and Senator HARKIN as cosponsors of this legislation. I hope it will be adopted by the Senate.

Mr. STEVENS. Mr. President, I am sad to announce to the Senate that the Department of Defense has requested that we oppose this amendment because it would impose a burdensome and relevant complication on the evaluation process. This is a very difficult process to work out.

The United States sells over $14 billion in military equipment overseas. We import about $1.3 billion. It is obvious that we have a substantial interest in continuing exports which lower the unit cost of our production that we must buy to maintain our own defense. The defense industry that is engaged in the export also has asked us to oppose this amendment.

If a contractor selects a U.S. contractor and the U.S. contractor goes out of business or cannot perform and there is no other U.S. source, the net effect of this amendment would prohibit the prime contractor from seeking a subcontractor abroad from the country of one of our allies.

This is a similar provision to the House bill. It will be in conference, and we will work out some of this issue in conference. Contrary to some of the reports I read in some of the papers this morning, the Defense Subcommittee does still confer, and we confer at length and ad nauseam sometimes, but we will confer on the issue because it is a House bill.

One of the basic problems that we have is if we interfere with the prime contractor's ability to select the best subcontractor available, we are not only imposing a burden on the contractor to respond to a solicitation that he has presented based upon availability of competitive bidding from subcontractors, the net result, Mr. President, will be the increase in costs of the defense efforts of the United States, to the taxpayers of the United States.

I view this amendment as being one which is very difficult to deal with because it is so appealing. What we are saying is the DOE policy with regard to evaluation factors would be legislated by Congress in such a way as to eliminate the ability of a contractor to look to a foreign source for a portion of the work that contractor commits to do on behalf of the Department of Defense at the taxpayers' expense and, by definition, a competitive contract.

I believe this will nullify existing procurement agreements that we have. We have some 20 longstanding allies who buy a considerable amount of their military products from us. To a great extent, we see enormous entities in the industrial base. In the United States, many of the subcontractors are from overseas.

This Senator and other Senators have been criticized for going to things like air shows, for instance. We go to trade shows and air shows to see who is out there, what is the strength of the United States vis-a-vis the foreign supplier, and are we correct to the extent that we are even buying the $1.3 billion that we buy from overseas through the use of taxpayers' funds, and directly by our contractors who do buy from subcontractors overseas.

I personally believe this is a very strong export business. Let me say, it is a $14 billion export we are looking

at. That export is a strong, strong portion of our industrial base. It represents a strong portion of our industrial base. If we were to adopt the approach of the Senator from Illinois and the approach represented in the House bill totally, in my judgment, we would place at risk this strong export business. Therefore, I am sad to say I intend to move to table the amendment, subject to the comments of my friend from Hawaii.

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

Mr. INOUYE. Mr. President, at first blush, one must conclude this is a good amendment. In general, it says we Americans will purchase American goods. It is a very patriotic amendment. However, Mr. President, it is not a realistic amendment.

As the chairman of the subcommittee has pointed out, we sell our allies and other friends over $14 billion worth of defense products. In return, we have purchased $1.8 billion. As everyone in this Chamber will say, trade is a two-way street. We cannot insist our allies purchase everything from us and we not purchase anything from them. If we were the only producers in the world, we may be able to dictate terms and impose our will on the rest of the world, but there are many other countries that are involved in defense production.

This amendment of my friend from Illinois does provide the Secretary of Defense the authority to waive provisions of this amendment for NATO allies—for Israel, for Egypt, for Japan, and for Korea. But we do a lot of business with countries like Malaysia, Singapore, Thailand, Indonesia, all of South America, and all of Central America, and we may reach a point where we may find these friends of ours responding to our strict restrictions by saying: Well, if that is the way you feel about it, Mr. U.S., we will buy our aircraft from France. The Mirage is just as good. Or we might buy it from Britain. They are just as good.

So, Mr. President, though at first blush this may seem like a very patriotic amendment, the effect may be one that none of us would want to happen to our industry. We may be the loser. So I join my chairman in this motion to table this amendment.

I ask for the yeas—

Mr. STEVENS. If the Senator will withhold. I know the Senator from Illinois may want to speak. We are trying to work out a time to stack votes for a later time because there are some meetings going on that the leaders are involved in, as I understand it.

I will just add this comment to my friend from Illinois. We now are becoming an industrial center for investment by foreign producers, whether it is in automobiles, aviation parts, or other types of production. We are reducing our industrial base. After all, we have reduced the amount of money spent by the taxpayers of the United States for procurement of military goods by 60 percent in the last 10 years. We have reduced it 60 percent. Now our industrial base is shrinking. As it shrinks, some of the foreign investors and foreign manufacturers are coming into our country and opening plants to take advantage of the expertise of our labor force, and they are producing some of the parts that we are exporting. This is saying to those same people who are investing in this country, creating jobs and preserving jobs here in our industrial base: That is fine. You can produce it here and we will export it, but you cannot bring into this country and compete with this country on subcontractors. I really think that is not the right policy.

So while it will be a very difficult thing to convince the Members of the House to modify this, that is what we intend to do. We will not be able to do that if this amendment is adopted. We will have no negotiating room with the House at all. The export business of the United States is of sufficient importance that we must find a way. I do believe that, with the good will that exists in the House, we will find a way to reflect the concept that the House seeks, which is that we know what we are doing when these contracts are let, and that there literally be competition. But as long as we are insisting on competition, I do not think we ought to say we only want competition from U.S. sources when we are providing so much of the overseas market, as far as these military acquisitions are concerned.

I urge Members to travel with us and look at this. It is an enormous market that we serve. Our military-industrial complex not only serves the military market abroad, but by producing the parts for aircraft, and parts for various types of vehicles we use, parts for our submarines, we are the parts supplier of the world.

This amendment would put that in great jeopardy, and I think it should be tabled at the appropriate time. I will make the motion to table at the appropriate time. I want to defer that until I get an indication from the leadership of the proper time to request that the vote take place.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I buy many of the arguments that my friends from Hawaii and Alaska used. I voted for NAFTA. I voted for GATT. In general, we have to have reciprocity in terms of trade. But we also have, in theory, a Buy American Act, which is, frankly, toothless. So I think we need something that is a little stronger.

Let me add that this amendment is more narrowly crafted than the House amendment. The House amendment introduced by my House colleague, Congressman DICK DURBIN, is stronger than this amendment. But this amendment at least says, let us find out what percentages are made in the United States and what percentages abroad.

In response to my friend from Alaska, who said this is going to mean a lot of work, I have a news release—and it is fairly typical—from the Office of the Assistant Secretary of Defense about various contracts. Here is a contract awarded to McDonnell Douglas that says, ''Work will be performed in St. Louis, Missouri, 70 percent, and in the United Kingdom, 30 percent.'' So they are doing some of this right now. All we are saying is that the percent that is manufactured in the United States should be of high importance—not the sole consideration, but should be of high importance.

Here is another one. Refinery Associates of Texas. ''Work will be performed in overseas locations.''

Here is another contract that says, ''Work will be performed 43 percent in Germany, 30 percent in Alabama, 22 percent in Michigan, 4 percent in California.''

So they are doing these things now. What we are doing is just ignoring how much is made in the United States. Here is another contrast as to how much would be done in the United States, how much in Germany, how much in England, how much in Italy, how much in Korea, how much in Australia. So they are doing this now. This is not an undue burden.

Now, one argument they make is that this may cost a little more. It may cost a little more. I do not know what they pay for that foreign truck on an American base. Maybe we save a few dollars. But I think that when it comes to defense dollars, insofar as practically possible, we ought to be spending that money here at home. That is the reality. Again, I stress that there is a waiver where we have agreements with other countries and memoranda of understanding with other countries for any kind of emergency. I think this makes sense, and I urge my colleagues to reject the motion to table.

Mr. STEVENS. Mr. President, let me just list some major sales in the time we have. As we listened to the Senator from Illinois, I made a list. These are recent major sales:

C–130J to Britain, AH–64 Apache to Britain, AH–64 Apache to Netherlands, F–16 to South Korea, Corp-San development with Germany, F–18 to Australia, F–18 to Spain, AV–8B co-production with Britain and Spain. That is the British area being built in the United States, a co-production with Britain and Spain. And the MLRS rockets, which are so important to the Senator from Arkansas, to Germany and to Britain.

Now, that is just 5 seconds of thinking about what we are doing. The impact of this amendment places those in jeopardy.

Now, Mr. President, I am constrained to say that, the other night, a good friend of mine, who is a very intelligent person from academia, told me, ''You know, as we reduce our industrial base, if you in Congress continue to put restrictions on our American industry

so it cannot enter into cooperative agreements abroad, we will see the day come when we will be procuring all of our systems from abroad, because technology follows production.''

Technology follows production. As we produce, we refine our systems, we develop new technology. If we are not involved in this production, we will not be able to afford the development costs and research costs to refine it. If we want to remain a leader in terms of production—particularly now of aircraft, submarine, and military vehicles—we are going to have to understand that our allies throughout the world, who are buying our major projects, are going to insist that they be involved somehow in this overall business.

Today, as I indicated, the balance is over $14 billion that we export versus about $1.3 billion we import. I do not believe that this amendment in its present form is in the best interest of the United States, and therefore I oppose it.

Mr. President, I will put the Senate on notice that unless the leader disagrees, we will call for the vote in 10 minutes, and I suggest the absence of a quorum in the meantime.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4569

(Purpose: To impose additional conditions on the authority to pay restructuring costs under defense contracts.)

Mr. INOUYE. Mr. President, in behalf of the Senator from New Jersey [Mr. BRADLEY], I ask for the immediate consideration of amendment No. 4569.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The amendment will be considered.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BRADLEY, proposes an amendment numbered 4569.

Mr. INOUYE. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. (1) Not later than April 1, 1997, the Comptroller General shall, in consultation with the Inspector General of the Department of Defense, the Secretary of Defense, and the Secretary of Labor, submit to Congress a report which shall include the following:

(A) an analysis and breakdown of the restructuring costs paid by or submitted to the Department of Defense to companies involved in business combinations since 1993;

(B) an analysis of the specific costs associated with workforce reductions;

(C) an analysis of the services provided to the workers affected by business combinations;

(D) an analysis of the effectiveness of the restructuring costs used to assist laid off workers in gaining employment;

(E) in accordance with Section 818 of 10 U.S.C. 2324, an analysis of the savings reached from the business combination relative to the restructuring costs paid by the Department of Defense.

(2) The report should set forth recommendations to make this program more effective for workers affected by business combinations and more efficient in terms of the use of federal dollars.

Mr. BRADLEY. Mr. President, I offer an amendment regarding a Department of Defense [DOD] policy of paying restructuring costs to companies that are involved in a merger.

Mr. State of New Jersey is currently feeling the effects of a defense-industry merger. As a result of the Lockheed-Martin merger, a satellite plant in East Windsor, NJ, will close, causing substantial job loss. I have therefore taken a strong interest in the current DOD policy.

Under this policy, DOD reimburses restructuring costs to contractors that are involved in mergers that lead to savings for the DOD. DOD payments can be used for, among other things, worker and plant relocation, severance pay, early retirement incentives, and continued health benefits. This policy has been called payoffs for layoffs and blamed by some for the mergers in the industry.

It is my belief that layoffs in the defense industry do not result from this DOD policy. Rather, due to the end of the cold war, defense layoffs have become inevitable. While we are no longer faced with a Soviet threat, we must now come to terms with our runaway debt. These major transformnations—the end of the cold war and a spiraling budget deficit—have made job loss in the defense industry a reality and necessity.

It is my belief that this policy makes good sense. Defense cuts have led to overcapacity, which encouraged mergers and cost cutting. It is not the reimbursement but the defense cuts that lead to layoffs, and it is appropriate for DOD to pay a fraction of those savings for assistance to workers laid-off from the merger.

In light of the end of the cold war, our priorities must be twofold. First, we should encourage the Defense Department and defense contractors to reduce the excessive buildup from the cold war era. Our second priority must be to determine how to best help workers in the defense industry who have been downsized.

I have come to believe that the DOD policy meets the priorities I have stated. Indeed, it encourages contractors to achieve savings for the DOD while providing the affected workers with benefits they desperately need. In a perfect world, companies that downsize would provide their employees with a respectable severance package that would include extended health care benefits. All to often, though, laid-off employees find themselves without these benefits, struggling to put food on the table, or make the next mortgage payment.

In order to clarify the confusion regarding this policy, I would urge the Defense Department to continue to ensure that the payments made are used solely for restructuring costs, with a strong emphasis on the employees laid off. I would also urge the DOD to continue to monitor the savings certified by the companies, ensuring that the savings are greater than the restructuring payments.

My amendment therefore calls for the GAO to analyze the restructuring costs paid by the DOD and to consult with the Secretary of Labor to determine the effectiveness of the assistance provided to laid off workers. The report should ensure that the payments are being used for justified costs and that the workers laid off are treated fairly.

It is my hope that this amendment will help my constituents in East Windsor and those around the country affected by defense downsizing. This amendment assures that these workers will not be ignored.

Mr. INOUYE. This amendment is in response to the great number of mergers that we have found in the business community, and this amendment calls for a report to be issued by the Secretary of Defense and the Secretary of Labor, and that report shall include an analysis and breakdown of restructuring costs paid by or submitted to DOD, analysis of the specific costs associated with work force reductions, analysis of the services provided to the workers affected by business combinations, an analysis of the effectiveness of the restructuring costs used to assist laid-off workers in gaining employment.

This amendment, Mr. President, has been approved by both managers.

Mr. STEVENS. Mr. President, the Senator from Hawaii is correct. We have approved it. I hope, however, that the study requested will cover additional factors. I am one who believes that, if we had not had some of these restructurings and some of these consolidations of basic companies in the defense industrial base, we would have had the possibility of a loss of all of the companies involved in those consolidations. Because of the competitive aspect of our acquisitions, I think that more and more companies would have found they could not perform and meet the competition of those that were equally sharpening their pencils trying to think they could beat out the other company.

I think it has been in the best interests of the United States that we have had selective consolidations and restructuring to preserve the industrial base. I hope a portion of this is directed toward the potential loss to the United States of the industrial base had the consolidations not taken place. But under the circumstances, I think the directions are broad enough to cover that, and I will pose no opposition to the amendment. It is a study we need; there is no question about it. But I hope it is balanced.

Obviously, there are jobs lost and obviously there are costs from the reduction in the amount of procurement we are making. I just said we have reduced procurement by 60 percent. Anyone who thinks we are going to get the resultant production for the same costs or less than we were getting when we had the competition from a full industrial base is mistaken. Costs of industrial production are going up because the sources are being more limited, and there is additional cost to the taxpayer because of the inability of the limited number of companies to provide the competitive edge we used to have in terms of the industrial process. But I accept the amendment, and I am prepared to agree to it on this side.

The PRESIDING OFFICER (Mr. SANTORUM). Without objection, the amendment is agreed to.

The amendment (No. 4569) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on amendment No. 4591.

AMENDMENT NO. 4480

Mr. STEVENS. Mr. President, I ask that it be temporarily set aside to take up another amendment, which is amendment No. 4480.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SPECTER, proposes an amendment numbered 4480.

Mr. STEVENS. 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 before the period, insert: '': *Provided further*, That of the funds appropriated under this heading $46,600,000 shall be made available only for the Intercooled Recuperated Gas Turbine Engine program''.

Mr. STEVENS. Mr. President, I offer this amendment in the cloture proceedings for Senator SPECTER. It is a limitation to comply with a limitation in the authorization bill with regard to the availability of funds for the Intercooled Recuperated Gas Turbine Engine Program, and I believe it is a technical amendment that should be offered.

Mr. INOUYE. Mr. President, both managers approve the amendment.

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

The amendment (No. 4480) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, may I inquire as to whether the Senator from Illinois wishes to make any further statement before I make a motion to table?

Mr. SIMON. If I may have 3 minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 4591

Mr. SIMON. It was mentioned that other countries buy a great deal from us. I ask unanimous consent to have printed in the RECORD right now the requirements of Australia, Canada, The Netherlands, Norway, Sweden, and the United Kingdom, all of which are more severe than the requirements that I suggest in this amendment.

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

FOREIGN GOVERNMENT ''LOCAL CONTENT'' REQUIREMENTS FOR DEFENSE CONTRACTS

LOCAL CONTENT REQUIREMENTS

A company in the United States that wants to sell defense-related marine equipment to governments in many other industrialized nations must comply with offset or other requirements that include a ''local content'' obligation to produce 50% or more of the system within the customer's country. ''Local content'' means that a U.S. company must substitute its own production with sourcing and engaging subcontractors in the target country. Also, the U.S. company frequently is required to conduct free transfer of technology to achieve the required local content. Liquidated damages can be assessed if the local content requirements are not fulfilled.

EXAMPLES OF SPECIFIC ''LOCAL CONTENT'' AND OTHER REQUIREMENTS OF SELECTED FOREIGN GOVERNMENTS, INCLUDING MOU SIGNATORIES WITH THE UNITED STATES

Australia: The Australian Industry Involvement office within the Department of Defense coordinates the offset policies. Guidelines are contained in the Defense Australian Industry Involvement Program, published in July 1995. Actual requirements are program specific. For example, the Ocean Patrol Combatant Project suggests that the local content be 65%. Liquidated damages assessment for unfilled local content requirements also vary with the contract. For the Australian Ocean Patrol Combatant project, the liquidated damages assessment is 20%. Another example is the Australian ANZAC Frigate project in which U.S.-based Bird-Johnson Company is participating. Bird-Johnson is required to manufacture its ship propeller system with at least 80% local Australian content.

Canada: The Director of Industrial Benefits Policy, Industry Canada agency, is the coordinator of offset authority. The Canadian term for offset is Industrial Benefit (IB). IB Managers are assigned to individual projects. It is normal for major programs to have at least 100% Canadian content requirement. Liquidated damage assessments are 10% of the unfulfilled amount of the IB commitment.

The Netherlands: The Coordinator of Offset Authority is the Commissioner for Military Production and Crisis Management within the Ministry of Economic Affairs with input from advisors for the Navy, Air Force, or Army. 100% offset is required. Offset valuation credits vary, but in general, 85% or more local content would result in an 100% offset credit.

Norway: The Coordinator of Offset Authority is the Royal Norwegian Ministry of Defense, assisted by the Director General of the Section for Industrial Cooperation. For contracts over $7 million, 100% offset is required, with 80% or more local content equal to 100% offset credit. A 10% penalty is assessed on any unfulfilled offset amount.

Sweden: At least 50% of the total value of a Swedish defense procurement with an offshore company must be in local content. The offshore bidder must sign a Draft Contract for Industrial Cooperation with the Swedish Defense Material Administration (FMV) detailing how the bidder will meet the binding industrial cooperation (I.C.) commitment. The commitment constitutes ''a vital part of the decision process'' concerning the acceptability of the bid. I.C. is ''valued on the basis of the production of goods and services that is achieved in Sweden.'' Both the ''economical volume'' and the ''qualitative contents'' of the bidder's commitment are considered. I.C. credits, which must be ''accepted by the Swedish industry concerned,'' are evaluated and monitored by the FMV, in consultation with Swedish industry.

United Kingdom: The U.K. Ministry of Defense (MOD) Procurement Executive DESO is charged with providing Government support to increase UK defense business. When offshore defense companies seek to compete, the MOD-DESO assesses the U.K. Industrial Participation (IP) proposal of an offshore defense company seeking to compare. Although IP proposals are not mandatory, in reality, the IP is a key element in whether or not the offshore company gets the MOD contract. 100% offsets are encouraged. The IP obligation must be met at no extra cost to MOD. The DESO negotiates a Letter or Agreement on the IP proposal which is not legally binding, but is considered a ''Gentlemen's Agreement.''

Mr. SIMON. Again, what I am suggesting in this amendment is that when a contractor submits a bid, that contractor has to say what percentage of the work will be done in the United States and it be a matter of high importance, not the only consideration, but a matter of high importance for the Defense Department. We do not suggest and we make clear that it would be waived for countries where we have agreements or memoranda of understanding.

So I think it makes sense. I hope that the motion to table will be rejected.

Mr. STEVENS. Mr. President, I shall make a motion to table this amendment at 1 p.m.. I now ask that it be set aside temporarily so that I might deal with some other matters here, if that meets with the approval of the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Hawaii.

PHOTONICS RESEARCH REPORT

Mr. INOUYE. Mr. President, last year, during the consideration of the fiscal year 1996 defense appropriations measure, the Congress approved the Center for Photonics Research at Boston University. I am pleased to share with my colleague an interim report that was just submitted by the president of Boston University, advising us of the progress being made in this technology.

I ask unanimous consent that it be printed in the RECORD.

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

BOSTON UNIVERSITY,
Boston, MA, July 10, 1996.

Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INOUYE: It was a pleasure to meet with you to discuss the Center for Photonics Research at Boston University, and to have an opportunity to thank you in person for your support and leadership in the Congress. I also want to thank you again for your very generous offer to be of assistance if possible in the future, and to help put the Center on the road to self-sufficiency.

Boston University has invested over $60 million of its own funding to create and establish the Center, and we are committed to its long-term mission and success. Photonics technology will, as you have observed, be one of the keys to our nation's ability to defend itself from external threats; it will also become a driving force in all sectors of our economy. It is truly the technology of the future.

Few, if any, of our current weapons, weapon systems or platforms do not depend on photonics for their effectiveness. It was not by coincidence that photonics was declared as one of our most critical technologies needed for the future in the Critical Technologies Report to the Congress.

Research alone cannot meet the defense needs of our country. We must develop the ability to move from the research to the actual product and product-manufacturing requirements of our country. Meeting these requirements is central to the mission of the Center. The funding your Committee made available has allowed us to move the Center forward, and the actual construction is moving forward on budget and on schedule.

The Center for Photonics Research is already actively contributing to the nation's defense. To illustrate this, I enclose a brief report, prepared by Dr. Donald Fraser, the Center's Director, which summarizes the defense-related applications that are now under development.

The Center's building will be completed and ready for formal dedication next spring. We very much hope that you the Members of the Defense Appropriations Subcommittee will be able to join us at that event.

Again, thank the Subcommittee on behalf of Jon Westling and all of Boston University for its leadership and vision. I can only imagine the number and variety of difficult choices it faces every day, but I know how much I admire the service of you and your fellow Subcommittee members and what it has meant to the American people.

With warm personal regards,

Sincerely,

JOHN SILBER.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 4666

Mr. STEVENS. Mr. President, I send to the desk an amendment I offer on behalf of Senator COCHRAN and Senator LOTT. If I may first just explain it, this entitles the Secretary of Navy to lease to the State of Mississippi 5 acres of the property located at the naval air station at Meridian, MS, for use only by the State to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities. This will be for the co-use of the State and Federal Government, as I understand it. It does provide for the renting of this facility by the United States, once it is contracted by the State, at a rate not to exceed $200,000 a year.

We have examined this lease-back concept of the reserve center and believe it is in the interests of the taxpayers of the United States to proceed in this fashion because it will mean we will have the facility and have it at an annual lease cost which is a substantial advantage to the Government.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS] for Mr. COCHRAN, for himself and Mr. LOTT, proposes an amendment numbered 4666.

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

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

The amendment is as follows:

At the end of the bill, insert:

SEC. . LEASE TO FACILITATE CONSTRUCTION OF RESERVE CENTER, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) LEASE OF PROPERTY FOR CONSTRUCTION OF RESERVE CENTER.—(1) The Secretary of the Navy may lease, without reimbursement, to the State of Mississippi (in this section referred to as the ''State''), approximately five acres of real property located at Naval Air Station, Meridian, Mississippi, only for use by the State to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities.

(2) The term of the lease under this subsection shall expire on the same date that the lease authorized by subsection (b) expires.

(b) LEASEBACK OF RESERVE CENTER.—(1) The Secretary may lease from the State the property and improvements constructed pursuant to subsection (a) for a five-year period. The term of the lease shall begin on the date on which the improvements are available for occupancy, as determined by the Secretary.

(2) Rental payments under the lease under paragraph (1) may not exceed $200,000 per year, and the total amount of the rental payments for the entire period may not exceed 20 percent of the total cost of constructing the reserve center and ancillary supporting facilities.

(3) Subject to the availability of appropriations for this purpose, the Secretary may use funds appropriated pursuant to an authorization of appropriations for the operation and maintenance of the Naval Reserve to make rental payments required under this subsection.

(c) EFFECT OF TERMINATION OF LEASES.—At the end of the lease term under subsection (b), the State shall convey, without reimbursement, to the United States all right, title, and interest of the State in the reserve center and ancillary supporting facilities subject to the lease.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

Mr. INOUYE. Mr. President, this amendment has been cleared and approved by both managers.

The PRESIDING OFFICER. Without objection, amendment No. 4666 is agreed to.

The amendment (No. 4666) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I am going to suggest the absence of a quorum as we go through our files to see if there are any other amendments we can go through in the manner we have thus far. I congratulate the Chair and clerk for assisting us in this manner. Again, I will announce the vote on the motion to table the Simon amendment will take place at 1 p.m.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator from Alaska.

UNANIMOUS-CONSENT AGREEMENT

Mr. STEVENS. Mr. President, we have now, since we started on this bill, whether Senators realize it or not, disposed of almost 50 amendments. In the process of doing that, under the circumstances, again having to deal with the cloture problem, we filed the amendments so they only hit the bill at one point. We have been able to consolidate those. As we consolidated them, we may have made some technical errors. I ask unanimous consent that the staff and the clerk be authorize to make technical, clerical changes in numbers, et cetera, that might be required.

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

Mr. STEVENS. Mr. President, I ask the unanimous-consent agreement we have concerning these technical changes to our amendments apply to all amendments we accept by unanimous consent today.

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

AMENDMENT NO. 4528

(Purpose: To require certification of competition prior to the appropriation of funds for the T–39N)

Mr. STEVENS. Now I ask the Chair lay before the Senate amendment No. 4528.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mrs. FRAHM, proposes an amendment numbered 4528.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. .None of the funds provided for the purchase of the T–39N may be obligated until the Under Secretary of Defense for Acquisition certifies to the defense committees that

the contract was awarded on the basis of and following a full and open competition consistent with current federal acquisition statutes.

Mrs. FRAHM. Mr. President, my amendment is quite simple. It requires the Secretary of Defense for acquisition to certify to the Congress that he has conducted a full and open competition, consistent with current acquisition policies prior to awarding any contract for purchasing the T–39N or its replacement. This amendment reflects the stated position of the Navy, the Department of Defense, and it reflects good government.

The Navy is currently using a 1950's technology aircraft to train our pilots. This aircraft is expensive to fly and maintain, thus wasting precious defense resources. Further, the T–39N does not provide the kind of state-of-the-art training or pilots need and deserve. I believe that the Navy, our pilots, and the Nation can be better served with a more modern and cost-effective aircraft for this purpose.

With that said, I believe that the Navy should be left to make their own choice and that their choice be based upon a full and open competition. It is through the competitive process that we can best meet the needs of our future pilots. And it is through competition that the taxpayer will be best served.

Mr. President, I urge the adoption of my amendment.

Mr. BOND. Mr. President, I rise to address the issues raised by Senator FRAHM's amendment. I must first note that the T–39N aircraft currently in use by the U.S. Navy has been performing its duties for over 5 years and it will perform the same duties in the future. This is not a new program nor a new aircraft. I also understand the concern of some that the aircraft may be too old, however Navy analysis indicates this aircraft will provide valuable service through 2025. The Sabreliner T–39N has a mission completion rate of 98 percent. The U.S. Air Force in fact has consolidated its tactical navigator and weapon sensor operator training under the Navy umbrella with the understanding that the T–39N would be the trainer aircraft. Our allies who conduct the same type of training have also elected to use the U.S. Navy's T–39 Flight Officer Training Program.

Future concerns of system upgrades would be the same regardless of the aircraft flown and any other modernization upgrades would also be figured into any new aircraft purchase.

So, how does the T–39N stack up to the Navy's mission requirements?

First, the men and women who fly it, love it. The aircraft possesses the speed and range they desire and the swept wing design makes it much more adaptable to the harsh conditions of low level flight required in their training. Straight wing aircraft experience a much rougher ride at low level and may have lower mission completion rates.

In terms of flight characteristics the T–39N has been and is closest to the rise and performance of the jets the Navy, U.S. Air Force, and allied Air Force personnel will find in their inventories. I would also point out that this aircraft has had years of ''fly before you buy'' experience without complaint.

The aircraft has performed superbly as opposed to other aircraft used in the program in the past. As I noted before, this aircraft is currently in use as we speak, turning out the finest tactical flight officers in the world. These men and women will be going to the same aircraft they have been going to since the current contract began over 5 years ago.

There are no new design aircraft on the drawing boards which require a new airframe; any avionics systems upgrades or radar upgrades can be accommodated by the T–39N. This is the right aircraft, at the right time, and for the right cost.

Mr. STEVENS. Mr. President, this is to require certification of competition prior to appropriation of funds for the T–39N. We have discussed this matter with the Senator from Kansas and are prepared to recommend to the Senate we adopt this amendment. We will consider it in conference. There are similar provisions—the matter is discussed in the House bill, and it will be a controversy in conference.

Mr. INOUYE. There is no objection, Mr. President.

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

The amendment (No. 4528) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

REPAIR AND MAINTENANCE OF CARGO AND PERSONNEL PARACHUTES

Mr. HELMS. Mr. President, it would be helpful if I can discuss, for the Record, with the distinguished chairman of the Defense Appropriations Subcommittee, a matter of importance concerning the readiness of the Airborne units of my State.

Mr. STEVENS. I will be delighted to discuss this matter with my colleague from North Carolina.

Mr. HELMS. I thank the able Senator. At the outset, let me state I am proud that my State is home to several important military installations and thousands of fine members of the Armed Forces of our Nation. North Carolinians are especially proud that the U.S. Army's XVIII Airborne Corps and the 82d Airborne Division call Ft. Bragg home. These men and women are the front line of our Nation's defense and they are among the best trained, most dedicated and professional soldiers in the world.

When there is a need for equipment or technology to make these soldiers' tasks easier or safer, it is the responsibility of the Congress to provide for it. The modification of the Army's T–10R reserve parachute is an example of one such initiative. A study showed that a modified design would increase effectiveness to almost 100 percent. This modification was developed by the Army through a partnership between the Army and a private company. As a result of this successful partnership, Airborne troops now have a highly effective, low cost parachute that should help save lives.

I ask the able Senator from Alaska if my understanding is correct that there is a backlog in the performance of repair and maintenance work on cargo and personnel parachutes. To alleviate this backlog and thereby enhance readiness, would it be a wise use of Army resources to contract out the repair and maintenance of these chutes to a qualified manufacturer of similar parachutes? Would this not allow the backlog to be addressed in a cost-efficient manner?

Mr. STEVENS. The Senator from North Carolina is correct. In the current fiscal environment, it is important that each service seek innovative, cost-saving ways to provide support for our men and women in uniform. The Army Airborne has experienced an increase in training requirements. While the T–10R reserve parachute modification work has been successful, the Army is required to repack the parachutes after the modifications are performed and, as a result, the repair and maintenance of personnel and cargo parachutes has fallen behind. Therefore, I agree that repair and maintenance work, as well as cargo parachute repacking, would be excellent candidates for contracting out.

Mr. HELMS. I thank the distinguished Senator. I think it is obvious that my goal is to make certain that the Army has the ability to use the operations and maintenance funds appropriated within this bill to contract for parachute repair and maintenance work, as well as the cargo repacking efforts. Can the Senator give me that assurance?

Mr. STEVENS. Yes, nothing in this bill will prevent the Army from using funds in the operations and maintenance account. These funds are not earmarked because the committee frowns upon earmarking this account. However, I will bring this issue to my House colleagues during conference to gain their support for this initiative.

Mr. HELMS. I thank the distinguished chairman for his support. I will, of course, work with him as he

considers this issue with Members of the House.

RAID FUNDING

Mr. JEFFORDS. Mr. President, I would like to bring to your attention two items in this bill that relate to the Reconnaissance and Interdiction Detachment, RAID, funding that fall within the budget of the Drug Interdiction and Counterdrug Activities of the Department of Defense, DOD.

Vermont, as a border State, is in a very strategic position in the country's efforts to combat drugs. Since 1991 the Vermont State Police have been successfully working with the Army National Guard for the interdiction and eradication during the comparatively short but very productive marijuana growing season. The efforts of the Vermont Army National Guard have contributed to the eradication of approximately 70–80 percent of all confiscated marijuana reported by the Vermont State Police.

Thanks to the cooperation of my colleague from Alaska, this bill will help Vermont's law enforcement community continue its successful counterdrug and interdiction efforts. I appreciate the Senator's concurrence with me and other Senators who believe the National Guard has made important and valuable contributions to the Nation's counterdrug efforts. Mr. President, this issue has bipartisan support. Both sides recognize the National Guard's efforts to interdict and eradicate illegal drugs deserve sufficient funding and have wisely indicated this in their bill. Language in the committee report states that the DOD should ensure the RAID program is fully funded and supported.

More specific to Vermont's needs, the committee included my request for $500,000 to assist in the implementation of a more focused RAID program. These funds will directly benefit Vermont's RAID program by making available two OH–58 helicopters, as well as the necessary personnel and infra-red equipment to carry out the mission. I greatly appreciate the chairman's cooperation and accommodation of my request. I also understand his feeling that the allocation of these funds should be postponed until the present National Guard Review of the State Governors' programs is completed. As it appears the review is very close to completion, there should be little delay once the appropriations bill is enacted.

Mr. President, I am pleased that my colleague from Alaska has joined me in a discussion of this important matter on the floor of the Senate, and I commend him for including these important items in the bill before us.

Mr. STEVENS. Mr. President, I was very pleased to accommodate my colleague's request on RAID. I agree with my colleague from Vermont on the importance of providing adequate funding for the National Guard Governors' State Counterdrug Plans and will keep his request in mind when the House and Senate go to conference on the Defense Appropriations bill.

AMENDMENT NO. 4591

Mr. STEVENS. Mr. President, I now move to table the amendment of the Senator from Illinois, the pending amendment, and state, again, that the Senator from Hawaii and I have opposed this amendment at the request of the Department of Defense, the defense industrial base and on our own behalf based on our analysis of this amendment.

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 (Mr. CAMPBELL). The question is on agreeing to the motion to lay on the table the Simon amendment No. 4591. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont [Mr. JEFFORDS] is necessarily absent.

Mr. FORD. I announce that the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

The result was announced—yeas 69, nays 29, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—69

Abraham	Feinstein	Lieberman
Ashcroft	Ford	Lott
Bennett	Frahm	Lugar
Bingaman	Frist	Mack
Bond	Glenn	McCain
Bradley	Gorton	McConnell
Breaux	Graham	Moynihan
Brown	Gramm	Murkowski
Bryan	Grams	Nickles
Burns	Grassley	Nunn
Campbell	Gregg	Pressler
Chafee	Hatch	Reid
Coats	Hatfield	Robb
Cochran	Heflin	Roth
Cohen	Helms	Santorum
Coverdell	Hutchison	Shelby
Craig	Inhofe	Simpson
D'Amato	Inouye	Smith
DeWine	Kassebaum	Stevens
Dodd	Kempthorne	Thomas
Domenici	Kerrey	Thompson
Exon	Kyl	Thurmond
Faircloth	Lautenberg	Warner

NAYS—29

Akaka	Harkin	Pell
Baucus	Hollings	Pryor
Biden	Kennedy	Rockefeller
Boxer	Kerry	Sarbanes
Bumpers	Kohl	Simon
Byrd	Leahy	Snowe
Conrad	Levin	Specter
Daschle	Mikulski	Wellstone
Dorgan	Moseley-Braun	Wyden
Feingold	Murray	

NOT VOTING—2

Jeffords	Johnston

The motion to lay on the table the amendment (No. 4591) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

AMENDMENT NO. 4852

(Purpose: To improve the National Security Education Program)

Mr. SIMON. 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 Illinois [Mr. SIMON] proposes an amendment numbered 4852.

Mr. SIMON. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) REPEAL OF TEMPORARY REQUIREMENT RELATING TO EMPLOYMENT.—Title VII of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 650), is amended under the heading ''NATIONAL SECURITY EDUCATION TRUST FUND'' by striking out the proviso.

(b) GENERAL PROGRAM REQUIREMENTS.—Subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1902) is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph (A):

''(A) awarding scholarships to undergraduate students who—

''(i) are United States citizens in order to enable such students to study, for at least one academic semester or equivalent term, in foreign countries that are critical countries (as determined under section 803(d)(4)(A) of this title) in those languages and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d) of this title); and

''(ii) pursuant to subsection (b)(2)(A) of this section, enter into an agreement to work for, and make their language skills available to, an agency or office of the Federal Government or work in the field of higher education in the area of study for which the scholarship was awarded;''; and

(2) in subparagraph (B)—

(A) in clause (i), by inserting ''relating to the national security interests of the United States'' after ''international fields''; and

(B) in clause (ii)—

(i) by striking out ''subsection (b)(2)'' and inserting in lieu thereof ''subsection (b)(2)(B)''; and

(ii) by striking out ''work for an agency or office of the Federal Government or in'' and inserting in lieu thereof ''work for, and make their language skills available to, an agency or office of the Federal Government or work in''.

(c) SERVICE AGREEMENT.—Subsection (b) of that section is amended—

(1) in the matter preceding paragraph (1), by striking out '', or of scholarships'' and all that follows through ''12 months or more,'' and inserting in lieu thereof ''or any scholarship''.

(2) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph (2):

''(2) will—

''(A) not later than eight years after such recipient's completion of the study for which scholarship assistance was provided under the program, and in accordance with regulations issued by the Secretary—

''(i) work in an agency or office of the Federal Government having national security responsibilities (as determined by the Secretary in consultation with the National Security Education Board) and make available such recipient's foreign language skills to an agency or office of the Federal Government approved by the Secretary (in consultation with the Board), upon the request of the agency or office, for a period specified by the Secretary, which period shall be no longer than the period for which scholarship assistance was provided; or

''(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no position in an agency or office of the Federal Government having national security responsibilities is available, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the scholarship was awarded, for a period specified by the Secretary, which period shall be determined in accordance with clause (i); or

''(B) upon completion of such recipient's education under the program, and in accordance with such regulations—

''(i) work in an agency or office of the Federal Government having national security responsibilities (as so determined) and make available such recipient's foreign language skills to an agency or office of the Federal Government approved by the Secretary (in consultation with the Board), upon the request of the agency or office, for a period specified by the Secretary, which period shall be not less than one and not more than three times the period for which the fellowship assistance was provided; or

''(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no position in an agency or office of the Federal Government having national security responsibilities is available upon the completion of the degree, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the fellowship was awarded, for a period specified by the Secretary, which period shall be established in accordance with clause (i); and''.

(d) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—Such section 802 is further amended by—

(1) redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

''(c) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—The Secretary shall, through the National Security Education Program office, administer a test of the foreign language skills of each recipient of a scholarship or fellowship under this title before the commencement of the study or education for which the scholarship or fellowship is awarded and after the completion of such study or education. The purpose of the tests is to evaluate the progress made by recipients of scholarships and fellowships in developing foreign language skills as a result of assistance under this title.''.

(e) FUNCTIONS OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803(d) of that Act (50 U.S.C. 1903(d)) is amended—

(1) in paragraph (1), by inserting '', including an order of priority in such awards that favors individuals expressing an interest in national security issues or pursuing a career in an agency or office of the Federal Government having national security responsibilities'' before the period;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking out ''Make recommendations'' and inserting in lieu thereof ''After taking into account the annual analyses of trends in language, international, and area studies under section 806(b)(1), make recommendations'';

(B) in subparagraph (A), by inserting ''and countries which are of importance to the national security interests of the United States'' after ''are studying''; and

(C) in subparagraph (B), by inserting ''relating to the national security interests of the United States'' after ''of this title'';

(3) by redesignating paragraph (5) as paragraph (7); and

(4) by inserting after paragraph (4) the following new paragraphs:

''(5) Encourage applications for fellowships under this title from graduate students having an educational background in disciplines relating to science or technology.

''(6) Provide the Secretary on an on-going basis with a list of scholarship recipients and fellowship recipients who are available to work for, or make their language skills available to, an agency or office of the Federal Government having national security responsibilities.''.

(f) REPORT ON PROGRAM.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report assessing the improvements to the program established under the David L. Boren National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1901 et seq.) that result from the amendments made by this section.

(2) The report shall also include an assessment of the contribution of the program, as so improved, in meeting the national security objectives of the United States.

Mr. SIMON. Mr. President, this corrects an error made in the National Security Education Program legislation and is supported by the Defense Department. It is agreed to on both sides.

Mr. INOUYE. Mr. President, both managers approve of the amendment.

Mr. STEVENS. Mr. President, this amendment clarifies the eligibility for security education funds, as I understand it, and it has been modified to meet our request.

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

The amendment (No. 4852) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4568

Mr. INOUYE. Mr. President, I send an amendment to the desk on behalf of Senator MOSELEY-BRAUN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Ms. MOSELEY-BRAUN, proposes an amendment numbered 4568.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

Any college or university that receives federal funding under this bill must report annually to the Office of Management and Budget on the average cost of tuition at their school for that year and the previous two years.

Mr. INOUYE. Mr. President, this is a simple amendment. It says, ''Any college or university that receives Federal funding under this bill must report annually to the Office of Management and Budget * * *''

This matter has been cleared by both sides.

Mr. STEVENS. Mr. President, we have cleared that amendment.

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

The amendment (No. 4568) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

PRIVILEGE OF THE FLOOR

Mr. MCCAIN. Mr. President, I ask unanimous consent that a fellow in our office, Craig Williams, be granted the privilege of the floor during the discussion of S. 1894.

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

AMENDMENT NO. 4440

(Purpose: To require an audit and report of security measures at all United States military installations outside the United States)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Ms. MOSELEY-BRAUN, Mr. MURKOWSKI, Mr. WARNER, Mr. COATS, Mr. INHOFE, Mr. KERREY of Nebraska, Mr. LUGAR, Mr. SMITH, Mr. HELMS, Mr. D'AMATO, and Mr. COVERDELL, proposes an amendment numbered 4440.

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

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

The amendment is as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) The Secretary of Defense and the Secretary of State shall jointly conduct an audit of security measures at all United States military installations outside the United States to determine the adequacy of such measures to prevent or limit the effects of terrorist attacks on United States military personnel.

(b) Not later than March 31, 1997, the Secretary of Defense and the Secretary of State shall jointly submit to Congress a report on

the results of the audit conducted under subsection (a), including a description of the adequacy of—

(1) physical and operational security measures;

(2) access and perimeter control;

(3) communications security;

(4) crisis planning in the event of a terrorist attack, including evacuation and medical planning;

(5) special security considerations at nonpermanent facilities;

(6) potential solutions to inadequate security, where identified; and

(7) cooperative security measures with host nations.

Mr. MCCAIN. Mr. President, I ask unanimous consent to add as cosponsors to the bill Senators MOSELEY-BRAUN, MURKOWSKI, WARNER, COATS, INHOFE, KERREY of Nebraska, LUGAR, SMITH, HELMS, D'AMATO and COVERDELL.

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

Mr. MCCAIN. Mr. President, I am going to have a total of four amendments. I believe that three of them will be acceptable to the managers of the bill. The fourth one, I understand, will require a vote. On the fourth one, I would be more than happy to enter into a time agreement of 20 minutes on each side. When I get to it, perhaps we can get the managers' agreement at that time.

Mr. President, just over 2 weeks ago, 19 young men and women of the U.S. military were killed in a brutal terrorist attack on a housing complex in Dhahran, Saudi Arabia. There is nothing we can do to bring these men and women back to life, but it is our responsibility to make every effort to ensure this tragedy does not occur again.

Today, I am introducing an amendment that requires the Secretary of Defense and Secretary of State to jointly conduct an audit of security at all U.S. military installations overseas. Currently there are eight cosponsors including Senators MOSELEY-BRAUN, MURKOWSKI, WARNER, COATS, INHOFE, KERREY of Nebraska, LUGAR, and SMITH.

Specifically, the audit will focus on the adequacy of security measures currently in place to prevent or limit the effects of terrorist attacks on U.S. military personnel. The Secretaries would be required to report to Congress an assessment of the adequacy of existing security measures at our permanent bases overseas, including both physical and operational security measures, and any recommended remedial action where necessary.

The report would also provide information regarding cooperative security measures with host nations. Finally, the report would provide an assessment of the special security considerations at temporary basing locations, like the Khobar Towers complex, and possible solutions to these unique problems.

In these times of peace in this post-cold-war world, the No. 1 threat to our servicemembers, in addition to the normal hazards and risks associated with the job, is terrorism. This is the most difficult threat to predict, as well as prevent.

Prior to the tragedy of June 25, measures to protect our forces from terrorist attacks were clearly inadequate. The President waged war against terrorism by means of a summit meeting in a resort town in Egypt where there were 240 minutes of opening statements, 40 minutes of discussion, and a photo opportunity.

The summit produced a lot of symbolism, but little in the way of concrete recommendations to combat terrorism. Syria—identified by the State Department as one of the world's leading sponsors of terrorism—did not attend the meeting. The participants couldn't even agree to specifically condemn Iran for aiding and abetting terrorist groups. The only result of the summit was a lofty joint statement by President Clinton and Egyptian President Mubarek, condemning terrorism and promising future cooperation and consultation on ways to halt these terrorist attacks.

And, now, little more than 3 months after the summit in Egypt, and after another couple of international get-togethers to talk tough on terrorism, 19 more Americans have been killed by a terrorist bomb.

Now is the time to act. We must stop all of this talking and act on what we say we must accomplish. This amendment is designed to protect our troops who continue to make the sacrifices on a daily basis. I believe this measure deserves our careful and full review, and I hope that you will all support me on this very important issue.

Just today I received a letter from the Military Coalition offering strong support for this amendment. They stated:

Our soldiers, sailors, airmen, and marines deserve the best we can provide and it is our continuing responsibility to provide for their safety and well being. This legislation remains consistent with that objective.

As I stated previously, it is our responsibility to provide for our men and women stationed across the globe. It is our responsibility because we, the Congress, are accountable to not just those men and women serving in the military, but to their families and the American people.

Mr. President, the pending amendment, No. 4440, is a requirement that the Secretary of Defense and Secretary of State jointly conduct an audit of security measures at all U.S. military installations overseas. It requires a report to Congress on March 31, 1997.

The specific requirements of the audit include adequacy of physical and operational security measures; access and perimeter control; crisis planning in the event of a terrorist attack, including evacuation and medical planning; special security considerations at nonpermanent facilities; potential solutions to inadequate security, where identified; and cooperative security measures with host nations.

Mr. President, there is no sense in rehashing the tragic events that took place 2 weeks ago on June 25. The terrorist attack in Dhahran in Saudi Arabia, which killed 19 brave young Americans, is well known to all of us. But it is important for us to, again, reaffirm our responsibility to ensure that we have made every effort to prevent this tragedy from occurring again.

Mr. President, this amendment calls for the audit of security measures at all U.S. military installations overseas. I am aware that the Secretary of Defense and the Secretary of State have made efforts in this direction.

I believe Congress needs to be more involved in knowing the results of those audits, and, very frankly, the American people need to know it as well.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD a letter from the Military Coalition supporting this amendment.

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

THE MILITARY COALITION,
Alexandria, VA, July 10, 1996.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: The Military Coalition, a consortium of military and veteran organizations representing more than five million current and former members of the uniformed services, supports your efforts to ensure the safety of our military men and women serving overseas. Providing the best possible security and assuring those measures are never compromised should be, and always remain, a top priority.

The recent terrorist attack in Dhahran that claimed the lives of 19 American service members emphasizes the need for Congress and the Department of Defense to address the adequacy of protective measures afforded our troops serving outside the country. Questions raised about the security of U.S. foreign military installations further indicates the need to audit and assess current safety and security standards practiced at U.S. overseas facilities.

The Military Coalition is pleased to offer its strong support for your legislative initiative to protect American service members. Our soldiers, sailors, airmen, and marines deserve the best we can provide and it is our continuing responsibility to provide for their safety and well being. This legislation remains consistent with that objective.

Sincerely,

The Military Coalition:

Air Force Association.

Assn. of Military Surgeons of the United States.

Commissioned Officers Assn. of the U.S. Public Health Service, Inc.

CWO & WO Assn. U.S. Coast Guard.

Enlisted Association of the National Guard of the United States.

Fleet Reserve Assn.

Jewish War Veterans of the USA.

Marine Corps League.

Marine Corps Reserve Officers Assn.

National Military Family Assn.

National Order of Battlefield Commissions.

Naval Enlisted Reserve Assn.

Navy League of the United States.

Reserve Officers Assn.

The Military Chaplains Assn. of the USA.

The Retired Enlisted Assn.

The Retired Officers Assn.

USCG Chief Petty Officers Assn.

U.S. Army Warrant Officers Assn.

Veterans of Foreign Wars of the United States.

Mr. MCCAIN. Mr. President, as I stated previously, it is our responsibility to provide for the men and women stationed overseas the maximum amount of security that we can provide. We ask them to embark on very difficult and sometimes dangerous missions, and obviously our obligation to them in return for that service and sacrifice is that we provide them with the maximum amount of security possible.

Again, Mr. President, I do not think it is either necessary or particularly appropriate at this time for me to go through the entire tragedy that took place a few weeks ago. Suffice it to say, this and the next amendment I will be proposing are very modest steps in trying to ensure the goal that all of us seek, and that is that there never is repetition of such a tragedy.

Mr. President, I yield the floor and urge adoption of the amendment.

Mr. STEVENS. Mr. President, we concur in this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 4440) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4444, AS MODIFIED

(Purpose: To provide $14,000,000 for anti-terrorism activities of the Department of Defense)

Mr. McCAIN. Mr. President, I call up amendment No. 4444 and send a modification to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself and Mr. LEVIN, proposes an amendment numbered 4444, as modified.

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

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

The amendment is as follows:

On page 34, between lines 19 and 20, insert the following:

ANTI-TERRORISM ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For anti-terrorism activities of the Department of Defense, $14,000,000, subject to authorization for transfer to appropriations available to the Department of Defense for operation and maintenance, for procurement, and for research, development, test, and evaluation: *Provided*, That the funds appropriated under this heading shall be available for obligation for the same period and for the same purposes as the appropriation to which transferred: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority contained in this Act.

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. Beginning with fiscal year 1997, the Secretary of Defense shall establish a program element for the Office of the Secretary of Defense for the purpose of funding emergency anti-terrorism activities. Funds available for that program element for fiscal year 1997 shall be in addition to funds appropriated under other provisions of this Act for anti-terrorism and are available for the Secretary of Defense to respond quickly to emergency anti-terrorism requirements that are identified by commanders of the unified combatant commands or commanders of joint task forces in response to a change in terrorist threat level.

Mr. MCCAIN. Mr. President, this amendment is a natural follow-on to the previous amendment. It provides $14 million to the Department of Defense specifically for antiterrorism measures.

Mr. President, the threat of terrorism to Americans living overseas has never been greater. In particular, our men and women serving in the armed forces are at great risk as they are targeted by various terrorist organizations and activities. This continues to be a reality our troops must face when we send them to lands far away from our great Nation. This was never more evident than the brutal attack in Dhahran, Saudi Arabia just over 2 weeks ago when 19 young men and women were tragically killed when a truck loaded with explosives detonated within 100 feet of their housing complex.

Today I am introducing an amendment that will provide $14 million in additional funding to the Department of Defense for antiterrorism measures. These funds will be specifically used for intelligence support, physical security measures, education, training, and any other additional measures the Secretary of Defense determines are necessary.

A report recently conducted by the Department of Defense noted that antiterrorism funding is not specifically identified in many instances since it is a part of a larger effort, primarily in physical security programs. There was an 82-percent—$8.7 million—reduction in Air Force funding, 55 percent—$43.4 million—in Army funding, and 62 percent—$4.5 million—in Navy funding.

On Tuesday, the Secretary of Defense and Chairman of the Joint Chiefs of Staff appeared before the SASC and testified in both open and closed sessions that the Department of Defense lacked sufficient funds for antiterrorism measures as a result of poor decisions by this administration to cut funds in this area. During this hearing Secretary Perry confirmed, ''I think that was a bad cut. I have directed the services to increase the funding in antiterrorism.'' Additionally, General Shalikashvili stated,

The antiterrorism study identified two issues pertaining to funding of antiterrorism things. One, that the services increased their funding and secondly, . . . that we create a program line under the Secretary of Defense with which he can fund high priority antiterrorism programs that need to be funded.

As a result of this review, the Secretary has recommended the establishment of a separate OSD program of $7–$14 million annually as a contingency account to be available for antiterrorism requirements. These funds would be used to ensure adequate funding for intelligence support, physical security measures, education, training, and any other additional measures the Secretary determines are necessary.

Mr. President, if we cannot afford to provide adequate protection for our men and women serving overseas, then we should not put them in those areas with high threats of terrorism. We must give them every means available to prevent, protect, and defend against terrorist attacks. It is our responsibility.

This amendment is designed to provide additional funds for the Department of Defense to protect our troops. I believe this measure deserves our careful and full review, and I hope that you will all support me on this very important issue.

I note the presence of Senator LEVIN, who is an original cosponsor of this amendment, in the Chamber.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the MCCAIN amendment?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan, Mr. LEVIN, is recognized.

Mr. LEVIN. Mr. President, I am a cosponsor of this amendment, and I want to just ask my friend from Arizona as to the modification. I have not had a chance to review it. Is this modification that was sent to the desk the language which I had suggested to him might be an improvement in terms of the nature of the funds and how the funds would operate? I have not had a chance to review the language which was actually sent to the desk. Is this the language which I spoke to his staff about?

Mr. McCAIN. It is.

Mr. LEVIN. Mr. President, I very much support this amendment. We are too often fighting in our appropriations and the add-ons to the appropriations the battles of the cold war instead of the future battles which we are all going to face in the area of terrorism. Many of us had an opportunity to meet with the Secretary of Defense and the Chairman of the Joint Chiefs this morning, and the efforts which are being made in the fight against terrorism, particularly in the Middle East, were outlined in some detail to us. It is also becoming more and more clear that too much of our defense dollar is being spent on refighting battles which are no longer looming before us and on buying equipment and investing in equipment which is no longer as relevant as it once was, adding on things which may or may not have been useful 5 years ago but which are not now as much needed as are new weapons in the war against terrorism, which is going to be a growing battle. The new cold war is the war against terrorism.

There was a request of the Secretary of Defense for an analysis of how many dollars are being invested in the war against terrorism, and we got a letter back addressed to Senator NUNN from the Assistant Secretary of Defense, Sandra Stuart, outlining some of the antiterrorist activities. I want to just quote two paragraphs from that letter dated July 16, and then I will ask unanimous consent that the entire letter be printed in the RECORD.

The first paragraph I want to quote is the following:

Anti-terrorism activities deal with traditional defensive measures such as barriers, fences, detection devices and Defense personnel who have as part of their mission protecting DOD personnel and facilities against the threat of terrorism. The Defense Department spends nearly $2 billion annually on such anti-terrorism activity overall. Traditionally we have not budgeted anti-terrorism activities in a single program because force protection is part of each individual commander's responsibility and is therefore budgeted by every installation in, for example, their operation and maintenance accounts.

The second paragraph from this letter that I will quote is the following:

In the area of counter-terrorism, DOD has many programs and activities which are more often associated with proactive activities undertaken to neutralize the terrorist threat or respond to terrorist acts. All combatant forces in Defense potentially have as part of their mission a counter-terrorism function; however, these activities are more commonly associated with special operations forces, which have annual budgets in excess of $3 billion. That amount is in addition to the considerable sum spent from our intelligence portion of the budget to counter terrorism.

Mr. President, the letter does point out something which our amendment is aimed at correcting, and that is that a report which has been given some notice faulted DOD procedures relative to the funding of unanticipated contingencies. And the Secretary has directed corrective action in this area, according to Assistant Secretary of Defense Stuart.

So I commend the Senator from Arizona for the amendment, which I cosponsored, because it does address this question of a fund for unanticipated contingencies which I think we have to focus on more and more. We can spend the $3 billion which is referred to in terms of counterterrorism efforts and the $2 billion annually which is referred to on antiterrorism activities which are described, but we still have a need for funding unanticipated contingencies in the fight against terrorism.

This amendment is just a beginning in terms of funding that kind of a fund for unanticipated contingencies in the fight against terrorism. I am happy to cosponsor this amendment. While it is just a small beginning in that unanticipated contingencies effort, I hope we will be able to supplement it later. But it is an important step, and I commend the Senator from Arizona. I am happy to cosponsor that amendment.

Mr. President, I ask unanimous consent the entire letter I referred to be printed in the RECORD.

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

OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, July 16, 1996.

Hon. SAM NUNN,
Ranking member, Senate Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR NUNN: The Secretary is looking forward to having breakfast with you and your colleagues to discuss the tragic terrorist bombing in Dhahran, Saudi Arabia, and also to have an opportunity to talk about the broader issue of terrorism and the consequences in the Persian Gulf. Force protection is the number one priority of Secretary Perry and General Shalikashvili. This is a responsibility that they take very seriously and is central to every deployment decision they approve.

Prior to the breakfast, I wanted to mention a few issues which have been reported in the press and which we feel need some clarification.

As you know, shortly after the bombing, Secretary Perry appointed retired General Wayne Downing to conduct a thorough investigation of the security situation in Dhahran, Riyadh and the balance of the U.S. Central Command facilities in the AOR. General Downing's charter empowers him to make findings and conclusions about pertinent acts or omissions on the part of individuals. In the event General Downing makes such findings and conclusions, they will be transmitted to the cognizant supervising officials for action. General Downing has assembled a qualified team who have already begun this review and will depart for Dhahran to continue his investigation by mid-week.

The Secretary has further directed General Downing to assess immediately the situation regarding moving the perimeter fence. There has been a good bit of speculation as to who spoke with the Saudis about moving this fence, what their reply was and whether this information was passed up the chain of command. Once General Downing reports his findings to Secretary Perry, we will inform you of the details.

There are two other matters which we believe need to be clarified.

The first involves the June 17 DIA Military Intelligence Digest (MID) that has been referred to in the press as an ''alert''. The MID is a daily publication that covers a wide array of topics of interest to policy makers, force planners, and operational forces. Additionally, the MID is delivered, also daily, to the Senate Armed Services Committee, the House National Security Committee, and the two Intelligence committees. While the MID is a classified document, there are several points that can be made for the record concerning this particular article.

Contrary to press reporting, the MID article on June 17 was not an ''alert''. Rather it was a compilation of previously reported security incidents that had occurred in the Khobar Towers area over the past several months. The value of this particular article was that it provided intelligence confirmation that security had been increased outside the complex and that the threat was taken seriously.

There was no warning in the article of an impending terrorist incident. When such warnings exist, they are provided to Defense decision makers immediately and directly, rather than through a publication like the MID which goes through an extensive editorial review and follows a days-long publication timeline. The article did recommend that, due to the incidents that had occurred over the past several months, security should be further increased and, indeed, approximately 130 distinct security enhancements were being implemented at Khobar Towers.

The second remaining issue deals with the level of funding within the Pentagon budget for anti-terrorism activities. Unfortunately, there is a misperception about the amount of money the Department spends. This misperception resulted from a review of one document, a JCS report which dealt with only a fraction of the total DoD funding which supports anti-terrorist activities. A portion of the report described some program funding reductions, which resulted from personnel reductions, domestic base closings, completed construction projects or program completions, but those items were just a minor portion of the overall DoD expenditures on anti-terrorism. There are two categories normally associated with Defense activities to combat terrorism: anti-terrorism and counter-terrorism.

Anti-terrorism activities deal with traditional defensive measures such as barriers, fences, detection devices and Defense personnel who have as part of their mission protecting DoD personnel and facilities against the threat of terrorism. The Defense Department spends nearly $2 billion annually on such anti-terrorism activity overall. Traditionally we have not budgeted anti-terrorism activities in a single program because force protection is part of each individual commander's responsibility and is therefore budgeted by every installation in, for example, their operation and maintenance accounts.

In the area of counter-terrorism, DoD has many programs and activities which are more often associated with proactive activities undertaken to neutralize the terrorist threat or respond to terrorist acts. All combatant forces in Defense potentially have as part of their mission a counter-terrorism function; however, these activities are more commonly associated with special operations forces, which have annual budgets in excess of $3 billion. That amount is in addition to the considerable sums spent from our intelligence portion of the budget to counter terrorism.

The JCS report was commissioned by Secretary Perry and CJCS Shalikashvili following the Riyadh bombing. Its purpose was to identify and assess all of the anti-terrorism programs, actions and preparedness of the DoD and possible areas for additional action. The report did fault DoD procedures for funding unanticipated contingencies, and the Secretary directed corrective action in this area. It is unfortunate that a minuscule portion of the JCS review is now being used to draw wider, and inappropriate, conclusions in light of the Dhahran bombing.

I hope this information is helpful. Secretary Perry looks forward to seeing you soon and discussing the issues of Saudi Arabia and terrorism in the Persian Gulf area.

Sincerely,

SANDRA K. STUART,
Assistant Secretary of Defense
(Legislative Affairs).

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

The amendment (No. 4444), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4441

(Purpose: To require the submittal to Congress of the future-years defense programs prepared by the Chief of the National Guard Bureau and the chiefs of the reserve components)

Mr. MCCAIN. Mr. President, I send amendment No. 4441 to the desk and ask for its immediate consideration. I ask unanimous consent Senator GRAMS of Minnesota be added as a cosponsor of this amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself and Mr. GRAMS, proposes an amendment numbered 4441.

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

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

The amendment is as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. Section 221 of title 10, United States Code, is amended by adding at the end the following:

''(d) The President shall submit to Congress each year, at the same time the President submits to Congress the budget for that year under section 1105(a) of title 31, the future-years defense program (including associated annexes) that the Chief of the National Guard Bureau and the chiefs of the reserve components submitted to the Secretary of Defense in that year in order to assist the Secretary in preparing the future-years defense program in that year under subsection (a).''.

Effective Date. This section shall take effect beginning with the President's budget submission for fiscal year 1999.

Mr. MCCAIN. Mr. President, this amendment would require the President to submit, with his annual budget request, the future years defense plans of the National Guard and Reserve components. The Chiefs would prepare their long-range spending plans, which would then be forward to the Congress.

For years, the Congress has added billions of dollars to the defense budget for equipment and building projects for the Guard and Reserve components. These add-ons are usually based on the assertion that the Department of Defense does not provide sufficient resources for the Guard and Reserve in its annual budget requests and long-term funding plans, and that is an assertion that I cannot dispute.

The problem, however, is the Congress does not now have the necessary information to properly prioritize among the requests of individual Members of Congress for added funding for the Guard and Reserve units in their States and districts. As a result, we have earmarked billions of dollars for construction projects and procurement items based on their location, not their priority and utility to the missions of the Guard and Reserve.

A few weeks ago, the Senate passed a military construction appropriations bill containing $700 million for unrequested projects, the majority of which were for guard and reserve projects. The bill before the Senate today contains $759.8 million for unrequested equipment for the Guard and Reserve. For the most part, the allocation of this funding to meet the requirements of the Guard and Reserve is left to the appropriate officials in those organizations.

Again this year, I applaud Senators STEVENS and INOUYE for resisting the temptation to earmark these funds, unlike the Senate Armed Services Committee and the House defense committees. I wish they had also left out the earmark for six additional C130–J aircraft, but, unfortunately, this bit of perennial pork is in the bill.

Mr. President, a few weeks ago I met with the Chief of the Guard Bureau, representatives of the Reserve components and officials from the Department of Defense responsible for oversight of the Guard and Reserve. In this meeting, we discussed the need to provide adequate funding for the Guard and Reserve components. We discussed the perception that the Department of Defense does not include sufficient funds in its budget requests for the Guard and Reserve, relying instead on the Congress to add these funds each year.

Unfortunately, we do not come up with a clear way of dealing with this problem, leaving the Congress in a catch-22 situation. If we support a strong national defense which requires the Guard and Reserve be appropriately equipped and trained for their assigned missions, we have to add money for the Guard and Reserve.

Mr. President, I reiterate: The problem is that over the years, the Department of Defense is shortchanging the Guard and Reserve in their budget request because they know—they know—the Congress will add on the funding necessary to adequately equip the Guard and Reserve in their military construction projects. So we are in a terrible situation where everybody knows. It is kind of a dirty little secret. The Department of Defense knows we will add the money, so they do not request the money. And, therefore, the Guard gets the money.

Mr. President, that is not any way to run a railroad, much less a defense appropriations process.

This amendment would address this problem with respect to the Congress by ensuring we have full information on the long-range plans of the Guard and Reserve components. Basically, we are saying the Guard and Reserve need a future years defense plan just as the active duty forces will as well. In this way, as we evaluate the Department's budget request for the Guard and Reserve, we will also have before us information on the long-term requirements of the Guard and Reserve.

Mr. President, I think this amendment will serve the best interests of the Guard and Reserve in two ways. First, the Department of Defense, knowing that the Congress will have full access to long-range requirements of the Guard and Reserve, will perhaps feel compelled to better accommodate these requirements in the Department's annual budget request. Second, if Guard and Reserve programs are still underfunded, the Congress will be better informed in making allocations of any additional funds for equipment and construction projects.

I believe this amendment is a positive step forward. I believe it will reduce some of the add-ons that, frankly, have more to do with location and geography as opposed to national security needs. I believe this will give us a much better blueprint to make the very difficult decisions as to how we spend the taxpayers' hard-earned dollars which are earmarked for defense.

I yield the floor.

The PRESIDING OFFICER. Is there further debate? The Senator from Alaska.

Mr. STEVENS. Mr. President, as I understand the amendment, it will require the President to submit to Congress the request of the Chiefs of the National Guard Bureau and respective Reserve components which was submitted to the Secretary of Defense that year, in order to assist the Secretary in preparing the defense program.

I might say to the Senator from Arizona, there is not a similar provision with regard to the Marines or the Air Force or the Army or the Navy. They all submit requests, really, to the President through the Secretary of Defense.

I do believe that the Senator from Arizona is right about his assertion that the Congress does respond to the requests of the National Guard Bureau and the Reserve components in a unique way. I do believe they are closer to the people and they are closer to the Members of Congress because, when we all go home we see our Reserve components, we see the members of our National Guard, and they tell us what they have asked of the National Guard Bureau. When we come back, we inquire what is in the budget. We find it is not there, so we seek it. He has a point there. But the same point might be valid as to the requests that the Chief of Naval Operations made to the Secretary, or to the Chief of Staff of the Air Force or the Army.

I do not argue with the Senator about his proposition. I am prepared to take the amendment to conference and see what the will of the House will be in that regard. I think we will probably work out something that will require an annex to the report, to have all of the requests of the various Chiefs be provided to Congress.

Let us explore that, if the Senator will, but I am happy to recommend we take it to the conference.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I appreciate the effort on the part of the Senator from Alaska to help solve this dilemma. I believe it is a dilemma, as I stated before. The Department of Defense—and I must

place great responsibility on them—know full well Congress is going to add this money on. So, therefore, they will request funding for, perhaps, less popular and certainly programs with less constituent support, knowing full well the Congress is going to add on additional money. That is what I am trying to do. The Senator from Alaska obviously appreciates what I am trying to get at.

Basically what I am asking for, in some respects, is a future years defense plan for the Guard and Reserve to try to identify and prioritize their requirements.

If there is a way I can work with the Senator from Alaska and the other conferees and the Senator from Hawaii in trying to achieve this goal—I am not saying this amendment is the best way, but I think it is an issue that must be addressed, and I believe the amendment addresses it.

I, again, appreciate the understanding of the dilemma on the part of the Senator from Alaska.

The PRESIDING OFFICER. Is there further debate on the McCain amendment?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I commend my friend from Arizona for this amendment. This is a subject which has been discussed at some length in the Armed Services Committee. He has consistently fought for and has been on the side of trying to identify what the priorities of the Guard and Reserve are so that we could at least consider those priorities when it comes time to identifying the items in the authorization bill. As a matter of fact, he was very forthright in his support of that position on the authorization bill.

We did adopt an amendment which I offered, I believe, on the authorization bill a few weeks ago. The question I would like to ask of the Senator from Arizona is this: Is the approach in this amendment either similar to or, at a minimum, consistent with the requirement that we added to the authorization bill on the floor, that the Guard and the Reserve components identify, prior to submission of the budget, what their priorities are so that they could be considered by the Congress when the time comes, if we add money to identify what those items are?

Mr. McCAIN. Mr. President, I say to my friend from Michigan, indeed, I believe this amendment is complementary to the amendment—a very thoughtful and important amendment—that the Senator from Michigan added to the defense authorization bill.

I also express my appreciation to the Senator from Michigan who has also fought against this earmarking of funds. Again, I would like to point out, the Appropriations Committee has simply added the money and they have not earmarked those funds, which I think is a significant improvement over what the authorizing committee has been doing. But in response to the question from my friend from Michigan, I believe this is a complementary amendment to that which the Senator from Michigan had added to the authorization bill.

Mr. LEVIN. Mr. President, I think it would be useful, assuming this amendment is adopted, for the appropriators to harmonize this language with the language that is in the authorization bill, to make sure we have precisely the same requirement, whatever it ends up being, assuming that it remains in the two bills following conference.

I also want to commend the Appropriations Committee, Senator STEVENS and Senator INOUYE, for following the generic approach on this Guard and Reserve issue. They have taken the correct position in terms of giving the Guard and Reserve components the greatest flexibility to do what is most needed by those components, rather than just some add-ons by Members of the Congress.

This is an important issue. It has been raised with great frequency on this floor. The Senate has generally taken the approach that we are going to give them the greatest flexibility rather than doing the earmarking.

I hope we prevail both in conference on the authorizing bill and on the appropriations bill. I join my friend from Arizona in thanking the Appropriations Committee for taking the position that they have and for accepting this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. STEVENS. Mr. President, I say to my friend from Michigan that our flexibility in this bill is hampered by the earmarking in the authorization bill. I am not sure that we will survive conference so long as the authorization bill insists on pinning down the limited amount of money. It will lead to demands from both the House and Senate appropriators to challenge that.

I agree with the Senator from Arizona and the Senator from Michigan, Mr. President, but we have to have it in both committees in order to succeed. I do urge acceptance of the amendment.

Mr. LEVIN. If the Senator from Alaska will yield on that point, I do happen to agree with him in terms of his comment on the authorizing committee. Some of us made an effort in committee to totally eliminate those earmarks. We failed by, I think, one vote in committee. We ended with a sort of hybrid: some of the money earmarked and some not.

I agree, the fact some of it is earmarked in the Senate authorization bill does make your work more difficult in conference. I happen to regret that because I am on the generic side of this debate, but it is a fact of life.

Mr. STEVENS. I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4441, the amendment offered by the Senator from Arizona.

The amendment (No. 4441) was agreed to.

Mr. McCAIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, on the next amendment, I understand the Senator from Arizona would like a time agreement. Will he state that again, please?

Mr. McCAIN. I am more than happy to agree to any time agreement. I suggest 20 minutes equally divided on the amendment, if that is agreeable to the Senator from Alaska, or any other time agreement that he chooses to enter into.

Mr. STEVENS. I am pleased to enter into that agreement. That means this amendment will be voted on at quarter after 2.

The PRESIDING OFFICER. Without objection, it is so ordered. The vote will be taken at quarter after 2.

The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I ask for the yeas and nays on the amendment.

AMENDMENT NO. 4442

(Purpose: To limit the use of funds for programs, projects, and activities not included in the most recent future-years defense program)

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 4442.

Mr. McCAIN. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. Notwithstanding any other provision of law, no funds appropriated or otherwise made available by this Act may be obligated or expended for any program, project, or activity which is not included in the future-years defense program of the Department of Defense for fiscal years 1997 through 2002 submitted to Congress in 1996 under section 221 of title 10, United States Code, unless the Secretary of Defense certifies to Congress that—

(1) the program, project, or activity fulfills an existing, validated military requirement;

(2) the program, project, or activity is of a higher priority than any other program, project, or activity included in that future-years defense program for which no funds are appropriated or otherwise made available by this Act; and

(3) if additional funds will be required for the program, project, or activity in future fiscal years, such funds will be included in the future-years defense program to be submitted to Congress under such section in 1997.

Mr. STEVENS. Mr. President, I ask unanimous consent that we amend the unanimous consent agreement to include that it not be subject to an amendment in the second degree.

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

The Senator from Arizona.

Mr. MCCAIN. Mr. President, the amendment would require an assessment by the Department of Defense programs included in the appropriations bill which are not in the administration's future years defense plan. The Secretary of Defense would be required to certify that the program fulfills a military requirement, that it is a higher priority than any other unfunded program in the future years defense plan, and any future funding requirement associated with the program will be included in next year's future years defense plan. Until the assessment is complete and the certification provided to Congress, no funds for these programs could be obligated or expended.

Mr. President, I ask unanimous consent that there be a time agreement of 20 minutes equally divided, if that has not already been agreed to.

The PRESIDING OFFICER. It has been agreed to.

Mr. MCCAIN. Mr. President, this amendment is needed. The amendment would impose some degree of restraint on the Congress' seemingly unlimited desire to waste scarce defense resources on unnecessary projects.

This Congress has succeeded in increasing the President's inadequate defense budget requests of the last 2 years, adding a total of $18 billion. I fully supported these increases which have slowed, although not halted, the too-rapid decline in the defense budget over the past decade. Failure to provide adequate funding for defense will seriously hinder the ability of our military services to ensure our future security and have a deleterious effect on our Nation's ability to influence world events and maintain peace.

However, much of this additional $18 billion is devoted to unnecessary and unwarranted projects. Last year, the Congress wasted $4 billion of the defense budget on unnecessary projects. These included $700 million for unrequested, low-priority military construction projects, $1.2 billion for B–2 bombers and *Seawolf* submarines, another $2.2 billion for unrequested projects of special interest, such as earmarks for specific universities, centers, or other entities; nondefense activities, such as Coast Guard operations, support to the Atlanta Olympics, medical research education and programs; and unrequested Guard and Reserve equipment.

Mr. President, that adds up to $4.1 billion, which did little or nothing to enhance the readiness of our forces today or to modernize our forces. This year, while it appears the Senate may be exercising restraint, I have identified only $2 billion in this year's as opposed to last year's budget.

I know this is sometimes an unpleasant experience, but I have to identify some of these projects that honestly have no relation to defense spending. There is nonauthorized add-ons and earmarks—I am not going to go through all of them:

A $3.4 million add-on for ''Med teams'';

A $14 million add-on for Akamai program, to continue telemedicine efforts at Tripler Army Medical Center in Hawaii;

Earmarks $2.7 million for development of ''dual-mode hyperspectral/fluorescence imaging technology'';

The sum of $8 million for the mitigation of environmental impacts on Indian lands;

A $477,000 grant to Kansas Unified School District 207 to integrate schools at Fort Leavenworth into post-fiber-optic network;

There is $100 million for prostate cancer research; $93 million of that is earmarked in the bill. The report specifies a total of $100 million for research to be conducted in conjunction with the Center for Prostate Disease Research.

There is a $2 million add-on for the National Automotive Center; a $5.4 million add-on for Hawaii Small Business Development Center; a $4 million add-on for Instrumented Factory for gears; $900,000 earmarked for National Center for Physical Acoustics for research on ocean acoustics for purchase of special equipment; $7 million add-on for Center of Excellence for Research in Ocean Sciences in Oregon.

There is an $8 million add-on to support Pacific Disaster Center; a $3 million add-on for Southern Observatory for Astronomical Research; $4.75 million earmarked for Charleston Navy Hospital for a cancer control program conducted in conjunction with a State-owned cancer center serving coastal South Carolina.

There is a $350,000 add-on for a DOD-State-local government joint task force studying wastewater treatment, management, and disposal; $10 million earmarked for joint Army-Tennessee Valley Authority project to ''develop, demonstrate, and validate a plasma energy pyrolysis system * * * to render hazardous, chemical, and medical waste into an inert glass slag byproduct.''

There is $1 million for brown tree snake control; again, a $2 million add-on for natural gas boiler demonstration; $2.5 million add-on for carbon reinforced recycled thermoplastic engineered lumber; $7 million earmarked for evaluation of a multithread architecture experimental computer; a $26.8 million add-on to initiate program using DOD satellite capabilities in support of civil needs, such as detecting forest fires and volcanic activity; a $20 million add-on for Electric and Hybrid Electric Vehicle Consortia program.

There is a $25 million add-on for Optoelectronics consortia. By the way, only $20 million was authorized. There is a $13 million add-on for oceanographic partnership programs.

Mr. President, I know that the argument can be and will be made that each of those programs I talked about are worthy and important programs. Most of those that I identified have little, if anything, to do with national defense. They were not requested by the Department of Defense, nor in many cases were they authorized in the authorizing bill.

I think this amendment is a necessary starting point for curbing this kind of spending. It is aimed only at projects that are not included in the spending plans of the military services until after the year 2002.

Perhaps my colleagues are unaware of what a future years defense plan is. It is the plan the Department of Defense documents which specifies the programs, projects, and activities that are planned for a 6-year period. The current FYDP was submitted to Congress earlier this year and covers fiscal years 1997 through 2002. The services' highest priority programs are included in that document.

Mr. President, I point out that the total funding for defense in the current future years defense program is $1.5 trillion—$1.5 trillion—which means there are lots and lots and lots of projects in there. Lots of those projects are not funded in the decisions made by the Congress of the United States.

Mr. President, I understand the opposition to this amendment and have very few illusions as to its chance of passage, but I feel that it is my obligation to seek its passage.

I also ask unanimous consent, Mr. President, that a letter from the Citizens Against Government Waste in support of this amendment be printed in the RECORD.

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

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, July 11, 1996.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 600,000 members of the Council for Citizens Against Government Waste (CCAGW), I am writing to endorse your amendment to the FY 1997 Department of Defense (DOD) Appropriations bill (S. 1894). Your amendment prohibits the use of funds for projects not included in the DOD's Future Years Defense Program (FYDP) unless the Secretary of Defense certifies that those programs are a higher priority than the unfunded FYDP items and will be included in the following year's FYDP. S. 1894 contains over $2 billion worth of items not included in FYDP.

As you know, DOD submits a FYDP every year which specifies programs, projects, and activities that are planned for a six-year period. Only items of the highest priority are included by DOD. The current FYDP was submitted this year and covers FYs 1997 through 2002. This FYDP contains $1.5 trillion worth of spending items, many of which were ignored by Congress and replaced with wasteful items.

Some of the items included in S. 1894 have been listed in our Congressional Pig Book:

$1 million for Brown Tree Snake control.

$15 million for High Frequency Active Auroral Research Program (HAARP). While it was authorized, it is an objectionable add-on.

$4 million add-on for the instrumented factory for gears. In FY 1996,this program received a $5 million add-on in conference.

Wasteful spending crowds out valuable resources for high priority projects. Your amendment would help stop pork-barrel spending hidden under the cloak of defense spending. We urge your colleagues to support this amendment, which will be considered for inclusion in CCAGW's 1996 Congressional Ratings.

Sincerely,

THOMAS A. SCHATZ,
President.

Mr. McCAIN. Mr. President, I reserve the remainder of my time.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, unfortunately, this is one amendment that we have to disagree with the Senator from Arizona on in regard to his proposal. It would prohibit the obligation of any congressionally approved funds, by definition, funds approved by the President, too, unless those funds were in the President's original plan.

The budget resolution that we have adopted in the Congress is $27.5 billion more than the President's plan. That is the 5-year plan. I stood here listening to the Senator from Arizona, and I was remembering battles that this Senator has been involved in. Three times other committees zeroed out the C–17, and the President did not request it. Our committee insisted on it. Our committee insisted on upgrading the Patriot missile when it had not been requested, was not in anyone's authorization bill. We believed it should have been upgraded. It had a significant role, I think, in the Persian Gulf war.

On the V–22, the Osprey, it was never recommended by the President or by the Secretary of Defense. We had met with the Marines, and they gave us their concept of a new order of battle, really, if they could have this new system. And our subcommittee again battled. I remember the battles here on the floor with some of my former friends about our adding money to the bill that was not authorized or requested. Today the V–22 is the signal part of our defense effort. I think this will be one of the few items of new technology, really innovative technology, in the overall field of aviation. I predict that within 20 years, it will be a significant part of commuter airline transportation throughout the world.

I do not disagree with the Senator from Arizona that we do at times agree to money that has not been requested that could be considered in a subsequent year. But I do not believe we should abandon the total flexibility that Congress has. Congress has the authority to initiate spending in areas where it feels it is necessary to meet the national defense requirements, our national security requirements. Our obligation is to provide for the common defense under the Constitution. I keep repeating that here on the floor.

I must oppose the Senator's amendment because we would have no flexibility whatsoever. Under the current budget resolution, we have programmed even this year $266.362 billion for defense. The President asked for $255.1 billion for defense. Over the period of 5 years, as I said, we asked for $27.5 billion more than the President.

Senator MCCAIN's amendment would say, even if we provided it, the Secretary of Defense would uniquely have impoundment authority, the authority to prioritize spending. In our opinion, it is not the right thing to do. So at the appropriate time, I will make a motion to table the amendment.

This language, as I understand it, would require that the Secretary of Defense, after Congress has passed an act and the President has signed it, that the Secretary of Defense must certify that the program meets valid military requirements. The Osprey stands out in my mind, Mr. President. No Secretary of Defense that I knew ever supported the Osprey, V–22. I do not wish to give the Secretary of Defense a veto power that I would not give to the President of the United States.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. How much time do I have?

The PRESIDING OFFICER. The Senator has 1 minute 33 seconds.

Mr. McCAIN. Mr. President, I ask unanimous consent to vitiate the request for the yeas and nays.

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

Mr. McCAIN. Mr. President, I understand how this vote would come out. I will be satisfied with a voice vote on it. I want to assure the Senator from Alaska and the Senator from Hawaii that I am very appreciative of their very hard work and efforts. I am very appreciative of the fact that we have gone from $4 billion to $2 billion of, in my view, unnecessary and unwarranted and unauthorized spending.

However, Mr. President, I do not intend to quit in trying to stop add-ons such as those that I described before. I believe that the American people deserve to have a thorough ventilation and thorough hearing of the requirements and the appropriations that are included in this bill. I do, as I said before, appreciate the reductions in unauthorized earmarks and spending, and I think we will continue to make progress. At the same time, I have to bring to the attention of my colleagues areas that I feel are absolutely unnecessary and wasteful projects.

I yield the floor.

Mr. INOUYE. Mr. President, of course, I commend my colleague from Arizona for bringing this matter to the attention of the Senate. Every Member of this body is desirous of providing the finest defense at the least cost.

There are a few things that we should remind ourselves. First is the Constitution of the United States. Mr. President, it is not the President who is responsible to declare war, to raise and support armies, to provide and maintain a Navy, to make rules for the Government on regulations of land and naval forces. That is the power of the Congress of the United States. We, the Members of the Congress, were not elected by our constituents to serve as rubber stamps of the Secretary of Defense or, for that matter, of the President of the United States.

As my distinguished colleague from Alaska pointed out, if it were not for the initiative taken by this committee, the C–17 would not be in existence, the V–22 would be a thing of the past, the Patriot upgrade would not have helped our troops in Desert Storm.

For that matter, I think we should recall, in early 1990, when the seas were calm and the Middle East seemed to be a tranquil place, the Pentagon was considering doing away with the central command. That is fact, Mr. President. They were about to break up the central command and retire General Schwarzkopf. When this subcommittee heard about that, we called upon the Secretary of Defense to delay that decision for at least a year because we, on this subcommittee, felt the seas were not tranquil in the Middle East, that the air was not calm in the Middle East, that something was brewing, and within 8 months, we were shooting and they were shooting at us. If we had served as rubberstamps for the President of the United States and the Department of Defense, General Schwarzkopf would now be retired and Desert Storm would have been a disaster.

The weapon that most people credit with the great successes of Desert Storm is the F–117, the stealth fighter, the fighter that was able, in a stealthy fashion, to knock out all of the radar positions of the Iraqis. I believe we should recall that the administration did not want any more F–117's. For that matter, our companion committees in the Congress of the United States did not favor the F–117. Thank God for this subcommittee; we got the F–117.

Mr. President, I think we should always remind ourselves that the Congress shall have the power to raise armies, to support armies, to provide and maintain a Navy, to provide for calling forth the militia to execute the law of the Union against suppressions and insurrections, and to repel invasions. We are the people who are responsible for the Defense Department. We are the people who are responsible to declare war.

Mr. President, we take our responsibilities very seriously. We will do our very best to help our Senator from Arizona to bring down the costs of defense. This is not the way to do it, sir.

The PRESIDING OFFICER. There are 45 seconds remaining.

Mr. STEVENS. I yield the floor.

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

The amendment (No. 4442) is rejected.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4582, AS MODIFIED

(Purpose: To provide funds for preparing the application for renewal of the use of the McGregor Range at Fort Bliss, Texas)

Mr. STEVENS. Mr. President, I send to the desk a modification of amendment No. 4582.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. GRAMM, proposes an amendment numbered 4582, as modified.

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

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

The amendment is as follows:

At the end of the bill add the following:

SEC. . Of the funds appropriated in title II of this Act, not less than $7.1 million is available to perform the environmental impact statement and associated baseline studies necessary to prepare an application for renewal of use of the McGregor Range at Fort Bliss, Texas.

Mr. STEVENS. As amended, this makes funds available for a project in Texas which the Senator from Texas wishes to be certain is authorized and the moneys are available for.

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that the managers have approved this measure.

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

The amendment (No. 4582), as modified, was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4883

(Purpose: To provide $7,5000,000 to fund 1.5 ship years in the university research fleet under the Oceanographic and Atmospheric Technology program)

Mr. GORTON. Mr. President, I have an amendment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 4883.

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

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

The amendment is as follows:

On page 29, line 20, strike out ''Forces.'' and insert in lieu thereof ''Forces: *Provided further*, That of the funds appropriated in this paragraph, $7,500,000 shall be available for 1.5 ship years in the university research fleet under the Oceanographic and Atmospheric Technology program.''.

Mr. GORTON. Mr. President, this has to do with the military oceanographic research survey administered by the Dept. of the Navy. I understand it has been cleared by both of the distinguished managers. I want to tell them how much I appreciate their cooperation in this respect.

Mr. President: today I am offering an amendment which will increase funding for the Navy's military oceanographic research survey capabilities. With enhanced survey capabilities, university research fleets will be able to help the Navy in the important work of oceanographic research.

This amendment will reduce an approximately 240 ship-year backlog in military oceanographic survey vessels which are operated by the Oceanographer of the Navy. It allows the Navy to use non-military research ships as a supplement to its own fleet.

Most of the Navy's surveys are overseas; some are in American waters. Clearly, the Navy Oceanographer's eight ships cannot, by themselves, do all the work for 240 ship-years of backlog. They need help. The University Oceanographic Laboratory System [UNOLS], an umbrella organization of oceanographic research ships, can provide that help. These research ships are owned and operated by a variety of agencies and private organizations, including the University of Washington in Seattle. With the additional funds provided by this amendment, the Navy can enlist the aid of UNOLS in reducing its backlog.

This initiative will bring military and civilian oceanographers, together, in a spirit of partnership, for exchanges of ideas and capabilities. I thank the committee for agreeing to this amendment.

Mr. STEVENS. The Senator from Washington has identified that immediate attention be paid to this activity. We support his position that it should be maintained at the current level, and urge adoption.

Mr. INOUYE. Mr. President, the managers are pleased to support this amendment.

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

The amendment (No. 4883) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to table the motion.

The motion to lay on the table was agreed to.

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Sharon Dunbar be permitted privileges of the floor during consideration of this bill.

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

AMENDMENT NO. 4884

(Purpose: To provide $12,000,000 for the Pulse Doppler Upgrade modification to the AN/SPS–48E radar system)

Mr. INOUYE. Mr. President, I send to the desk an amendment on behalf of Senator FEINSTEIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mrs. FEINSTEIN, proposes an amendment numbered 4884.

Mr. INOUYE. 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, strike out ''Forces.'' and insert in lieu thereof ''Forces: *Provided further*, That of the funds available under this paragraph, $12,000,000 is available for the Pulse Doppler Upgrade modification to the AN/SPS–48E radar system.''.

Mrs. FEINSTEIN. Mr. President, I rise today in support of my amendment to authorize $12 million for the development of a pulse doppler upgrade to the AN/SPS–48E radar system.

The AN/SPS–48E is currently the only surveillance radar capable of detecting low flying cruise missiles coming out of the severe ground clutter that is typical of littoral warfare over water or land. Given the proper funding, the Navy agrees that the AN/SPS–48E pulse doppler upgrade would re-initiate clutter reduction engineering activities, thereby improving their ability to meet current and emerging threats. Present lack of funding for this one-of-a-kind, superior radar system leaves our large deck amphibious ships and the new LPD–17 class ships and their crews unprotected and vulnerable to attack.

I am pleased that this amendment is acceptable and I thank the managers of the bill.

Mr. INOUYE. Mr. President, this amendment has been cleared by both sides. We are pleased to support it.

Mr. STEVENS. Mr. President, I concur in adoption of this amendment.

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

The amendment (No. 4884) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay it on the table.

The motion to lay on the table was agreed to.

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

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

AIR BATTLE CAPTAIN PROGRAM AT THE CENTER FOR AEROSPACE SCIENCES, UNIVERSITY OF NORTH DAKOTA

Mr. CONRAD. Mr. President, I see that my esteemed colleague, Senator INOUYE, the ranking member of the Defense Appropriations Subcommittee, is on the floor. I wonder if the Senator from Hawaii would be willing to engage in a colloquy with my friend from North Dakota and me over a matter of importance to our State and the U.S. Army.

Mr. INOUYE. I would be happy to do so.

Mr. CONRAD. I thank the Senator. As my friend from Hawaii may recall, the internationally recognized Center for Aerospace Sciences [CAS] at the University of North Dakota [UND] has been conducting intensive helicopter flight training for U.S. Army Reserve Officer Training Corps [ROTC] scholarship recipients for the past decade and a half. The 1995–96 school year was the last year of a 5-year test program designed to produce 15 second lieutenants every year for the Army Aviation branch who are ready for tactical aircraft training and further assignment as combat-ready aviators upon graduation from UND. Because of the unique flight training students receive at CAS, the entire UND class has almost always received active duty helicopter assignments upon graduation.

Mr. INOUYE. Yes, I am aware of this program. Has this training been cost-effective for the Army?

Mr. CONRAD. Yes, it has. In fact, it costs approximately 40 percent less to train helicopter pilots at UND than at the Army's usual facility at Fort Rucker.

Mr. DORGAN. If my senior colleague from North Dakota would yield for a moment, I would also like to note that the recent proposal for program continuation forwarded to the commanding general at Fort Rucker suggests that we will save even more than that. My friend from Hawaii and all Senators should also be aware that the Army has consistently praised UND graduates for their excellent performance and superior airmanship. The CAS program is unique in the United States, and consequently its aviator graduates in the Air Battle Captain Program are better trained than any other ROTC graduates seeking Army aviation assignments. Appropriately, the entire UND Air Battle Captain class has consistently received active duty helicopter assignments upon graduation.

Mr. INOUYE. Considering both the cost savings and the excellent performance of UND's graduates, this program appears to be an excellent buy.

Mr. DORGAN. It is, and consequently I and my colleague from North Dakota were very surprised to learn that only 2 of this year's class of 15 graduates were assigned to active duty aviation. Clearly, many programs within the Armed Services are undergoing reorganization as part of the defense-wide effort to cut costs, but to reject the graduates from the aviation program at UND Aerospace does not make any sense to me. After all, these young officers have been handpicked and well trained. To reject these young men and women after this special training seems wasteful.

Mr. INOUYE. I understand the concern of my friends from North Dakota. From what I have heard today, rejecting these fine young men and women for the positions for which their country has trained them does not appear to make much sense.

Mr. CONRAD. That is also our thinking, and Senator DORGAN and I, with our friend from the other body, Congressman EARL POMEROY, wrote to the Secretary of Defense on May 31, asking that the assignments given to this year's graduates be reexamined. We are hopeful that it is not too late for the members of class of 1996 to receive the assignments they had every right to expect when they enrolled in the program over 3 year ago. Every member of this year's ABC class made time-consuming, costly commitments to this excellent program. In addition, the funds spent by the Army over the past 3 years on their training is in danger of going to waste if current orders are not reviewed. All 15 students are uniquely qualified to be Army helicopter pilots, and we believe it is only right to give these young people the opportunity to serve their country in this capacity, especially now that significant tax dollars have been invested in their training.

It is our hope that any procedural error which may have hindered UND's graduates during this year's selection process can be corrected for this year's class. We are also concerned, however, about future classes. We hope that UND students will be able to benefit from this excellent program for many years to come.

Mr. INOUYE. Has the Defense Department responded to your letter or taken action in light of your very understandable concern?

Mr. CONRAD. Unfortunately, we have not yet received a substantive response.

Mr. INOUYE. In light of the stress that this delay must be inflicting on this year's graduates, I would hope that the Defense Department would expedite action in this matter. I look forward to a favorable response to the letter my friends from North Dakota have sent to Secretary Perry, and would hope that Senators CONRAD and DORGAN would not hesitate to let me know if I can be of assistance.

Mr. DORGAN. I thank my esteemed colleague from Hawaii. We will be sure to do so.

Mr. CONRAD. I also thank the distinguished ranking member for his time and support. I thank the Chair, and yield the floor.

LAST CENTER

Mr. JEFFORDS. Mr. President, I would like to bring to your attention an item in this bill which is listed under the heading of Industrial Preparedness, namely the Lithographic and Alternative Semiconductor Processing Techniques [LAST] Center. This Center will play a major role in the development of a critical technology for our national defense. As you know, our national defense is heavily dependent on the electronics industry, in which there are certain critical tools and technologies. Of these, lithography is pivotal to our Nation's continued success. This is the technology used to create the ever-shrinking patterns found on integrated circuit chips and is an area where we face fierce international competition. The United States must retain leadership in this dual-use technology area through the continued investments by government, industry, universities, and industrial associations.

Since 1988, the Defense Advanced Research Projects Agency [DARPA] has been working with the Naval Air Systems Command and the Naval Research Laboratory to develop alternative lithographic technologies. Proximity x-ray lithography is considered to be the primary backup to the optical lithography technologies currently used, and to have the most promise for manufacturing future generations of chips. Yet by fiscal year 1998, DARPA plans to curtail the bulk of its funding in proximity x-ray technology.

This technology is at the delicate point where DARPA believes it is too mature to meet its development investment profile, yet the industrial infrastructure is not yet sufficient to sustain it. Therefore, DOD investment is needed to continue development of x-ray lithography and other mask technologies and to demonstrate how semiconductor processes can be used in leading edge military applications. This work more clearly fits the needs of the services than the mission of DARPA.

The bill the Senate is considering today begins a smooth transition of the results of DARPA's Advanced Lithography Program in proximity x-ray lithography to the Navy in fiscal year 1997. It establishes a Manufacturing Technology Program Center of Excellence, which would be based at the IBM research facility in Essex Junction, VT.

The bill provides for the extension of efforts begun in the DARPA Advanced Lithography Program through transition to the Lithographic and Alternative Semiconductor Processing Techniques [LAST] Center and funds the Center at $15 million in fiscal year 1997, from the manufacturing technology budget, PE78011N. It increases the request in that line by $15 million. This increase is in addition to any other planned increases.

The Naval Air Systems Command should manage this Center since it currently is the agent for most of the DARPA contracts in this technology area. As the LAST Center's programs are part of a larger ongoing government, university, industry effort to

nurture advanced lithography, both the Center's program and DARPA's X-ray Proximity Printing Program must be viewed as an ongoing effort. A coordinating effort for the LAST Program should be established and the Navy should chair a coordinating panel including representatives of DARPA and the three services, as appropriate.

This is extremely important in light of recent developments in Asia, in particular, NTT's announcement of .07 micron device demonstrations using proximity x-ray technology and Mitsubishi's recent announcement that it is proceeding with a $1 billion semiconductor fabrication facility built around synchrotron x-ray lithography technology. These, along with the fabrication of the Pohang beam line for x-ray lithography in Korea, underscore the worldwide investment being made in this critical technology.

The LAST Center will allow DOD to begin the insertion of x-ray technology and alternative semiconductor processing techniques into military applications. This Center will be of high value to military systems. I believe the Secretary of the Navy should support its continuation for a period of 5 years beginning in the Navy's fiscal year 1998 budget request.

Mr. President, I would like to thank my colleague from Alaska for joining me in a discussion of this important matter on the floor of the Senate, and I commend him for including this important item in the bill before us.

Mr. STEVENS. Mr. President, I am pleased to agree with my colleague from Vermont on the importance of maintaining the defense investment in advanced lithography, including proximity x-ray lithography. In particular, the research and development that would be undertaken at this LAST Center should provide advanced electronics manufacturing capabilities, which are essential to our national defense.

UH–60 AIR AMBULANCE COMPANIES FOR THE NATIONAL GUARD

Mr. DOMENICI. Mr. President, I would like to briefly share my concerns about an issue of importance to National Guard medical operations and capabilities in New Mexico and Nevada.

Mr. STEVENS. I appreciate the Senator coming to the floor to share his concerns on this issue with his colleagues.

Mr. DOMENICI. I understand that at the end of fiscal year 1997, the National Guard bureau will only have four National Guard UH–60 air ambulance companies throughout the United States. I am greatly concerned about the overall lack of air ambulance capability supporting our National Guard Forces.

Mr. DOMENICI. In order to address this shortfall, it would be appropriate for the Department of Defense to assess the requirements for additional UH–60 air ambulance companies beyond what currently exists in the current DOD plan for the National Guard. This review should identify the procurement profile for this aircraft, as well as associated funding and number of aircraft, in order to satisfy these requirements over the next 5 years.

Mr. STEVENS. I wholeheartedly endorse this review by the Department of Defense, which should be completed and submitted to the Congressional Defense Committees no later than April 30, 1997. I applaud the Senator from New Mexico for Bringing this issue to the committee's attention.

MILITARY USE OF A METAL CONDITIONER

Mr. WARNER. Mr. President, I would like to discuss an important matter with my distinguished colleague, the chairman of the Defense Appropriations Subcommittee. I bring to the chairman's attention a remarkable product called MILITEC–1, which is manufactured by a small Virginia company. The product is a synthetic metal conditioner that makes machines run better, and makes weapons more reliable. This permits smoother running machines that consume less power, are more reliable, and require less maintenance and parts replacement. MILITEC–1 can help our military forces save money and human resources on repairs, while at the same time have equipment that runs better.

Tests and extensive experience by both government and commercial users have proven MILITEC–1's effectiveness. The Department of Defense has issued national stock numbers to facilitate purchase of the product by all Federal Government activities, including military units, as well as by state and local law enforcement agencies.

In fact, several Federal law enforcement agencies direct the use of MILITEC–1. Indeed, in a recent issue of the Washington Post, a spokesman for the U.S. Secret Service was quoted as saying,

''Our 2,000 agents and 1,200 officers are issued a small bottle of the stuff with their guns. We've found that it repels water extremely well and keeps weapons operating smoothly. Obviously, that is a high priority for us.''

I appreciate the Service's concern for its special mission, and I believe our troops should have that same advantage.

Mr. STEVENS. I have heard of the Virginia product my distinguished colleague describes, and I concur with his interest in giving our military the opportunity to have the advantage that many law enforcement agencies already enjoy.

Mr. WARNER. Mr. President, I understand that some officials in the Defense Department have been hesitant to employ a synthetic metal conditioner, even for testing, preferring to use only traditional lubricants. This is in spite of the fact that a great many field users in the military services strongly prefer it over standard-issue products. Would the chairman agree that, if the Department requires formal performance testing to determine the value of a synthetic metal conditioner before approving services-wide use, they should provide adequate resources from appropriated funds to conduct such performance testing?

Mr. STEVENS. I agree with the distinguished Senator from Virginia that if the Department of Defense wishes to conduct performance tests to determine the merit of a synthetic metal conditioner for military use, the Department should consider funding such tests from within available funds.

PCB AND ASBESTOS REMOVAL

Mr. KERREY. Mr. President, will the Senator from Alaska help me understand a part of the bill. Within the Formerly Used Defense Site Program you have added $25,000,000 for PCB and asbestos removal. We have a situation out at the University of Nebraska where the Department turned over some land and buildings to the university in the 1960's. The problem is that the buildings contained ammunition and are contaminated. We now need to tear them down. However, the cost of structural demolition and removal of the asbestos and contamination within these buildings is considerable. Is the purpose of this $25,000,000 for problems like we have at the University of Nebraska?

Mr. STEVENS. This is exactly the kind of problem we have heard about. That is why we added this funding. We want to accelerate the cleanup of these sites wherever possible.

Mr. KERREY. I will work with the Department to help the University of Nebraska to demolish these structures and remove this asbestos. I thank the Senator from Alaska.

EOA-TYPE SYSTEMS

Mr. HEFLIN. Mr. President, I would like to take a moment to enter into colloquy with the distinguished Senator from Alaska, my friend, Mr. STEVENS.

Mr. STEVENS. Mr. President, I would be pleased to enter into a colloquy with my friend from Alabama.

Mr. HEFLIN. First let me compliment the Senator on the excellent work the committee has done this year. This is an outstanding bill. I would also like to thank staff for their hard work and dedication. As you know, I have a keen interest in the Army's electronic maintenance programs. I would, therefore, appreciate a clarification of the guidance provided in the committee report dealing with the purchase of electro optic test equipment.

The report directs the Army not to procure any sole-source off-vehicle E–O test equipment until the results of a study have been provided to the defense committees of Congress. My question is, Does this guidance restrict the procurement of variants of the Electro Optic Augmentation System, an on-vehicle tester?

Mr. STEVENS. Let me assure the Senator that the committee's guidance

was not intended to restrict the purchase of EOA-type systems.

Mr. HEFLIN. I appreciate the clarification of this important matter. I thank the Senator.

WHITE HOUSE COMMUNICATIONS SUPPORT

Mr. SHELBY. Mr. President, historically the White House Communications Agency, commonly referred to as WHCA, has provided telecommunications support for the President in his role as Commander in Chief. WHCA, as part of its mission, has provided radio communications, telephone, and other telecommunications resources to the Secret Service under the authority of the Presidential Protection Assistance Act of 1976. This act states that the assistance is provided to the Secret Service without reimbursement provided that the assistance is on a ''temporary basis''.

Mr. STEVENS. That is correct. This WHCA support to the Secret Service had been provided on a non-reimbursable basis for 15 years, absent a clear definition of ''temporary basis.'' As I understand the issue, this support which is provided to the Secret Service is essential and must be provided regardless of the funding source.

Mr. SHELBY. Absolutely, the support is essential in order for the Secret Service to effectively carry out their protective mission. The 15-year practice of providing this support under the Presidential Assistance Act has worked well. Recently, because of strict interpretations of that act it has been suggested that the funding to cover the cost of this support be transferred to the Secret Service so that they can then return the funds to the Defense Department to cover the cost.

Mr. STEVENS. In other words, there is no savings and there is increased redtape. This appears to be a typical bureaucratic solution—fix something that is not broken.

Mr. SHELBY. Exactly. For 15 years this essential support is provided by WHCA and funded through the Defense Department. Now, because after 15 years someone has decided to interpret guidelines differently, we must alter the funding process and add bureaucratic redtape to the process that works just fine. Providing the funds to the Secret Service so that they can return it to the White House Communications Agency is a waste of time and effort. There are no savings, just added redtape.

Mr. STEVENS. Was this change requested by the Secret Service or WHCA?

Mr. SHELBY. To my knowledge, these agencies did not request such a change. The system which existed for 15 years was fine. Certainly, if required to proceed with this reimbursement procedure they will comply. The support services are essential. Once again, however, if it isn't broke, don't fix it.

Mr. STEVENS. I agree. If the support is essential and has been provided for so many years there is no need to create more administrative redtape. Not only won't this process save taxpayer dollars, it will cost more money due to the increased administrative processes. The support is essential and should be funded in the most streamlined of methods. We should continue to fund this support directly to WHCA and their support of the Secret Service should continue.

Mr. SHELBY. Mr. President, I understand that the House has included language in their bill regarding this issue. I would hope that we can examine this issue closely in conference to ensure that the most efficient and cost-effective procedure to address this issue will be implemented.

Mr. STEVENS. We will certainly address it, and hopefully continue to fund this support program without added redtape.

B–52H BOMBERS

Mr. CONRAD. Mr. President, I note that the distinguished chairman and ranking member of the Defense Appropriations Subcommittee are on the floor, and I would like to engage in a colloquy for the purposes of discussing the subcommittee's intentions regarding B–52H bombers.

As my colleagues are aware, during floor consideration of the fiscal year 1997 Defense Authorization bill, I offered an amendment with my distinguished colleague from North Dakota which clarified the Senate's intent regarding B–52's by instructing the Secretary of the Air Force to retain the entire inventory of these battle tested, dual-capable bombers in active status, and to ensure that aircraft in attrition reserve would receive the standard maintenance and upgrades just like other B–52's. Our amendment was unanimously approved by the Senate with the full support of the Armed Services Committee, which again this year has clearly instructed the Air Force not to retire, or to prepare to retire, any B–52's during the fiscal year.

With passage of an amendment offered by Senator STEVENS to the defense appropriations bill, a total of $69,500,000 will have been added to the fiscal year 1997 defense budget request to maintain the entire fleet of 94 B–52H aircraft. In light of this additional funding, is my understanding correct that the Defense Appropriations Subcommittee agrees that the Defense Department should not retire, or prepare to retire, any B–52's during fiscal year 1997?

Mr. STEVENS. The Senator is correct. Additional funds have been provided for operations and maintenance, militaray personnel, and procurement at levels considered appropriate to allow all B–52's to be retained in active and attrition reserve status.

Mr. CONRAD. Would the chairman also agree that all the B–52's should receive standard maintenance and upgrades?

Mr. STEVENS. That is the subcommittee's intent. Depriving the attrition reserve bombers of the maintenance and modifications required for them to operate in combat would be inconsistent with the subcommitte's understanding of what attrition reserve status entails.

Mr. CONRAD. I thank the chairman for this strong statement of support. Might I ask the distinguished ranking member whether he shares this understanding?

Mr. INOUYE. I certainly do. I am pleased that we were able to provide the funding necessary to ensure that there be no question that B–52's should not be retired, or prepared for retirement, during fiscal year 1997.

Mr. CONRAD. Again, I thank the chairman and ranking member for their help on this extremely important matter, and would like to clarify a last point for the Record. As my friends on the Defense Subcommittee are aware, the Air Force's estimates of the additional funding required to maintain these aircraft have fluctuated over the past several months. Would the subcommittee be willing to reallocate B–52 funds between appropriations accounts in conference, or to describe in the conference managers' statement, the subcommittee's understanding of how the additional $69,500,000 is to be spent, should clarification be necessary?

Mr. STEVENS. I understand my friend's concerns, and, if necessary, we could raise these matters in the conference with our House counterparts. I also would add, in recognition of my friend's interests in this matter, that we will do our best to come out of conference with the full $69,500,000 we have allocated for the B–52's.

Mr. INOUYE. The Senator from North Dakota raises a valid point, and I know that the chairman and I will try to accommodate him should it become clear that some reallocation of B–52 funds between appropriations accounts, or further language clarification, is advisable.

Mr. CONRAD. Once again I thank the Defense Subcommittee's distinguished leadership for their strong support. I greatly appreciate their cooperation throughout this process and the hard work of their able staff members, and am pleased that we have been able to work together to maintain our entire fleet of B–52's.

TELEMEDICINE

Mr. SPECTER. Mr. President, I have sought recognition for the purpose of engaging my good friend, the distinguished chairman of the Defense Appropriations Subcommittee, in a colloquy regarding support to the Army, Navy, Air Force, and other branches of the military in their efforts to promote and utilize the innovative delivery of telemedicine processes and techniques which improve the responsiveness and quality of care.

A coordinated and innovative telemedicine system designed to enhance the medical and behavioral care provided to personnel who have been exposed to high-trauma events would be of considerable benefit to the U.S. military. It would expand the knowledge

base needed for successfully delivering both emergency and disaster management services and would also expand the applications of telemedicine and enhance diagnostic and treatment coordination and delivery. Given the experience of the U.S. military during and since the Persian Gulf war and the increased threat posed by weapons of mass destruction the military could benefit greatly from such a resource.

I would further note that the northeast region of the United States is inadequately represented in national telemedicine research. I urge the conferees to consider directing the Department of Defense to allocate a portion of the $20 million for telemedicine in the Defense appropriation's fiscal year 1997 bill, to an organization in the northeastern United States with lengthy experience in organizing and providing comprehensive medical and behavioral services. A not-for-profit health care organization engaged in the delivery of medical care, in medical and allied health education and training, and in medical research would be the most appropriate type of entity for achieving expanded applications and coordination of telemedicine efforts. Both the U.S. military and the northeast region would benefit from allocating funds to a qualified entity in the region.

Mr. STEVENS. Mr. President, I would say to the distinguished senior Senator from Pennsylvania that I have long been a supporter of telemedicine and its application to military medicine. I believe that telemedicine can significantly enhance medical readiness and I encourage the Department of Defense to seek innovative opportunities to expand those capabilities. I will be happy to work with the senior Senator from Pennsylvania and the Department of Defense to ensure that such proposals, especially those qualified proposals being put forward in the northeast region of the United States, receive a thorough review for possible inclusion into the fiscal year 1997 Department of Defense telemedicine programs.

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

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

Mr. STEVENS. Mr. President, I see the Senator from Iowa is here. We have discussed an agreement concerning an amendment he is to offer.

He is going to offer an amendment to the bill pertaining to the number of general officers, I believe, in the Marine Corps.

I just simply want to ask unanimous consent that his amendment not be subject to a second-degree amendment but that he be permitted to modify that amendment during the debate if he so wishes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STEVENS. 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. GRASSLEY. 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. GRASSLEY. I have an amendment I am going to offer, but I do not want to send it to the desk at this point. I hope we will be able to do today what we were not able to do in late June when I discussed this very same issue on the Defense authorization bill. I hope that I have a chance to have some dialog in a very formal way of educating our colleagues about this issue I am raising, and I hope to have that with some members of the Senate Armed Services Committee as well as prominent members of the Senate Appropriations Committee who are in the Chamber.

To remind my colleagues, this is the issue of whether or not we need 12 more Marine generals. This issue, I admit, appears to be micromanaging the Defense Department. Most of my speeches on the Defense Department come during the budget debate, the budget resolution debate which is very much a macro-approach on defense expenditures.

I think, however, that in the sense of micromanaging we raise a point of how money is being spent because if my amendment which I will offer would be adopted, I do not pretend to subtract big dollars from the appropriations bill that is before us. The issue here is a broader issue of what are the priorities within our military establishment. We hear from the Secretary of Defense, we hear from the Senate Armed Services Committee, and maybe we all agree, of the need for modernization of the military, the updating of our capabilities, that spending money on that is a very high priority. And so we are seeing in the days now beyond the cold war era and also in the era of efforts to reduce the deficit and hopefully to balance the budget, a military force structure that is downsizing.

So if it appears to be micromanaging, it is only because it is so very obvious that when you have a downsizing taking place, why are we ''topsizing'' the administrative overhead in the form of more brass at the top. The Marines like to say—and I think they have every right to say this—they are looking for ''a few good men.'' Obviously, today we amend that, that the Marines are looking for a few good men and women.

I think most of us remember that slogan on TV or we saw it in a magazine or we even saw it on bumper stickers. For me, these words always spoke the truth, because even though I have not been in the military I had a brother that proudly served in World War II in the Marines, and I remember as a teenager putting as many of his Marine emblems on as I could because I wanted to be just like my brother. And so I have great admiration for any branch of military service, but if there is one that I always thought most of it was the Marines because of my brother. And whether then in World War II, when they had 485,000 troops with 70 generals, or today, when they have 173,000 with 68 generals, you can only conclude that the Marine Corps is small but it is very tough, it is very disciplined, and, quite frankly, in every sense it is very different from the Army, the Navy, and the Air Force. The Marines are proud of it, and Americans ought to be proud of it.

But when I see these proposals that come before us, I think something has changed, that the Marines are not just looking for a few good men and women anymore. With this appropriation bill, and with the authorization bill, they are looking for a few more generals, 12 to be exact. The Marines want the extra generals at a time when the Marine Corps is getting smaller.

Let me say, I hoped to have dialog with the Senate Armed Services Committee on this. But this issue that is included in the Senate Armed Services Committee bill was very hotly debated in the deliberations of the House Armed Services Committee, and the House Armed Services Committee rejected—rejected—the Marine Corps' attempt to authorize 12 more generals. So, even within this Congress there is a diverse opinion on whether or not this is justified. So they want extra generals.

The other services downsizing like the Marine Corps. The Department of Defense has cut the number of general officers in the other services by 20 percent. You will see from the chart here how this is divided up, but a total figure has dropped by 204 since we have had the downsizing of the military, from 1,055 in 1987 to 851 in 1995. So, why does the Marine Corps need a few more generals to lead fewer men and women?

You see here, the Army has gone from about 400 in 1987 down to this figure that is under 300. The Air Force has gone from 335 down to just a little over 300. The Navy, at 250-plus admirals, down just a little bit, but down some. The Marine Corps has been very steady right here—very steady during this period of time. I am not arguing here that the Marines should have downsized in the number of general officers. I am not arguing that at all. I am just arguing for the point of view that the downsizing has gone on and there has been a downsizing in the number of generals and admirals. The Marines have been very steady. I am arguing that they should not be going up.

While this is going down, why, then, do we raise this up considerably, by 12,

by another 20 percent, more generals to lead fewer men and women? Why is the Marine Corps trying to have more brass at the top when the bottom is getting smaller? Why is the Marine Corps top-sizing when, in fact, throughout the branches it is downsizing? Why does the Marine Corps want more generals when junior officers and sergeants are getting thrown out?

Of course, Mr. President, the heart and soul of the Marine Corps are its 27 infantry battalions. This is what the Marine Corps is all about. Everything the Marine Corps does is focused on moving, protecting, and supporting these 27 battalions. If those 27 battalions are not healthy, then the Marine Corps is not strong.

A doctor has been examining the vital signs of the 27 battalions, and they are not up to snuff. There are, in fact, critical shortages within the Marines. It does not happen to be whether or not they need 12 more generals. The critical shortage is of platoon commanders and sergeants. Lieutenants and sergeants are the ones who train the force and keep it ready to go. If war broke out, they would lead these units in battle. So why is the Marine Corps adding generals when there is a critical shortage of sergeants? The Marine Corps could buy the sergeants it needs at the price of the 12 generals it is asking for.

I raised, as I said before, these questions on June 26 when the Defense authorization bill was on the floor. Senator WARNER responded to my question on June 28. I did not have an opportunity to have a dialog with him on the floor of the Senate on it, but he spent a great deal of time, I am sure, putting together a statement. It was in the RECORD, and I have had a chance to study that. Frankly, I still do not understand the answers. So that is why I am here today.

I raise these questions again for one reason. The Defense authorization bill as approved by this body on July 10 contains a special provision. That special provision is section 405. Section 405 increases the number of generals from 68 to 80. That is 12 more generals. The House-passed version of the bill contains no such authority. As I said, there was very heated debate on this in the House Armed Services Committee. The House rejected the request for more Marine generals.

In 1987, as you can see here, the end strength of the marines was, to be exact, 199,525. At that time, the Marine Corps had a total of 70 generals, 2 more than what they have right now. Those 70 generals led the Marine Corps through the gulf war, which would have been here in 1990–91. And then, like every other branch, the Marine Corps began downsizing. The number of generals during this period of time dropped by just 2, to 68. But marine end strength continued a gradual decline until fiscal year 1994, right here, when it got down to 174,158. This year it dropped off again to, to be exact, 172,434. That is a reduction of 27,091 marines since fiscal year 1987. Despite the continuing drop in end strength, the number of generals stayed, as I said here—the number of generals has been very constant during this period of time, and it is still constant over here at 68 to 70; 68 right now is the exact number.

Despite the continuing drop in end strength, we see this level at 68 provided for until section 405 came along, to authorize 80 Marine generals. That would cause this figure to head north. My question is, why?

I am sure we are going to have an answer to that. I hope it is an answer that will negate my need for this amendment. But, frankly, I think I have had a chance to study several documents. I have had a chance to study several documents that I am going to make some reference to in further debate on my amendment, that tell me that, first of all, some of the things that have been told to Senators about why these additional Marine generals are needed, are simply not true. I will also try to demonstrate where the real need in the military is.

I said more sergeants and more commanding officers. We have evidence of that. There are papers prepared by a Marine Corps major that raise questions about the need for certain redundant commands and the extra generals to run them, and also the issue of the layers of command that we have, unnecessary duplication.

Then there is a KAPOS study referred to by Senator WARNER in his statement that I think shows me something different than what it showed to Senator WARNER that I want to discuss with my colleagues.

So why do 27,000 fewer Marines need more generals giving them orders? These are the reasons that I have heard so far, and I am going to lay these out, but my colleagues on the opposite side of this issue will discuss these as well.

First, we have the explanation given on page 279 of the Armed Services Committee report:

> This increase is intended to permit the Marine Corps to have greater representation at the general officer level on the Department of Navy/Secretariat staff and in the joint arena. . . .

So, are these folks then, by that explanation, to become bureaucratic warriors?

The second argument that is given is that technology has changed the nature of warfare. More generals are needed to run the battle. Some would say this is an exact outgrowth of the Goldwater-Nichols Act of 1986, and that is why this is necessary. I think there is an awful lot about Goldwater-Nichols that we need to look at that is very legitimate. But it is in regard to the efficiency that comes as a result of Goldwater-Nichols, not the administrative overhead and waste that Goldwater-Nichols might generate if misinterpreted and used as an excuse for in justifying 12 additional generals at this point.

Last, another rationale given. Some contend that the Marines need the additional 12 general officers to fill critical war-fighting billets. Who is going to argue with that one?

But I have some points I want to make about that. I think we will show, at most, a very, very small minority of these might go to that purpose, because we want to make sure that we maintain the war-fighting capability of every service. National defense is a primary responsibility of the Federal Government, and no other level of government in the United States contributes to that.

So, as I said, we have these four arguments, and many more, that might be given. I do not understand these arguments. Why do the Marines need more generals when the Marine Corps is downsizing, as you see what has happened since 1986. Why increase the number of generals when there is a critical shortage of sergeants and lieutenants in the infantry battalions? These critical war-fighting billets need to be filled before we add wasteful and unnecessary brass at the top.

I want to yield the floor now, because I hope to encourage discussion on this. I will have some further responses, but I hope I have more specific comments from the other side. I do not mean the Democratic side, I mean people presumably on the Armed Services Committee, both Republican and Democrat, who disagree with my point of view, and then I would like to speak again.

I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I am not going to take but just a few minutes. The point that has been raised by the able Senator is in conference now. This is not an appropriations matter. It is in the bill we passed in the Senate. It will be decided in conference. This is not an authorization bill, this is an appropriations bill. The authorization bill that the Senate passed includes certain figures for the Marine Corps and the number of generals. The House is different. So they will decide that issue there.

This is an appropriations measure, and I think it will be a mistake to even consider this here, because it will be settled in conference. The conference will determine this matter, and since it is not an appropriations matter, I suggest that we not consider it here, and I ask the able Senator if he will withdraw his amendment and let it be settled in conference?

Mr. GRASSLEY. You have asked a very legitimate question, but I was hoping to have discussion on it on the floor during the debate on the armed services bill. I had asked Senator WARNER, who offered to respond to it, but on that particular day I was speaking, he could not respond because he did not have the answer right then, he wanted to study it. And that is legitimate.

I asked him if he would call me to the floor the next day and to give me

an opportunity to respond. He probably did not have time, so I am not stating there is fault. I am simply stating what I believe to be a fact. So we did not have a discussion of this.

Mr. THURMOND. I assure the Senator, it will receive careful consideration in the conference.

Mr. GRASSLEY. I know that, but I think the conference will benefit from a discussion of this issue on the floor of the Senate that we did not have during the authorization bill. That is why I bring it here. I legitimately bring it here because I am not trying to cut out x number of dollars to take it away from the Defense Department, I am only asking my colleagues to choose the necessity of 12 additional generals in the Marine Corps versus the needs of modernization and a lot of other needs of the military and have the money spent on those needs that Secretary Perry has put forth.

So I hope that you will agree with me that even though this does involve the priority of money within the Defense Department, and that makes it an appropriations issue, as I see it, I say to my distinguished colleague from South Carolina, I do not want to withdraw it at this point.

Mr. STEVENS. Will the Senator yield?

Mr. THURMOND. I will be pleased to yield.

Mr. STEVENS. Mr. President, the ratio of general officers to enlisted ranks in the Air Force is 1 to 1,380; in the Army, it is 1 to 1,552; in the Navy, it is 1 to 2,143; in the Marine Corps, it is 1 to 2,558.

There are 57 members of the headquarters staff who are of general rank; they are admirals in the Navy. There are 51 in the Army, 45 in the Air Force and 18 in the Marine Corps. The Marine Corps has the lowest number of generals. That is the lowest number of generals per enlisted ranks, and it has the lowest number of generals in the service headquarters. They are more with their troops than the others. The others have probably more sweeping responsibilities in terms of headquarters staff. I am not being critical to the alignment.

I say, I do agree with the Senator from South Carolina. We have never tried to regulate through the appropriations process the number of general officers. The time might come when we take that battle on. But we have not done it so far. I see no reason to do it now.

The Senator's amendment would say that none of the funds appropriated by this act could be used to support more than 68 general officers on active duty in the Marine Corps. It is opposed by the Marine Corps, obviously, because they have this, what we call, the tooth to tail ratio of 1 to 2,568, which is almost twice that of the Army. And they have one-third of the general officers in their headquarters staff than the Army does.

So I really urge the Senator again to not persist. This matter was debated on the Armed Services bill. It is in conference.

I see the Senator from Idaho, who is the chairman of that subcommittee, is here now. I will be happy not to make a motion to table yet if he wishes to speak to the matter. But it is my feeling that this is not an appropriate debate for an appropriations bill.

We do not deal with force structure. We do not deal with the allocation between the generals and the enlisted, and officers in general, between officers and the enlisted corps, except at the request of the Armed Services Committee when we do fund separate items they have requested.

So I believe, I say to the Senator, this is not a proper debate for the appropriations process. I do not say that in the sense of judging this Senator's right to bring the matter to the floor. But I intend to make a motion to table as soon as the Senator has completed his statement.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I just want to say this again. This is not an authorization bill. This is an appropriations bill. This very item is in conference now between the Senate and the House, because they did not agree with this. I want to assure the Senator that his point will be carefully considered and given every consideration in that conference. I will see, myself, that it gets careful consideration.

The House and the Senate differ. They can arrive at a conclusion as to what decisions should be made. But to bring it up on the floor on another bill, an appropriations bill, is really not appropriate. I assure the Senator again that we will give it careful consideration when we have a conference. And the conference will begin in a few days. In fact, the chairman of the House committee and I have talked today about starting this conference right away. We expect to meet tomorrow to begin this conference.

The PRESIDING OFFICER. Who seeks time?

Mr. STEVENS. May I inquire of the Senator from Iowa, does he wish to make any further statement in this regard?

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. First of all, to comment on the figures, the ratio, that the Senator from Alaska gave. I do not think these numbers are exactly like what he gave, but I think they are very close. I have a chart here because I want to make the very point that the Senator was making.

But what the Senator is suggesting, the distinguished chairman of the committee, is that we should solve this problem that the Marines have—and the Marine ratio is not a problem, the fact that they have one general for 2,568 Marines. That is good. That is lean.

There has been a downsizing here. And it seems to me that you keep the Marine ratio where it is. You do not solve the problem by making the Marine Corps chubby with generals like the Navy is chubby with admirals.

This is what should happen in this normal downsizing. The number of Marines go down, as we have seen here from 199,000 down to 172,000. The Army has been downsized. The Air Force has been downsized and the Navy has been downsized. You have seen a reduction in the number of general officers. You have seen the Marines keep constant during this period of time of downsizing.

I do not find fault with that. I am not saying that should be necessarily reduced like the Army, Navy, and Air Force. But more generals would bring the Marine Corps number down. At a time of budget constraints and at a time when the Secretary of Defense is advising us he has to have more money for the modernization of our military force, I just think that this is a very wise expenditure of money or a good way to set our priorities in the Defense Department.

So, as I said, I was hoping that there would be a willingness on the part of the Armed Services Committee to discuss these issues. I see one of the subcommittee chairman of the Armed Services Committee here. I would like to defer to the Senator to speak on this point because obviously he is here because he disagrees with me. But I want to answer some of the points he brings up, if the Senator has strong opposition to my amendment.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I am here to affirm what the chairman of the Senate Armed Services Committee has stated, what the chairman of the Senate Subcommittee on Defense Appropriations has stated, and the ranking member. This is not the appropriate bill for this type of legislation to be attached to.

In the subcommittee dealing with military personnel, which I am the chairman of, we are dealing with this very issue. I will tell the Senator, without going into all the details, because, again, I say to my friend from Iowa, we are right in the midst of the very discussions that he is suggesting should take place, we are having them, both among the Senate conferees and the House conferees, as to whether or not this is an appropriate proposal, and also what the appropriate number should be.

I tell the Senator, the Secretary of Defense, the Secretary of Navy, they all support this proposal. In fact, we have a letter from the Secretary of the Navy to Congressman SONNY MONTGOMERY discussing this whole issue. Part of the rationale for this is because of the Goldwater-Nichols joint operation. We have situations where, in joint command, the marines have had to forego

their responsibility because they do not have the generals to fulfill that role in that joint command.

So we have some legitimate reasons why the marines have asked for this. And you do have, again, the Navy and the Secretary of Defense that support this. But as the chairman of the full Armed Services Committee has said, we are in conference discussing this on the appropriate bill, which is the defense authorization bill, not the appropriations bill. So, again, I just say to the Senator from Iowa, I think it would be in our best interest if we could remove this amendment from the discussion on the appropriations bill. I yield the floor.

Mr. STEVENS addressed the Chair.

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

Mr. STEVENS. Does the Senator from Iowa wish to respond to that again?

Mr. GRASSLEY. I will take some time.

Mr. STEVENS. The Senator from Alaska is going to move to table the Senator from Iowa's amendment, but I want to be courteous.

Mr. GRASSLEY. I have not sent the amendment to the desk yet. I will go ahead, if that is what the Senator wants me to do. I think the statement by the Senator from Idaho, the statement by the Senator from South Carolina indicate that they want to discuss this on the basis of procedure and not on the basis of substance. So if we cannot have a debate on this, then I guess I will take advantage of the time for offering my amendment to express my views in the way of informing my colleagues in this body why I think some of the arguments that have been used in support of these 12 additional Marines are not legitimate arguments. I appreciate the attention of people who are involved in this debate.

There is only one point of procedure that I will take advantage of now before I save some time on the substance of my amendment. That is, remember, this bill that is before us has the appropriations for the personnel accounts of the Department of Defense.

The point being made by my two colleagues on the Armed Services Committee that this is not something legitimately discussed in a bill that provides the money for the salaries of the people in the military, including whether or not we ought to have 12 additional marine generals, just is not legitimate. There is no more legitimate point of discussing appropriations and the number of slots you are going to fund than in the very bill that has the appropriated money for the personnel accounts.

Now, the distinguished Senator from Idaho, who is now in the chair, stated the rationale of the Goldwater-Nichols legislation. I will respond to that because I think that if that is the reason for this, then the rationale behind the Goldwater-Nichols legislation of reducing interservice conflict and the duplication between services for getting to the mission of each service is not being properly met, because the Goldwater-Nichols Act placed special emphasis upon joint operations, joint staff, and joint duty.

Now, we agree on that, I am sure. The present Goldwater-Nichols legislation presently exempts 12 joint general officer billets from statutory service seals. So there is already consideration in Goldwater-Nichols for the needs of joint command, joint operations, joint staff, and all of that. We should not consider Goldwater-Nichols—which, by the way, was passed in 1986—as constituting a license to expand joint and service headquarters when the force structure is shrinking.

Now, I quoted in June quite liberally from Marine Gen. John Sheehan. I am sure the Marine command has gotten to General Sheehan and said to him, ''General Sheehan, call up some Senators and tell them that GRASSLEY might be misquoting you or using your statement out of context.'' Let me assure you, I have studied what General Sheehan has said and what I said in June, and I am going to say that what General Sheehan said is not out of context. It is a voice within the Marines arguing that we not have a lot of waste on overhead and command, so that the Marines can fulfill their responsibility. General Sheehan talks about excess headquarters, but the need for excess headquarters is generated by general officers who occupy those headquarters that General Sheehan is so worried about.

He said this: ''Headquarters in defense agencies should not be growing as the force shrinks. At the end of the day, we need combat capability in the field.'' He is—General Sheehan—is commander and head of the U.S. Atlantic Command.

Headquarters should shrink as the force shrinks. I believe that is what he is saying. The joint headquarters should replace redundant service headquarters. This should happen as the joint headquarters begin to perform the missions previously done by service headquarters. Joint headquarters were not formed to create another redundant layer of bureaucracy. Service headquarters should be reduced or eliminated as joint headquarters take charge. That was the whole idea behind the Goldwater-Nichols reform: to fuse, to integrate, and to consolidate, get rid of wasteful, overlapping commands, headquarters, operations, and equipment.

Marine Corps commands in North Carolina are prime examples of redundancy. There are four layers of command headquarters for the 2d Marine Division and the 2d Marine Air Wing based in North Carolina. Each layer has command headquarters, generals, large staff, buildings, vehicles, airplanes—the whole works. The four layers are as follows: Layer 1 is the 2d Marine Division and the 2d Marine Air Wing; layer 2 is the 2d Marine Expeditionary Force colocated with the division; layer 3 is the Marine Corps Forces Atlantic colocated with the division; and layer 4 is the U.S. Atlantic Command at Norfolk, VA, under Marine Corps General Sheehan.

Mr. President, how many of these layers are really needed? Each layer exists to command and control ground air teams of the 2d Marine Division and the 2d Marine Air Wing. Two layers will get the job done. So, two layers are redundant.

I am not alone in that view. Maj. David A. Anderson—and, of course, I do not know Major Anderson, but he wrote an article called ''Stretched Too Thin,'' raising questions about our shrinking budget and about the challenges before us to do more with less. This is an issue from the U.S. Naval Institute proceedings, July of this year, right now, in fact.

I ask unanimous consent the article of this Marine Corps major be printed in the RECORD. It is from inside the Marines, another very good document for my colleagues if this thing is going to be considered in conference, that my colleagues ought to take into consideration.

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

STRETCHED TOO THIN

(By Major David A. Anderson, U.S. Marine Corps)

Realigning to meet the nation's changing needs will require a painful reorganization—to include standing down the III Marine Expeditionary Force on Okinawa—but the Marine Corps that emerges can provide a better capability for the nation and an improved quality of life for the troops.

The Marine Corps has embarked on a journey into a new era, filled with much uncertainty. This is not new for us; our history is filled with such times of challenge and duress that we as Marines have overcome—a time-honored tradition that we have come to expect of ourselves and our nation of us. This time, however, our challenge is made greater by the environmental turbulence within which we operate; global political uncertainty, downsizing, shrinking defense budgets, changing and competing roles and missions, increasing societal expectations, the ever-increasing pace of technology, and the upswing in jointness and operations other than war.

The challenge before us is to do more with less. We have done this and continue to do so with uncommon vigor and resourcefulness. In fact, no other organization—military or otherwise—does a better job of allocating scarce resources to competing needs and maximizing the benefits than the Marine Corps. In spite of this, we are approaching our threshold of effectiveness, because our strategy and capabilities are not in sync with today's environment.

The Marine Corps is affected by two environments—external and internal—each of which consists of five broad elements; political, economic, physical, technological, and societal. The external factors influence the internal policies and practices, which in turn influence our values, attitudes, and behavior.

Political Elements. The Department of Defense is in the midst of a congressionally mandated reduction in force. But what we have discovered is that because of the unstable nature of global politics, U.S. willingness

to intervene, and additional requirements to operate in joint arenas and conduct operations other than war, operational tempo has not been reduced in proportion to force reductions. The Marine Corps' response has been to improve existing capabilities within the reduced force structure and to operate smarter, using advanced technology and our inherent ingenuity.

The nut that has yet to be cracked, however, is the one that balances operational training, operational deployments, and the morale and welfare of our Marines within current personnel and budget restraints. It is well documented that 10–25% of our active-duty force is operationally deployed at any one time. The Marine Corps currently is at approximately 87% manning from its peak years of the mid-1980s. It has the longest training pipeline of all the armed services, along with requisite school requirements, joint billet requirements, the manning of a joint task force headquarters, and an inordinately high first-term attrition rate (approximately 30%). This leaves an effective operating force of 50–70% of total personnel strength.

In an effort to minimize the impact on the operational force, we have established personal staffing goals, prorate distributions of critical military occupational specialties (MOSs) and ranks, and out-of-hide tables of organization (T/Os). This has created a phenomenon I call ''peg-holing.'' Let's say there are six people qualified to fill ten billet requirements. Essentially what happens is that respective monitors chase these billets through continuous reassignment, with the squeaky-wheeled command getting the grease, leaving some other command bone dry. As an extreme example, consider the shortage of 0402 logistics majors within the 2d Force Service Support Group. While I was assigned to 2d Landing Support Battalion—from August 1993 to July 1995—the battalion's T/O called for six majors; the staffing goal was two; one was on hand. Another example within the same battalion is 0481 landing support specialists. The T/O calls for 312; on hand were 277, of whom 119 were deployed. The remaining 158 Marines then must support day-to-day II Marine Expeditionary Force operations, meet annual training requirements, fill out-of-hide T/O requirements, and maintain an Air Contingency Force detachment (and also squeeze in schooling or annual leave).

As additional challenge to our operational force has been the establishment of such new military occupation specialities as computer small systems specialists and the adoption of systems such as the MAGTF Deployment Support System II, which reflect our incorporation of advanced technologies. They have come at the expense of other MOSs, because we have imposed the requirement without increasing overall force strength or compromising mission capabilities. The result—once again—is an overextended operational force.

Economic Element. Ever deeper defense cuts have come at great expense to the Marine Corps, despite our ability to squeeze more value out of every dollar spent. Those who entered active service after 1 August 1986, upon retiring at 20 years, will receive 40% of their base pay instead of the 50% received by those who entered prior to this date. Dependent health care is costing active-duty members more each year. Collectively, our equipment has exceeded it service life. The Marine Corps procurement budget is averaging only 50% of the $1.2 billion it needs annually. Prepositioned war reserves have been depleted to offset nonrepairable equipment, and a growing portion of our budget is being spent to repair aging equipment. The Army is acquiring additional bigger, faster, more capable ships in support of its maritime prepositioning force. We are forced to buy and fix less-capable ships.

Most of our shrinking budget, out of necessity, is being spent to sustain operational forces. This leaves little money to maintain or upgrade existing facilities, including base housing (which is substandard, inadequate, or un-inhabitable in several locations), or to purchase garrison property. Most alarming is the backlog of military construction projects the Marine Corps has accumulated. During a recent visit to the 2d Force Service Support Group, Major General B. Don Lynch noted that at current funding levels, it could take another 100 years to fund our current military construction requirements.

Physical Element. Many of the facilities in which we work and live require extensive renovation or replacement. Complicating our housing problems is the shortage of base quarters in high-cost geographical areas such as Washington, D.C., Southern California, and Hawaii. Often the wait for quarters is as long as 12–24 months, and the best off-base housing locations are well beyond the means of most Marine families. Many Marines must deal with an excessive commute time because they cannot find affordable off-base housing close to work. Those who can afford to buy homes often are reluctant to do so, because they fear having to sell or rent when they are transferred after their typical three-year tours. Furthermore, housing allowances often fall short of the true cost of housing.

Technological Element. In our rapidly changing age of technology, the accumulation of technology doubles every seven years—faster in some fields. The Marine Corps is doing its best to sort through what it can and cannot use or afford. We are discovering that what we can afford will not keep us at the forefront in operational readiness. In many instances, we are able to buy only enough promising technologies to keep our foot in the door. Often by the time we can afford and fully implement a technology it has become obsolete.

We are even having difficulty assessing the value of technologies because of personnel shortages. A significant part of adopting new technologies is recognizing the personnel requirements to operate and maintain them. This has placed us in the situation of having to create new MOSs at the expense of others—and thus continue to expand the mission requirements of our Marines.

Social Element. The word's out on the street that what you will get from the Marine Corps is demanding work, frequent deployments, substandard living quarters, little free time, slow promotions, and fewer reenlistment opportunities. These impressions, the abolishment of the draft, and eroding benefits are making it difficult for the service to attract society's best and brightest young men and women. It is showing in the Marine Corps' first-term enlistments: one-third fail to complete their enlistment contracts. This problem probably is multifaceted: there is a prevailing societal attitude of ''If it doesn't feel good, don't do it''; many young people are growing up without healthy role models; and some become disillusioned with the Marine Corps when it fails to meet their expectations. But the most serious contributing factor is that more than 45% of our first-termers enter under some type of enlistment waiver—and not just for minor traffic violations. They include admitted and frequent drug use, serious offenses, juvenile felonies, and medical (to include psychological) waivers.

I found this figure appalling and unbelievable, so I decided to put it to the test. I randomly surveyed 125 of my first-termers. To my surprise, 57—or 45.6%—had entered with waivers other than for minor traffic violations. As many as 49 of the 57 waivers were given at individual recruiting stations. We are having to compromise our institutional standards to meet our enlistment goals. In addition, I found a direct positive correlation between those enlisting with waivers and those who were subject to nonjudicial punishment and first-term attrition.

Societal pressures and expectations add to our challenge. For example, we must allow for and accommodate marriages of our junior Marines, further exacerbating our leadership challenge and our need to stretch a dollar. Many of these young marriages fail, adding to an already inordinately high divorce rate among Marines. As these marriages deteriorate, we spend significant time providing counseling and dealing with issues such as bad debts and alcohol or spousal and child abuse.

Reshaping for the Future

This picture leaves much to be desired, but it is not all gloom and doom. The short answer to our problems is a lot more money and many more quality young men and women with moral fiber and a strong work ethic. Unfortunately, the reality is that our budget most likely will be cut further, our force will get smaller, and societal values and expectations will not change anytime soon. What remains for the Corps to do is to assess more realistic options—those that meet the needs of our nation, preserve our integrity, and stay in line with our Commandant's planning guidance—and choose the one that best meets the challenges of current and future environmental turbulence and is responsive and quickly adaptable to both new threats and emerging opportunities.

The first step in the process is to re-identify ourselves. Who are we, and what is our role/mission? As the Commandant has stated, ''The Marine Corps is the nation's naval, combined arms, expeditionary force in readiness. Our reason for being is what it always has been—warfighting.'' He further states, ''It is vital that our organization be designed with one goal in mind: success on the battlefield.'' To this end, the Marine Corps should be measured by the return on investment it offers the nation. The two key factors that determine return on investment are competitive effectiveness and strategic responsiveness.

Competitive effectiveness is a measure of how well we operate. It can be divided into two submeasures: efficiency in swiftly and decisively responding to our nation's needs, and effectiveness in getting the job done. Strategic responsiveness is a measure of how well we relate to the environment. It also can be divided into two submeasures: attractiveness, that is, being the force of choice; and capability responsiveness, or whether capabilities match battlefield needs.

I believe that our force can be structured and equipped better—to meet the changing needs of our nation and our Commandant's vision for the future, to preserve the integrity of our institutions, improve quality of life for our Marines, and maximize return on investment—within current operating restraints. The proposal is a painful one, but it can preserve our future as the force of choice. We cannot sustain today's Marine Corps and meet tomorrow's needs. A leaner, better-equipped, and more-prepared force should be our objective.

Our warfighting capabilities should focus on:

One warfighting Marine expeditionary force (MEF) capable of organizing a Marine air-ground task force (MAGTF) in support of a major regional contingency.

One warfighting MEF capable of organizing a MAGTF in support of a small-scale regional contingency.

One MEF maintaining a fully capable, expeditionary, joint task force headquarters.

One MEF capable of executing the full range of operations other than war.

The capability to employ three forward operating Marine forces in the form of Marine expeditionary units (special operations capable) (MEU/SOCs).

The capability to employ forward operating maritime prepositioning squadrons (MPSs) as part of the Marine Corps Maritime Prepositioning Force as logistics support to a contingency MAGTF.

A fully integrated indivisible reserve force.

A force built around this concept could look something like this:

Commander, Marine Forces Pacific/I MEF, with a colocated headquarters at Camp Pendleton, California, capable of organizing a MAGTF in support of one major regional contingency; employing two forward operating Marine forces in the form of a MEU(SOC), with one in reserve; and employing one operating MPS—with current staffing goal force structure.

I MEF (Forward), located in Guam or Australia and capable of orchestrating Asian/Pacific Rim contingency operations; a forward logistics base in support of regional contingencies and joint training operations; employing one forward operating MPS.

III MEF would be stood down entirely (personnel and equipment), with equipment redistributed to I MEF, II MEF, and prepositioned war reserves; personnel reassigned as needed to support I MEF (Forward) mission and to fill I MEF and II MEF shortfalls, as well as joint task force headquarters, joint, and critical non-FMF billets; remaining forced reduced through end-of-active-service and retirement attrition.

Commander, Marine Forces Atlantic/II MEF/Joint Task Force Headquarters, with co-located headquarters at Camp Lejeune, North Carolina, and joint headquarters at Norfolk, Virginia, tasked with employing one warfighting MEF capable of organizing a MAGTF in support of a small-scale regional contingency; employing a fully capable, expeditionary, joint task force headquarters; executing the full range of operations other than war; employing one forward-operating Marine force in the form of a MEU(SOC) with one in reserve; employing one forward-operating MPS. This includes standing down one infantry-regiment equivalent and proportionate support personnel/equipment, reassigning personnel and reducing strength equivalent through end-of-active-service and retirement attrition and redistributing equipment.

Non-FMF/Support Commands capable of sustaining or improving current FMF support within the present command structure, with a reduction of personnel strength in line with FMF force reduction and an increased number of joint billets, as required.

This plan reduces our force strength by 17,000–22,000, with the following advantages:

It complies with the Commandant's planning guidance.

It reduces force strength 10–12 percent without significantly compromising operational capabilities.

It reduces overseas deployments by 40–60%, thus saving money and improving force morale.

It allows us to divert dollars previously committed to support deployments and procurement dollars planned for replacing aging equipment to other areas historically neglected because of funding shortages, as well as to innovative technologies and concepts that will put us at the cutting edge in expeditionary force readiness.

It makes the Marine Corps more appealing to young men and women, which eventually will allow for more selective recruiting.

It increases the nation's return on its investment in the Marine Corps.

It shrinks the strategy-capability gap.

This is not a panacea for all our ailments, nor does it completely close our strategy-capability gap. It is, however, a necessary step in the right direction, when coupled with initiatives to get more Department of the Navy/Defense dollars, divest ourselves of unproductive areas, streamline processes, lengthen tours, shorten promotion time, and improve reenlistment incentives.

Mr. GRASSLEY. By eliminating redundant commands, more marine generals would be available for joint duty. Unfortunately, that is not what the Marine Corps has in mind. The Marine Corps wants, obviously, to have it both ways. They want to keep generals in the old redundant marine headquarters. In fact, the Marine Corps would like to place at least three of these 12 new generals in these overlapping commands.

Get this: We have 12 more generals. You say we need them because of Goldwater-Nichols. They want to place three of these new generals in these overlapping commands. They want to assign more generals to the new joint headquarters, too. I think the Marine Corps needs to make a choice and to place priorities where they belong. That is the argument, my comment, on Goldwater-Nichols.

The second is the use by the Senate Armed Services Committee of the rationale in its report language where it wants to make very clear that the extra generals are not needed for war-fighting jobs. It kind of backs up what I said in regard to the supposed argument that we need more generals because of the requirements of Goldwater-Nichols. The Armed Services Committee says they are not needed for war-fighting jobs. Remember, the purpose of our defense is the defense of the country. That involves the potential of going to war. That is war fighting.

I want to read the language one more time:

> The increase is intended to permit the Marine Corps to have greater representation at the general officer level on the Department of Navy Secretariat staff and in the joint arena.

Now, that is not war fighting. The committee is saying that these generals are needed for bureaucratic infighting. That is the way I read it. And where? Maybe in the Pentagon budget wars.

Now, the Marine Corps tells an entirely different story. The Marine Corps has provided a list of 14 positions that might be filled with new generals.

Now, I know the legislation only called for 12, but the list covers 14 slots. I ask unanimous consent to have the list of these 14 generals for the Marine Corps printed in the RECORD.

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

USMC ADDITIONAL AUTHORIZATION REQUEST

CG, II Marine Expeditionary Force.
DepCG, I Marine Expeditionary Force.
DepComdr, MarForLant.
ADC, 1st Marine Division.
ADC, 2d Marine Division.
AWC, 2d Marine Aircraft Wing.
CG, MCRC/ERR.
CG, MCRC/WRR.
Dir, Warfighting Development Integration Division.
ADC/S P&R (Programs).
Joint (NMCC–4).
Joint (USPACOM).
Joint (USCentCom).
Joint (USSouthCom).

Mr. GRASSLEY. The Marine Corps says that 12 additional generals are needed to fill vacant war-fighting positions. To the members of the Senate Armed Services Committee, you say in your report that they are not needed for war fighting, that they are needed because of the needs within the Pentagon, within the bureaucracy. The marines themselves say they need the additional generals to fill vacant war-fighting positions.

Now, it seems to me that we ought to be able to have the Armed Services Committee and the Marine Corps talking off the same song sheet if there is a need for it. Those are the Marine Corps' own words. I underscore in this effort the word ''vacant''—to fill vacant war-fighting positions.

First, if you look at these, to say that these are war-fighting positions—and I am using the Marine Corps' rationale, not the Armed Services Committee's rationale—I think that would really be stretching the point. Three of the positions, by the Marine Corps' own request, are in the Pentagon. I hope I do not insult people when I say that is not war fighting. I understand that the entire military is dedicated to war fighting, yes, but close to the battlefield, no.

Two of these generals are for recruiting. That is not war fighting. Three are high-level joint headquarters positions. That is not war fighting. Five or six are connected with Marine combat forces, and that is getting close to war fighting. But now, just reading the request of what the marines want to do with 14 additional generals does not fully explain the issue. So you have to dig deeper.

When you get down to the nitty-gritty, Mr. President, you see that few, if any, of the new generals would actually fill vacant—emphasis on ''vacant''—war-fighting positions. Now, that is, again, the Marine Corps rationale for these generals, not the Senate Armed Services Committee rationale for generals. So to back up the assertion I just made, you need to examine each proposed billet. I have done that. To do that, you need two documents. You need the Department of Defense directory entitled ''General Officer Worldwide Roster.'' I have it here. This is the March 1996 issue. And you also need the ''United States Marine Corps General Officers Position List,'' provided by the Director of Personnel Management on July 9, 1996.

If you go down the list—and I am not going to go through all these positions

because I do not think I have to in order to justify my statements—you can look at the first position at the top of the list. No. 1, commanding general of the Second Marine Expeditionary Force. Now then, if you consult the Department of Defense directory, they say the position is already filled by Lt. Gen. Charles E. Wilhelm. General Wilhelm wears a second hat as commander of the Marine Corps Forces Atlantic.

If you look at the second position on the list, it is deputy commanding general, First Marine Expeditionary Force. If you look at the directory in the Department of Defense, that position is also filled. It is filled by an acting brigadier general, Edward R. Langston, Jr., a senior colonel doing a general's job. He wears a general's insignia but is paid as a colonel. In military language, he is ''frocked.'' General Langston is the deputy under Gen. Anthony C. Zinni, the commanding general. Mr. President, I could go through all the positions, but the results are the same.

Bottom line: All but one of the existing positions is filled. Only one is actually vacant. That is why I have said that the marines say they want an additional 14 marines to fill vacant warfighting positions. The Senate Armed Services Committee says they need them not for war fighting, but for other purposes.

I want to place in the RECORD the status of each of the proposed posts that I have referred to. I ask unanimous consent that it be printed in the RECORD.

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

POSSIBLE ASSIGNMENTS FOR NEW GENERALS

Main argument: The Marine Corps says it needs the additional 12 generals to fill critical billets as follows:

No. 1. Position: Commanding General, 2ND Marine Expeditionary Force.—Current Status: Filled by Lieutenant General Charles E. Wilhelm.

No. 2. Position: Deputy Commanding General, 1ST Marine Expeditionary Forces—Current Status: Filled by acting** Brigadier General Edward R. Langston, Jr.

No. 3. Position: Deputy Commander, Marine Corps Forces Atlantic.—Current Status: Filled by acting** Brigadier General Martin R. Berndt.

No. 4. Position: Assistant Division Commander, 1st Marine Division.—Current Status: Filled by acting** Brigadier General Jan C. Huly.

No. 5. Position: Assistant Division Commander, 2ND Marine Division.—Current Status: Vacant.

No. 6. Position: Assistant Wing Commander, 2ND Marine Air Wing.—Current Status: Filled by colonel selected for general.

No. 7. Position: Commanding General, Marine Corps Recruit Depot/Eastern Recruiting Region.—Current Status: Filled by acting** Brigadier General Jerry F. Humble.

No. 8. Position: Commanding General, Marine Corps Recruit Depot/Western Recruiting Region.—Current Status: Filled by acting** Brigadier General Garry L. Parks.

No. 9. Position: Director, Warfighting Development Integration Division.—Current Status: New Position.

No. 10. Position: Assistant Deputy Chief of Staff for Programs and Resources (Programs).—Current Status: Filled by Major General Thomas A. Braaten (Deputy Chief of Staff for Programs & Resources is Major General Jeffrey W. Oster).

No. 11. Position: Joint Staff, National Military Command Center.—Current Status: Filled by acting** Brigadier General Dennis T. Krupp.

No. 12. Position: Joint, U.S. Southern Command—Current Status: New Position.

No. 13. Position: Joint, U.S. Pacific Command—Current Status: New Position (Marine Corps is represented by Major General Martin R. Steele as Director for Strategic Planning & Policy).

No. 14. Position: Joint, U.S. Central Command—Current Status: New Position (Marine Corps is represented by Lieutenant General Richard I. Neal as Deputy CINC and by Brigadier General Matthew E. Brodrick as Commander Forward Headquarters Element/Inspector General).

Recap: 9 filled**; 1 vacant; and 4 new.

**Six of the nine positions are filled by acting brigadier generals. These are senior colonels who occupy a general's billet. He or she wears the insignia of a brigadier general but is paid as a colonel. The Marine Corps refers to this status as ''frocked.''

Source: Department of Defense, General/Flag Officer Worldwide Roster, March 1996; Updated and verified by Marine Corps document dated July 9, 1996.

Mr. GRASSLEY. Mr. President, as I have said, 9 of the 14 proposed general officers positions are already occupied. Of the nine occupied positions, one is filled by a lieutenant general, one is filled by a major general, one is filled by a general selectee, and six are filled by acting brigadier generals.

So, Mr. President, it seems like these vacant—again, I emphasize the word ''vacant''—war-fighting positions are already well covered. They are filled.

Mr. President, there is one thing about all this that really bothers me, and that is the one vacant position. I want to talk about that one vacant position. Of all of the positions, the vacant one seems like the most important one, and ought to be filled: assistant commander of the 2d Marine Division. It is not like there is a gaping hole in the command structure. As I understand it, the division's chief of staff is doing the job. He is a senior colonel, who is getting excellent experience, experience that is preparing him for promotion to general. But if this position is as important as I think it is, why is this position not filled? Why is the Marine Corps fattening up headquarters staff with generals when one of its three divisions is short a general officer?

If war fighting is the top priority—and that is what the Marines say, not what the Senate Armed Services Committee said—why are so few generals assigned to war-fighting billets? Only 25 percent of all Marine generals are in combat posts. About 50 percent of the Marine generals are in the Washington, DC, area. Are these misplaced priorities? Are Marine generals in the wrong place? If the Marine Corps is short of generals in war-fighting commands, then some generals should be moved. They should be moved from lower priority command headquarters to top priority combat jobs.

Mr. President, war fighting is not the driving force behind the proposal for additional Marine generals. If it were, the proposal would be linked to force structure. But it cannot be linked to force structure because, as I have shown so many times with my charts—and I will not get them out again—the structure is shrinking. This happens to be the Marines—down from 199,000 in 1987 to 172,000 right now.

So it seems to me that might not argue for fewer generals, but it surely does not argue for 12 more generals. So it had to be hooked up to something else. That something else is vacant headquarter billets. That is what is driving this.

The Marine Corps commissioned an independent study to figure out exactly how many more generals were needed to fill these posts. The study was conducted by Kapos Associates, Inc. That study is fairly thick, and it was referred to by Senator WARNER in his response to my statement in June. I do not know whether he actually labeled it as the Kapos study. But I think it is the only one he could have been referring to. It is entitled ''An Analysis of U.S. Marine Corps General Officers Billet Requirements.'' It is dated March 20, 1996. The Kapos study concluded—this study that I just held up—that the Marine Corps needed—get this. This study recommended 37-to-95 more generals to fill key positions. I suppose I ought to look at that 37 to 95 and say to myself, ''Well, heavens. If they are only going to suggest 12 more, we ought to be happy, and just sit down and shut up.'' But the Kapos study did not look at the war-fighting requirements. That is very basic to why I think you had better be careful when you quote from this study. It did not look at force structure. It had one goal—fill those big, fat headquarter jobs sitting out there. The question was not in this study: How many generals do we need? Instead it was: How many positions do we fill? In no way did this Kapos study address the threat. It did not look at future force requirements or the need to downsize. This was a study about how to take and hold important bureaucratic real estate—pure and simple. That is the engine driving the mushrooming headquarters problem that is so much of a concern to General Sheehan of the Atlantic Command.

As a force shrinks, generals are flocking to the headquarters. That is my response to the second argument. The first one was the Goldwater-Nichols rationale.

The second is what is stated in the U.S. Senate Armed Services Committee report saying that these are not needed for war-fighting capability, and that is opposite what the Marine Corps said in this document that I put in the RECORD, where they want these 14 Marine generals, that that is for war fighting.

It also sounds like the Marines want to be top-heavy with rank like the

other services. As I said, the other services are top-heavy. The Marines, from the standpoint of general to marine ratio, is a lot more efficient and effective. It's less top-heavy but if this goes through, then that means that the Marine Corps will be chubby with general officers the same way the Navy is chubby with admirals at a time of the force is shrinking. I suppose the Marines feel like they have been shortchanged.

The other services have far more generals. They probably want a place at the negotiating table in the Pentagon, too. The Army has 291 generals, or 1 general for every 1,748 soldiers. The Navy has 218 admirals, or 1 admiral for every 1,994 sailors. The Air Force has 274, 1 general for every 1,461 airmen. The Marine Corps, 68 generals, or 1 for every 2,568 Marines. Big is good. Small is bad. The Air Force is the smallest, or the fattest. The Marine Corps is the leanest. But we do not fix this problem by making the Marine Corps chubby like the Navy, for example. But that is what happens if we give the Marine Corps 12 additional generals. We fix this problem by making other services lean like the Marine Corps.

In other words, I am suggesting that, at a time when the Secretary of Defense is saying that our primary responsibility is improvement and modernization of our capability, we ought to be very cautious about wasting money on administrative overhead. The Marine Corps used to be really lean and mean.

You will see here, at the height of World War II, there were 485,000 marines, 72 generals. The 72 generals is about the same as today, 68 to be exact. But the Marine Corps was three times bigger back then—1 general for every 6,838 marines.

Clearly, the other services are top-heavy compared to the Marines. You do not balance the load by making the Marine Corps top-heavy like the other services. You fix it by making the others less top-heavy, by reducing the number of generals. You fix it by giving them the right number of generals, a number that matches force structure.

Lastly, the proponents for more Marine generals suggest that technology creates a need for more generals. That is possible. But the reverse is also possible. Technology could reduce the need for so many generals and admirals.

When it comes to technology, you ought to take, for instance, CCCI. That stands for Command, Control, Communications, and Intelligence. Billions of dollars are going to be spent for CCCI. That technology gives the top generals and admirals the capability to run the battle from the Pentagon. It gives them the ability to communicate directly down to the smallest units operating anywhere in the world. Just read Colin Powell's book ''My American Journey,'' and you can see how he did it. He just by-passed all the redundant service headquarters in between.

So CCCI could reduce the need for having so many generals forward deployed with the infantry battalions.

So I do not understand the need for more Marine Corps generals when the Marine Corps is downsizing. The number of generals should be decreased as the Marine Corps gets smaller.

The request for more generals reminds me of the recent words of Marine Corps Gen. John Sheehan, Atlantic Command. I quote him extensively on June 18 in my case to freeze the defense infrastructure costs. General Sheehan argues that ''Headquarters should not be growing as the force shrinks.''

Continuing to quote, ''The growth in headquarter staff jobs is threatening the military's war-fighting capabilities.''

So I think General Sheehan from inside the Marines hits the nail on the head. He has identified the root cause of the problem. He helps me understand why the Department of Defense cannot cut infrastructure costs. The growth in headquarter staff is being driven by one powerful force—excess generals and admirals searching for a mission. Each senior officer needs a place to call a home and to hoist a flag. Every senior officer needs a command, a headquarters, a base, a staff, or a large department of some kind somewhere someplace. Each new general funded in this bill will need some new piece of real estate.

All of this makes me think that more Marine generals now is not a good idea. Responding instead, as the Secretary of Defense, Mr. Perry, says, modernization is our greatest need.

So the amendment that I am going to offer this afternoon would put a lid on the number of Marine generals at 68 where it is today, not making a decision for the authorization committee, as the distinguished members of the authorization committee are saying that I am impinging upon their decision. You go ahead and make whatever decision you want. But should we spend money on 12 more Marine generals when the force structure has shrunk by 27,000? Or should that money instead be spent on modernization, as the Secretary of Defense says? It seems to me that is where it belongs.

I am going to yield the floor. I still have some other pieces of supporting information and documentation I want to put in the RECORD, and I ask to do that.

I yield the floor.

AMENDMENT NO. 4453

(Purpose: To provide $150,000,000 for defending the United States against weapons of mass destruction, and to provide offsetting reductions in other appropriation amounts)

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, as I understand it, there is no amendment pending at this point.

The PRESIDING OFFICER. The Senator is correct.

Mr. NUNN. Mr. President, if it is satisfactory with the Senator from Alaska, the chairman of the committee and manager of the bill, I will present an amendment at this time, but I would like to make sure it is satisfactory to him.

Mr. STEVENS. We are prepared for the Senator's amendment and welcome it.

Mr. NUNN. I thank the Senator from Alaska.

Mr. President, this amendment on behalf of myself and Senator LUGAR, Senator DOMENICI, Senator WARNER, Senator HARKIN, and others, is filed at the desk as amendment No. 4453, so I call up the amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, Mr. LUGAR, Mr. DOMENICI, Mr. WARNER, and Mr. HARKIN, proposes an amendment numbered 4453.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert:

SEC. . In addition to amounts provided elsewhere in this act, $150,000,000 is appropriated for defense against weapons of mass destruction, including domestic preparedness, interdiction of weapons of mass destruction and related materials, control and disposition of weapons of mass destruction and related materials threatening the United States, coordination of policy and countermeasures against proliferation of weapons of mass destruction, and miscellaneous related programs, projects, and activities as authorized by law: *Provided*, That the total amount available under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' for the Joint Technology Insertion Program shall be $2,523,000: *Provided further*, That the total amount appropriated under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' is hereby reduced by $12,000,000: *Provided further*, That the total amount appropriated under the heading ''Operation and Maintenance, Defense-Wide'' is hereby reduced by $138,000,000.

Mr. NUNN. Mr. President, I ask unanimous consent that minority staff members on the Armed Services Committee and two congressional fellows—and I send a list to the desk—be accorded privileges of the floor during the Senate's consideration of votes relating to the Department of Defense appropriations bill for fiscal year 1997.

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

The list is as follows:

MINORITY STAFF MEMBERS

Christine E. Cowart.
Richard D. DeBobes.
Andrew S. Effron.
Andrew B. Fulford.
Daniel B. Ginsberg.
Mickie Jan Gordon.
Creighton Greene.
Patrick T. Henry.
William E. Hoehn, Jr.
Jennifer A. Lambert.
Michael McCord.

Frank Norton, Jr.
Arnold L. Punaro.
Julie K. Rief.
James R. Thompson III.

CONGRESSIONAL FELLOWS

Maurice B. Hutchinson.
DeNeige V. Watson.

Mr. NUNN. Mr. President, the amendment that is now the pending business provides funding for Defense Department activities authorized by the Defense Against Weapons of Mass Destruction Act which was accepted by a 96-to-0 vote 2 weeks ago in this Chamber. That program deals with one of the most urgent national security problems America faces today, and this amendment funds the DOD part of that authorization. We have worked very carefully and constructively with the appropriations staff, our friends from Alaska and Hawaii, Senator STEVENS and Senator INOUYE. They have both been very strong supporters of this overall initiative, and they have been very cooperative in working with us. We did not have the authorization bill drafted in time to get that to the appropriators for their consideration in their normal markup activities. Therefore, we have this amendment in the Chamber today.

This amendment, as I have said, deals with one of the most urgent national security problems facing America today. I have just come from a press conference with Bob Ellsworth and General Goodpaster and others, Dr. Rita Hauser, where they have spent a number of months with a very distinguished panel, including the Senator from Arizona, Mr. MCCAIN; the Senator from Florida, Mr. GRAHAM; Congressman PAT ROBERTS; Brent Scowcroft; and others.

That report, which sets forth America's vital interests and distinguishes those vital interests from extremely important interests and distinguishes both of those categories from less important interests, makes an enormous contribution to the dialog we should have in this country about what is truly in the vital interests of America.

By the term ''vital,'' I mean interests that are so strong and have so much effect on the American people, their security and their well-being that we are willing to fight if necessary and send our young men and women to war if necessary to protect those interests.

It is very clear in reading that report that one of the top vital interests of the United States is to prevent this country from being the victim of attacks with weapons of mass destruction from terrorist groups and, in order to do that, to do everything we can possibly do to get ready for that and to deter it and prevent it by stopping these weapons at the source before they get to this country and, if they do get here, God forbid, doing something about it and being prepared to deal with it.

This threat of attack on American cities and towns by terrorists, malcontents, or representatives of hostile powers using radiological, chemical, biological, and nuclear weapons, in my view, is a top and vital national security interest of this country.

This threat is very different from the threat of nuclear annihilation with which our Nation and the world dealt in the cold war after World War II. During the cold war, both we and the Soviet Union recognized that either side could destroy the other within a matter of hours but only at the price of its own destruction.

Today, this kind of cataclysmic threat is greatly reduced, but tragically the end of the cold war has not brought peace and stability. As a matter of fact, I think we can describe the period of the cold war as being one where we had very high risks because of the likelihood of escalation, and escalation would mean the use of weapons of mass destruction when two superpowers confront each other all over the globe. But during that period of high risk we also had high stability because both superpowers understood the consequence of getting into a nuclear war and therefore did everything they could to prevent it, including controlling clients and allies so that we would not have wars that could escalate involving the two superpowers.

We have moved into another era now. We are in a period of much lower risk, but because we do not have those superpowers contending and constraining, we are in a period of lower stability, lower risk but lower stability. Some of those States that we call rogue nations, fanatic groups, small disaffected groups, and subnational factions or movements that hold various grievances against the U.S. Government have increasing access to and knowledge about the construction of weapons of mass destruction. Individuals and groups are not likely to be deterred from using weapons of mass destruction by the classical threat of overwhelming retaliation. Most of them do not have a return address so we do not know where they are in many cases, let alone have a real fix on how to deter them. These groups are not deterred by the threat of a nuclear counterstrike, and a national missile defense system, no matter how capable, is irrelevant to them. These subnational groups and terrorist groups are the primary focus of our threat today.

Mr. President, the Permanent Subcommittee on Investigations held a series of hearings over the last year, the subcommittee chaired by Senator ROTH. I have chaired it in the past and am now the ranking Democrat member on it. We had hearings, a whole series of hearings over the last year. Senator LUGAR has had hearings in the Foreign Relations Committee, and the hearings have been about the proliferation of weapons of mass destruction. At those hearings, we heard from representatives of the intelligence and law enforcement communities, the Defense Department, private industry, State and local governments, academia and foreign officials. These witnesses described the threat that we cannot ignore and which we are, without any doubt, unprepared to handle. CIA Director John Deutch, for one, candidly observed, ''We have been lucky so far.''

The release of deadly sarin gas in the Tokyo subway was a warning bell for America. Prior to those attacks in Japan, the sect that carried out those attacks was unknown to United States intelligence and poorly monitored by Japanese authorities.

We received a louder warning bell in the World Trade Center bombing in New York. It was here in the United States, not half a world away. The trial judge at the sentencing of those responsible for the New York Trade Center bombing pointed out that the killers in that case had access to chemicals to make lethal cyanide gas. According to this trial judge, they probably put those chemicals into that bomb that exploded. Fortunately, the chemicals appeared to have been vaporized by the force of the blast. Otherwise, the smoke and fumes that were drawn into and up through the tower in New York would have been far, far more lethal.

So according to this opinion by the trial judge, Mr. President, we have already had a major chemical attempt in this country.

We had a third warning bell in the bombing of the Alfred P. Murrah Federal Building in Oklahoma City. This showed yet again the ease of access to simple, widely available commercial products that, when combined, can provide powerful explosives.

This kind of knowledge can also give us the threat of chemical weapons. This knowledge and much more is available over the Internet today to millions and millions of people.

Our purpose here today is not to frighten anyone, certainly not to frighten the American people. It is to persuade the Congress that we face a new and a very severe national security threat for which American Government at all levels—State, local and Federal—are at this stage woefully and inadequately prepared. We must begin now, today, to prepare for what surely threatens us already. To do this effectively we must take the expertise that has been built up over the years in both the Department of Defense and Department of Energy and make it available to Federal, State and local emergency preparedness and emergency response teams. There is much to do to prepare our State and local governments for this threat. Doing it will require leadership from the people who know about it and who have expertise in it, that is the Department of Defense and the Department of Energy. There is simply no other practical source.

In the authorization bill we make it clear we hope to move this function over a period of time to the Federal Emergency Management Agency or

other appropriate agencies, but today we have no choice. If we are going to deal with this problem, it has to be dealt with by people who have the training and equipment and know-how and expertise, and that is the Department of Energy and the Department of Defense.

The time to do this is now, not after we suffer a great tragedy. Like many of my colleagues, I believe there is a high likelihood that a chemical or biological incident will take place on American soil in the next several years. I hope and pray that does not happen. But we do not want to be in a posture of demanding to know why were we not prepared.

This training and equipment function is the heart of the act, but it is not the whole act. Other parts are designed to beef up our capability to detect and interdict weapons of mass destruction and their components before they reach the United States. In addition, the authorization act allocates some funds for expansion and continuation of the original Nunn-Lugar concept through very important high-priority programs run both by the Department of Energy and by the Department of Defense.

Finally, the act establishes a coordinator in the office of the President of the United States, to address serious deficiencies in the coordination of activities across the many Federal, State and local agencies who have some responsibility for portions of the overall program.

The amendment I propose today, with my colleague and partner, Senator LUGAR, and Senator DOMENICI, provides funds for the portions of this act that are conducted by the Department of Defense. It is certainly my hope the Department of Energy funding will be in the appropriate appropriation bill when it comes forward. Specifically, these activities include the training of local first responders on dealing with a chemical or biological terrorist incident; providing assistance to the U.S. Customs Service and customs services in the former Soviet Union, Baltics, and Eastern Europe in interdicting such materials; stepping up research and development efforts—and this is enormously important—in developing technologies that can detect chemical and biological weapons and materials; and bolstering programs in the original Nunn-Lugar program that are designed to stop these materials at their source, which is by far the best way and most efficient way and the safest way to protect our own country and prevent the use of such materials here in America.

Mr. President, when I use the term ''first providers,'' I am talking primarily about firemen, policemen and health officials who would rush to the scene and, in virtually every exercise we have had, the second tier fatalities have come in these categories, people who rush to the scene to help the victims and end up being victims themselves because they are not equipped or trained to deal with this kind of threat.

This amendment is fully offset in achievable savings from various Department of Defense accounts. The total here is $150 million, which is completely offset so this does not increase the bill in terms of total amount. I am convinced we must address this issue before the unthinkable happens in this country.

Can we afford to dismiss the possibility that another World Trade Center or Oklahoma City bombing could involve chemicals, biological weapons, or radioactive materials? If we do ignore this threat, we do so at our own great peril. The trends are clear. More nations and groups are exploiting the increased availability of information, technology and materials to acquire mass destruction or mass terror capabilities. There is no reason to believe that they are not willing to use them. I have heard too many experts, whose opinions and credentials I respect who have vast experience in this area, tell me it is not a question of if, but only of when.

I believe this legislation, while only a beginning, responds to a very urgent national security concern of our Nation and I believe it is a strong beginning. So I urge my colleagues to support the amendment.

I see my colleague and friend on the floor, the Senator from Indiana, so I yield the floor.

Mr. STEVENS. Will the Senator yield just one moment? Would he be interested in a time agreement on this amendment?

Mr. NUNN. I would say, we can enter into a time agreement very easily. I think we could also simply make a couple of more speeches and have a vote or order a vote and stack the vote, whenever the Senator from Alaska would like to do so.

Mr. STEVENS. We are prepared to accept the amendment without a vote.

Mr. NUNN. I would like to consult and talk with the Senator from Indiana on that, but I appreciate the Senator's expression.

Mr. STEVENS. Could we agree to another 20 minutes on this amendment?

Mr. NUNN. I have concluded my remarks. I think the Senator from Indiana indicates that will be acceptable to him.

Mr. STEVENS. Mr. President, I ask unanimous consent there be a vote on this amendment—we will not make a motion to table it—if desired by the sponsors, at no later than 4:15 today.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I will withhold that request for a minute.

Mr. NUNN. Just reserving the right to object, whatever the Senator wants to do on a rollcall vote will be fine. I would like to have a rollcall vote but I will consult with him on that. But in terms of the order, if the Senator prefers to order this at some later time and stack it with some other amendment if we do have a rollcall, that is fine with the authors.

Mr. STEVENS. We are using rollcall votes, when we do have them, to sort of flush out other amendments, so I would be pleased to have a vote or not have a vote but we will discuss it and I will withhold the request.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, prior to the Fourth of July recess, the Senate passed an amendment to the DOD authorization bill offered by Senators NUNN and DOMENICI and myself that was entitled the ''Defense Against Weapons of Mass Destruction Act of 1996.'' The vote on that amendment was 96 to 0.

Last week, the Senate voted final passage of the Defense authorization bill, that contained our amendment.

The amendment we are offering to the DOD appropriations bill is designed to appropriate the resources to implement the programs outlined in our amendment to the DOD authorization bill, and to provide offsetting reductions in other appropriation amounts.

To refresh the memories of my colleagues, our amendment to the authorizing legislation dealt with one of the most urgent national security problems America faces. That is, the threat of attack on American cities and towns by terrorists or representatives of hostile powers using radiological, chemical, biological, or nuclear weapons.

The current state of our domestic readiness to deal with these kind of attacks is woefully inadequate. Our amendment sought to begin today to prepare for what surely threatens us already.

There were three basic elements or components to our amendment to the DOD authorization bill. The first component stemmed from the recognition that the United States cannot afford to rely on a policy of prevention and deterrence alone, and therefore must prudently move forward with mechanisms to enhance preparedness domestically not only for nuclear but chemical and biological incidents as well.

Our hearings over the past year demonstrated that the United States is woefully unprepared for domestic terrorist incidents involving weapons of mass destruction. Although recent Presidential decision directives address the coordination of both crisis and consequence management of a WMD incident, the Federal Government has done too little to prepare for a nuclear threat or nuclear detonation on American soil, and even less for a biological or chemical threat or incident.

This is particularly true with regard to the training and equipping of the local first responders—the firemen, police, emergency management teams, and medical personnel who will be on the frontlines if deterrence and prevention of such incidents fail. Our amendment sets forth several common-sense measures that could greatly improve

our readiness to cope with a domestic incident involving weapons of mass destruction.

Almost all of the expertise in defending against and acting in response to such chemical and biological threats and their execution resides in the Department of Defense which has worked to protect our Armed Forces against chemical and biological attack. It is our belief that this expertise must be utilized and can be utilized without infringing on DOD's major missions or on our civil liberties.

The second component addressed the supply side of these materials, weapons, and know-how in the states of the former Soviet Union and elsewhere. Building on our prior Nunn-Lugar/CTR experience, and recognizing that it is far more effective, and less expensive, to prevent proliferation in the first place than to face such weapons on the battlefield or the school playground, our amendment included countermeasures intended to firm up border and export controls, measures to promote and support counterproliferation research and development, and enhanced efforts to prevent the brain-drain of lethal know-how to rogue states and terrorist groups.

We seek to capitalize on the progress achieved in dismantling nuclear weapons of the former Soviet states and in preventing the flight of weapons scientists over the past 5 years and to expand the core mission of the program so as to address strategically the emerging threats that compromise our domestic security. The resources that will be required to implement programs proposed in the amendment are not intended to supplant, but rather to supplement, current Nunn-Lugar funding levels.

In addition to enhanced efforts to secure the weapons and materials of mass destruction, we must recognize that the combination of organized crime, porous borders, severe economic dislocation, and corruption in the states of the former Soviet Union has greatly increased the risk that lethal materials of mass destruction as well as the know-how for producing them can pass rather easily through the borders of the former Soviet Union. While much of the risk still resides in the four nuclear states of the former Soviet Union, there is also great risk in the states of the southern tier and the Caucasus. This region shares common borders with nations in the Middle East and poses a substantial smuggling threat.

Although Nunn-Lugar programs have begun to offer training and equipment to establish controls on borders and exports throughout the former Soviet Union, much more needs to be done.

The last and major component of our amendment to the Department of Defense authorization bill stemmed from the recognition much of the current effort to deal with the NBC threat crosscuts numerous Federal departments and agencies and highlights the need for the creation of a national coordinator for nonproliferation and counterproliferation policy in order to provide a more strategic and coordinated vision and response.

This portion of our amendment addressed three serious deficiencies in planning for contingencies at home occasioned by the threats posed by weapons of mass destruction. First is the lack of coordination of activities across the many Federal agencies who have some responsibility for some portions of the overall problem. Second is the lack of coordination of Federal agencies and activities with those of the States and local governments who will be the first to bear the brunt of any attacks.

Third, is the lack of national security funding in many of the Federal agencies whose actions must ultimately be integrated with those of the Department of Defense and the Department of Energy.

To support a comprehensive approach to nonproliferation, our amendment provided that a national coordinator should chair a new Committee on Proliferation, Crime, and Terrorism, to be established within the National Security Council. That committee should include the Secretaries of State, Defense, Energy, the Attorney General, the Director for Central Intelligence, and other department and agency heads the President deems necessary. This committee within the National Security Council should serve as the focal point for all government nonproliferation, counterproliferation, law enforcement, intelligence, counterterrorism, and other efforts to combat threats to the United States posed by weapons of mass destruction.

Mr. President, our colleagues in the Senate gave overwhelming support last month to our amendment by a vote of 96 to 0.

This amendment to the Department of Defense appropriations bill provides the resources to carry out the critically important programs established in our amendment to the authorization bill.

We hope for an equally overwhelming vote in support of this amendment to fully fund these programs.

I thank the Chair.

Mr. HARKIN. Mr. President, I commend my colleagues, Senators NUNN, LUGAR, and DOMENICI, for developing this amendment which is a good first step in addressing the principal security threat facing the citizens of the United States today. I am pleased to join them in sponsoring this important antiterrorism proposal. I have always been in favor of the wise use of taxpayers' funds and this amendment meets that test. We have to be prepared to combat terrorism.

Currently we have precious few means to deal with the threat of a terrorist attack of any kind, let alone nuclear, chemical, or biological terrorism. This amendment focuses on that vacuum.

Events from Oklahoma City to Tokyo show that there is a major security risk in the ordinary—a rental truck or a subway. Training local emergency officials to recognize the signs of weapons of mass destruction in these mundane circumstances will help prevent these insidious attacks in the first place. Further training will allow local officials to ameliorate the impact should such a tragedy occur.

Mr. President, this is the right amendment at the right time for the people of Iowa and the United States. If my colleagues care about protecting Americans on American soil, I urge them to support this amendment.

Mr. STEVENS addressed the Chair.

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

Mr. STEVENS. Mr. President, we concur in the statements made by the Senator from Georgia and the Senator from Indiana. The Senator from Hawaii and I support the amendment. We are prepared to either accept it or to have a rollcall vote. What is the desire of the Senator from Georgia?

Mr. NUNN. I would like to have a rollcall vote, if that is satisfactory with the floor managers, but I will do it at whatever time is convenient.

Mr. STEVENS. Mr. President, I ask unanimous consent that the rollcall vote on this amendment take place at 4:15 and not be subject to second-degree amendments; that the rollcall start at 4:15.

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

Mr. STEVENS. I suggest the absence of a quorum.

Mr. INOUYE addressed the Chair.

Mr. STEVENS. I withhold that.

Mr. NUNN. Mr. President, do we need the yeas and nays on the amendment? 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.

AMENDMENT NO. 4885

(Purpose: To provide $3,000,000 for the Operational Field Assessment Program)

Mr. INOUYE. Mr. President, on behalf of Senator HEFLIN, 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 Hawaii [Mr. INOUYE], for Mr. HEFLIN, for himself, and Mr. SHELBY, proposes an amendment numbered 4885.

Mr. INOUYE. 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 31, line 6, strike out ''1998.'' and insert in lieu thereof ''1998: *Provided*, That of the funds appropriated in this paragraph, $3,000,000 is available for the Operational Field Assessment Program.''.

Mr. HEFLIN. Mr. President, I rise today to offer an amendment to the

Defense appropriations bill to enable the Department of Defense to initiate a program called Operational Field Assessments. The warfighter, as a result of lessons learned from Desert Storm, Desert Shield, and Bosnia, needs this quicker way of evaluating joint tactics, doctrine and procedures.

The Operational Field Assessment is a nontraditional, field executed evaluation that pits the warfighter, that is the pilot, ship driver, or tank commander, against multiple threat hardware pieces, operated with changeable technical parameters, as would be encountered in a specific unified command's combat environment. The requirements to be satisfied and the scenarios to be executed are driven primarily, by a command intelligence element, working in concert with the command's operations personnel. It is patterned after the threat, conducted with a ''human-in-the-loop'' approach, and has no preconceived outcomes. The object is to learn from the experience.

The Operational Field Assessment can be conducted on a large scale with multiple weapons and complex scenarios, or on a small scale with a few weapons and simple scenarios as required by the command. It can be executed jointly or in a combined environment with our allies. It involves a host of expert organizations; ranging from the various Scientific and Technical Intelligence Centers, owners of foreign material hardware, test ranges, research and development entities, and the services, to name a few. The DOT&E has assumed OSD advocacy for the OFA because the critical experience and expertise necessary to plan, execute, and evaluate the results of joint operational field assessments resides primarily in the DOT&E Office. The OFA program will also be invaluable in improving the future acquisition oversight of joint OT&E. The Director, OT&E, has created a MOU with Defense Intelligence Agency, the National Security Agency, and the National Reconnaissance Office to assist in support of this program. It is a new approach to provide our warfighters with valuable, needed, and usable intelligence information in an era when we must be smarter with our fiscal resources. Our warfighters need it and I fully support it. Due to the urgent requirement of this program, I urge my colleagues to fully support this amendment.

Mr. INOUYE. Mr. President, this amendment earmarks funds for the Operational Field Assessment Program. It is to provide our commanders an innovative, flexible and timely response in the innovation of solutions to war-fighting identified deficiencies.

This has been cleared by both sides, Mr. President.

Mr. STEVENS. We support the amendment, Mr. President, and I ask for the adoption of the amendment.

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

The amendment (No. 4885) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4886

(Purpose: To set aside $3,000,000 for acceleration of a program to develop thermally stable jet fuels using chemicals derived from coal)

Mr. STEVENS. Mr. President, I have an amendment which I send to the desk on behalf of Senator SANTORUM.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SANTORUM, proposes an amendment numbered 4886.

Mr. STEVENS. 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 30, line, 2, before the period at the end insert '': *Provided*, That of the funds appropriated under this heading, $3,000,000 shall be available for acceleration of a program to develop thermally stable jet fuels using chemicals derived from coal''.

Mr. STEVENS. Mr. President, this funds an item that is specifically in the authorization bill concerning coal research. It has been cleared.

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

The amendment (No. 4886) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4451

(Purpose: To set aside $20,000,000 for payment to certain Vietnamese commandos captured and interned by North Vietnam)

Mr. INOUYE. Mr. President, on behalf of Senators KERRY and MCCAIN, I ask for the immediate consideration of amendment No. 4451.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. KERRY, for himself, and Mr. MCCAIN, proposes an amendment numbered 4451.

Mr. INOUYE. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. Of the total amount appropriated under title II, $20,000,000 shall be available subject to authorization, until expended, for payments to Vietnamese commandos captured and incarcerated by North Vietnam after having entered the Democratic Republic of Vietnam pursuant to operations under a Vietnam era operation plan known as ''OPLAN 34A'', or its predecessor, and to Vietnamese operatives captured and incarcerated by North Vietnamese forces while participating in operations in Laos or along the Lao-Vietnamese border pursuant to ''OPLAN 35'', who died in captivity or who remained in captivity after 1973, and who have not received payment from the United States for the period spent in captivity.

Mr. INOUYE. Mr. President, this amendment appropriates $20 million for payments to Vietnamese commandos who were captured and incarcerated by North Vietnamese forces while they were engaged in covert activities pursuant to United States operations.

These operations were joint United States-South Vietnamese intelligence-gathering operations. And approximately 500 Vietnamese operatives, some civilians, some members of the Army, were recruited by the Government of South Vietnam. And we provided training and funding, including salaries, allowances, bonuses and death benefits. The majority of these operatives were captured. They were tried for treason by the north, and imprisoned in North Vietnam until the 1980's.

Declassified Department of Defense documents suggest that the Defense Department systematically wrote off the commandos known to be in captivity as dead in order to avoid paying monthly salaries. The death benefits were paid to the next of kin. Many of the commandos spent 20 years or more in prison. This amendment would provide the funds to repay each commando a lump sum of $40,000. This amendment has been cleared by the managers of this measure. It has the approval of the administration.

Mr. STEVENS. Mr. President, this amendment, as I understand it, is cosponsored by Senator KERREY and Senator MCCAIN, two of our Members who should know more about this subject than anyone else. I am pleased to support it, but I point out it is limited. It is limited to the authorization. I do not think it ought to be expanded beyond the scope as defined in the original authorization. I urge the adoption of the amendment.

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

The amendment (No. 4451) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4887

Mr. STEVENS. Mr. President, I send to the desk an amendment for the Senator from Utah, [Mr. BENNETT].

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] for Mr. BENNETT, proposes amendment numbered 4887.

On page 29, line 20, strike ''Forces'' and insert in lieu therefore ''Forces: *Provided further*, That of the funds available under this

heading, $1,000,000 is available for evaluation of a non-developmental Doppler sonar velocity log''.

Mr. STEVENS. Mr. President, this is the amendment of the Senator from Utah. It seems to be very much in order as far as we are concerned. It is for an investigation of an entirely new concept. I believe the Senator from Hawaii has also cleared this.

Mr. INOUYE. We have no objection.

Mr. STEVENS. Mr. President, I urge the adoption of the amendment.

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

The amendment (No. 4887) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4888

(Purpose: To set aside $10,000,000 for independent scientific research on possible causal relationships between gulf war service and gulf war syndrome)

Mr. INOUYE. Mr. President, on behalf of Senator BYRD, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BYRD, proposes an amendment numbered 4888.

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

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

The amendment is as follows:

On page 33, line 2, before the period at the end insert: '': *Provided, further*, That of the funds appropriated under this heading, $10,000,000 shall be available for scientific research to be carried out by entities independent of the Federal Government on possible causal relationships between the complex of illnesses and symptoms commonly known as ''Gulf War syndrome'' and the possible exposures of members of the Armed Forces to chemical warfare agents or other hazardous materials during service on active duty as a member of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War''.

PERSIAN GULF SYNDROME

Mr. BYRD. Mr. President, the amendment that I am offering will designate $10 million from within the funds allocated to the Defense Health Program to investigate the possible links between exposure to chemical warfare agents and what has come to be called ''Gulf War Syndrome.'' I understand that the amendment has been cleared by the managers of the bill, and I thank them for their assistance. On June 21, 1996, the Department of Defense announced that between 300 and 400 U.S. soldiers may have been exposed to the chemical warfare agents sarin and mustard gas when they destroyed an Iraqi ammunition storage facility in March, 1991. The Department of Defense further announced that other events and locations would be examined to determine whether or not additional military personnel were exposed to chemical warfare agents. Up to this point, the Department of Defense had maintained that no personnel were exposed to chemical warfare agents, so no scientific research on the link between the soldier's illnesses and these agents had been conducted. My amendment would remedy that situation by providing $10 million for badly needed independent scientific research on this topic.

Many soldiers have maintained that their illnesses resulted from their wartime service in the Gulf, whether from chemical warfare agents or from other hazardous exposures. Some of these soldiers suffer an additional, tragic, problem. Their children born after the war have birth defects or catastrophic illnesses that these soldiers believe are the result of their wartime exposures. No independent scientific research has been conducted on this link, although medical literature suggests that chemical warfare agents are teratogens. That is, they are believed to cause birth defects and other problems in children of exposure victims, according to the Institute of Medicine and the Stockholm International Peace Research Institute. In the Defense Authorization bill, I offered an amendment that would provide medical care for these children until scientific evidence determines whether this link is verified. So, I expect that the Department of Defense will move quickly to obligate these funds, and to include in the research an examination of the possible link between chemical warfare agent exposure and birth defects.

Mr. INOUYE. Mr. President, this amendment provides $10 million within the funding available for defense health programs to research the gulf war syndrome. This measure has been authorized by the Senate, and it has been cleared by both sides.

Mr. STEVENS. Mr. President, this is money earmarked within existing funds as was previously ordered by the authorization bill, and we believe it is in order.

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

The amendment (No. 4888) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I believe it is in order now for us to proceed with the recorded vote.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 4453

Mr. DOMENICI. The Senator has 30 seconds before the vote. I ask the Senator, could I have 30 seconds?

Mr. STEVENS. Yes.

Mr. DOMENICI. I was not here when Senator NUNN and Senator LUGAR spoke on this amendment. I have been part of preparing the amendment. It has more facets than that which we are talking about here. But I want to thank Senator STEVENS. He attended a session where these ideas were thrashed around by some of America's experts and concerned people from the laboratories and various branches of the military.

I wholeheartedly support this amendment. I hope the Senate will adopt it. It is obvious to most of us, who are looking around this world, that America's most serious security problem has changed dramatically, and it is now the threat of biological and chemical weapons of mass destruction. It will be very hard to contain them and locate them and to get a management scheme with high technology and science to find out more about them and to be able to defend ourselves, but I think this is a step in the right direction getting our communities prepared. I wholeheartedly support it.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment No. 4453 offered by the Senator from Georgia [Mr. NUNN]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—100

Abraham	Ford	Mack
Akaka	Frahm	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Bradley	Gregg	Nunn
Breaux	Harkin	Pell
Brown	Hatch	Pressler
Bryan	Hatfield	Pryor
Bumpers	Heflin	Reid
Burns	Helms	Robb
Byrd	Hollings	Rockefeller
Campbell	Hutchison	Roth
Chafee	Inhofe	Santorum
Coats	Inouye	Sarbanes
Cochran	Jeffords	Shelby
Cohen	Johnston	Simon
Conrad	Kassebaum	Simpson
Coverdell	Kempthorne	Smith
Craig	Kennedy	Snowe
D'Amato	Kerrey	Specter
Daschle	Kerry	Stevens
DeWine	Kohl	Thomas
Dodd	Kyl	Thompson
Domenici	Lautenberg	Thurmond
Dorgan	Leahy	Warner
Exon	Levin	Wellstone
Faircloth	Lieberman	Wyden
Feingold	Lott	
Feinstein	Lugar	

The amendment (No. 4453) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I yield to the leader.

Mr. LOTT. Mr. President, first, I want to thank the two managers to the bill. I have not had too many occasions in the last few days to congratulate Senators for really making good progress and doing a great job.

The Senator from Alaska and the Senator from Hawaii, as always, are really doing a good job in working through the amendments without our having to resort to a cloture motion. They have cleared out a number of amendments. A number have been accepted, and some we are voting on.

I urge colleagues to continue working with the managers, and I believe we can get this done. The leadership is committed to getting the defense appropriations bill done today. If we continue to have good cooperation, we can get it done at a reasonable hour. I thank the Senators for what they have been doing, and I urge them to continue.

THE NATIONAL GAMBLING IMPACT STUDY COMMISSION ACT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 449, S. 704, a bill to establish the Gambling Impact Study Commission.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 704) to establish the Gambling Impact Study Commission.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Gambling Impact Study Commission Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the most recent Federal study of gambling in the United States was completed in 1976;

(2) legalization of gambling has increased substantially over the past 20 years, and State, local, and Native American tribal governments have established gambling as a source of jobs and additional revenue;

(3) the growth of various forms of gambling, including electronic gambling and gambling over the Internet, could affect interstate and international matters under the jurisdiction of the Federal Government;

(4) questions have been raised regarding the social and economic impacts of gambling, and Federal, State, local, and Native American tribal governments lack recent, comprehensive information regarding those impacts; and

(5) a Federal commission should be established to conduct a comprehensive study of the social and economic impacts of gambling in the United States.

SEC. 3. NATIONAL GAMBLING IMPACT STUDY COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—There is established a commission to be known as the National Gambling Impact Study Commission (hereinafter referred to in this Act as ''the Commission''). The Commission shall—

(1) be composed of 9 members appointed in accordance with subsection (b); and

(2) conduct its business in accordance with the provisions of this Act.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissioners shall be appointed for the life of the Commission as follows:

(A) 3 shall be appointed by the President of the United States.

(B) 3 shall be appointed by the Speaker of the House of Representatives.

(C) 3 shall be appointed by the Majority Leader of the Senate.

(2) PERSONS ELIGIBLE.—The members of the Commission shall be individuals who have knowledge or expertise, whether by experience or training, in matters to be studied by the Commission under section 4. The members may be from the public or private sector, and may include Federal, State, local, or Native American tribal officers or employees, members of academia, non-profit organizations, or industry, or other interested individuals.

(3) CONSULTATION REQUIRED.—The President, the Speaker of the House of Representatives, and the Majority Leader of the Senate shall consult among themselves prior to the appointment of the members of the Commission in order to achieve, to the maximum extent possible, fair and equitable representation of various points of view with respect to the matters to be studied by the Commission under section 4.

(4) COMPLETION OF APPOINTMENTS; VACANCIES.—The President, the Speaker of the House of Representatives, and the Majority Leader of the Senate shall conduct the consultation required under paragraph (3) and shall each make their respective appointments not later than 60 days after the date of enactment of this Act. Any vacancy that occurs during the life of the Commission shall not affect the powers of the Commission, and shall be filled in the same manner as the original appointment not later than 60 days after the vacancy occurs.

(5) OPERATION OF THE COMMISSION.—

(A) CHAIRMANSHIP.—The President, the Speaker of the House of Representatives, and the Majority Leader of the Senate shall jointly designate one member as the Chairman of the Commission. In the event of a disagreement among the appointing authorities, the Chairman shall be determined by a majority vote of the appointing authorities. The determination of which member shall be Chairman shall be made not later than 15 days after the appointment of the last member of the Commission, but in no case later than 75 days after the date of enactment of this Act.

(B) MEETINGS.—The Commission shall meet at the call of the Chairman. The initial meeting of the Commission shall be conducted not later than 30 days after the appointment of the last member of the Commission, or not later than 30 days after the date on which appropriated funds are available for the Commission, whichever is later.

(C) QUORUM; VOTING; RULES.—A majority of the members of the Commission shall constitute a quorum to conduct business, but the Commission may establish a lesser quorum for conducting hearings scheduled by the Commission. Each member of the Commission shall have one vote, and the vote of each member shall be accorded the same weight. The Commission may establish by majority vote any other rules for the conduct of the Commission's business, if such rules are not inconsistent with this Act or other applicable law.

SEC. 4. DUTIES OF THE COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—It shall be the duty of the Commission to conduct a comprehensive legal and factual study of the social and economic impacts of gambling in the United States on—

(A) Federal, State, local, and Native American tribal governments; and

(B) communities and social institutions generally, including individuals, families, and businesses within such communities and institutions.

(2) MATTERS TO BE STUDIED.—The matters studied by the Commission under paragraph (1) shall at a minimum include—

(A) a review of existing Federal, State, local, and Native American tribal government policies and practices with respect to the legalization or prohibition of gambling, including a review of the costs of such policies and practices;

(B) an assessment of the relationship between gambling and levels of crime, and of existing enforcement and regulatory practices that are intended to address any such relationship;

(C) an assessment of pathological or problem gambling, including its impact on individuals, families, businesses, social institutions, and the economy;

(D) an assessment of the impacts of gambling on individuals, families, businesses, social institutions, and the economy generally, including the role of advertising in promoting gambling and the impact of gambling on depressed economic areas;

(E) an assessment of the extent to which gambling provides revenues to State, local, and Native American tribal governments, and the extent to which possible alternative revenue sources may exist for such governments; and

(F) an assessment of the interstate and international effects of gambling by electronic means, including the use of interactive technologies and the Internet.

(b) REPORT.—No later than 2 years after the date on which the Commission first meets, the Commission shall submit to the President, the Congress, State Governors, and Native American tribal governments a comprehensive report of the Commission's findings and conclusions, together with any recommendations of the Commission. Such report shall include a summary of the reports submitted to the Commission by the Advisory Commission on Intergovernmental Relations and National Research Council under section 7, as well as a summary of any other material relied on by the Commission in the preparation of its report.

SEC. 5. POWERS OF THE COMMISSION.

(a) HEARINGS.—

(1) IN GENERAL.—The Commission may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Commission considers advisable to carry out its duties under section 4.

(2) WITNESS EXPENSES.—Witnesses requested to appear before the Commission shall be paid the same fees as are paid to witnesses under section 1821 of title 28, United States Code. The per diem and mileage allowances for witnesses shall be paid from funds appropriated to the Commission.

(b) SUBPOENAS.—

(1) IN GENERAL.—If a person fails to supply information requested by the Commission, the Commission may by majority vote require by subpoena the production of any written or recorded information, document,

report, answer, record, account, paper, computer file, or other data or documentary evidence necessary to carry out its duties under section 4. The Commission shall transmit to the Attorney General a confidential, written notice at least 10 days in advance of the issuance of any such subpoena. A subpoena under this paragraph may require the production of materials from any place within the United States.

(2) INTERROGATORIES.—The Commission may, with respect only to information necessary to understand any materials obtained through a subpoena under paragraph (1), issue a subpoena requiring the person producing such materials to answer, either through a sworn deposition or through written answers provided under oath (at the election of the person upon whom the subpoena is served), to interrogatories from the Commission regarding such information. A complete recording or transcription shall be made of any deposition made under this paragraph.

(3) CERTIFICATION.—Each person who submits materials or information to the Commission pursuant to a subpoena issued under paragraph (1) or (2) shall certify to the Commission the authenticity and completeness of all materials or information submitted. The provisions of section 1001 of title 18, United States Code, shall apply to any false statements made with respect to the certification required under this paragraph.

(4) TREATMENT OF SUBPOENAS.—Any subpoena issued by the Commission under paragraph (1) or (2) shall comply with the requirements for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure.

(5) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued by the Commission under paragraph (1) or (2), the Commission may apply to a United States district court for an order requiring that person to comply with such subpoena. The application may be made within the judicial district in which that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(c) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out its duties under section 4. Upon the request of the Commission, the head of such department or agency may furnish such information to the Commission.

(d) INFORMATION TO BE KEPT CONFIDENTIAL.—The Commission shall be considered an agency of the Federal Government for purposes of section 1905 of title 18, United States Code, and any individual employed by an individual, entity, or organization under contract to the Commission under section 7 shall be considered an employee of the Commission for the purposes of section 1905 of title 18, United States Code. Information obtained by the Commission, other than information available to the public, as the result of a subpoena issued under subsection (b)(1) or subsection (b)(2) shall not be disclosed to any person in any manner, except—

(1) to Commission employees or employees of any individual, entity, or organization under contract to the Commission under section 7 for the purpose of receiving, reviewing, or processing such information;

(2) upon court order; or

(3) when publicly released by the Commission in an aggregate or summary form that does not directly or indirectly disclose—

(A) the identity of any person or business entity; or

(B) any information which could not be released under section 1905 of title 18, United States Code.

SEC. 6. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government, or whose compensation is not precluded by a State, local, or Native American tribal government position, shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for Level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of service for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment and termination of an executive director shall be subject to confirmation by a majority of the members of the Commission.

(2) COMPENSATION.—The executive director shall be compensated at a rate not to exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Chairman may fix the compensation of other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status, benefits, or privilege.

(d) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay prescribed for Level V of the Executive Schedule under section 5316 of such title.

SEC. 7. CONTRACTS FOR RESEARCH.

(a) ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS.—

(1) IN GENERAL.—In carrying out its duties under section 4, the Commission shall contract with the Advisory Commission on Intergovernmental Relations for—

(A) a thorough review and cataloging of all applicable Federal, State, local, and Native American tribal laws, regulations, and ordinances that pertain to gambling in the United States; and

(B) assistance in conducting the studies required by the Commission under section 4(a), and in particular the review and assessments required in subparagraphs (A), (B), and (E) of paragraph (2) of such section.

(2) REPORT REQUIRED.—The contract entered into under paragraph (1) shall require that the Advisory Commission on Intergovernmental Relations submit a report to the Commission detailing the results of its efforts under the contract no later than 15 months after the date upon which the Commission first meets.

(b) NATIONAL RESEARCH COUNCIL.—

(1) IN GENERAL.—In carrying out its duties under section 4, the Commission shall contract with the National Research Council of the National Academy of Sciences for assistance in conducting the studies required by the Commission under section 4(a), and in particular the assessment required under subparagraph (C) of paragraph (2) of such section.

(2) REPORT REQUIRED.—The contract entered into under paragraph (1) shall require that the National Research Council submit a report to the Commission detailing the results of its efforts under the contract no later than 15 months after the date upon which the Commission first meets.

(c) OTHER ORGANIZATIONS.—Nothing in this section shall be construed to limit the ability of the Commission to enter into contracts with other entities or organizations for research necessary to carry out the Commission's duties under section 4.

SEC. 8. DEFINITIONS.

For the purposes of this Act:

(1) GAMBLING.—The term ''gambling'' means any legalized form of wagering or betting conducted in a casino, on a riverboat, on an Indian reservation, or at any other location under the jurisdiction of the United States. Such term includes any casino game, parimutuel betting, sports-related betting, lottery, pull-tab game, slot machine, any type of video gaming, computerized wagering or betting activities (including any such activity conducted over the Internet), and philanthropic or charitable gaming activities.

(2) NATIVE AMERICAN TRIBAL GOVERNMENT.—The term ''Native American tribal government'' means an Indian tribe, as defined under section 4(5) of the Indian Gaming Regulatory Act of 1988 (25 U.S.C. 2703(5)).

(3) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Commission, the Advisory Commission on Intergovernmental Relations, and the National Academy of Sciences such sums as may be necessary to carry out the purposes of this Act. Any sums appropriated shall remain available, without fiscal year limitation, until expended.

(b) LIMITATION.—No payment may be made under section 6 or 7 of this Act except to the extent provided for in advance in an appropriation Act.

SEC. 10. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the Commission submits the report required under section 4(b).

Mr. LUGAR. Mr. President, I rise today in strong support of S. 704, the National Gambling Impact Study Commission Act, and I urge my colleagues to approve this important legislation.

I want to express my appreciation to Chairman STEVENS, Senator GLENN, and the Governmental Affairs Committee for their commitment and careful attention to this important issue. Senator STEVENS and the committee have made significant improvements to the original bill, providing additional resources and appropriate authorities to

allow the Commission to conduct a meaningful study of gambling. I also want to thank the author of bill, Senator SIMON, for his steadfast leadership and dedication to this effort.

I want to share with my colleagues some of my thoughts about this important issue and about why I believe the Nation would be served by a national study of gambling.

The rapid spread of legalized gambling in the United States in recent years has raised concerns in Congress and elsewhere about the social and economic impacts of gambling on our States and communities. Throughout our Nation's history, the popularity of gambling has come and gone, and returned again. Public outcry against casinos and State lotteries during the post Civil War period led to a ban on gambling throughout the United States by 1920. During the past 20 years, however, the gambling industry in the United States has experienced unparalleled growth and expansion. In 1978 only two States allowed casinos and a handful of others sponsored lotteries. But today some form of gambling is legal in 48 States.

Gambling revenues grew more than twice the rate of our Nation's manufacturing industries in 1990. Americans wager almost a half a trillion dollars a year and industry profits are estimated to have reached $40 billion annually.

A major reason for this astronomical growth of gambling is that State and local governments facing budget shortfalls are desperate for revenue. State and local government officials all too often accept gambling as the silver bullet solution to balancing their budgets without raising taxes. Even if a State or community is reluctant to host a gambling establishment, it can be drawn over the edge by the threat that gambling operations may locate in a nearby town or neighboring State. For many local officials, the legalization of gambling becomes an economic survival issue rather than a question of developing sound public policy.

The actions of State and local governments that hope to use gambling as a solution to financing the needs of their cities and communities are understandable. Yet, the quick-fix, ready-cash approach can be a shaky foundation upon which to base an economic development strategy.

As mayor of Indianapolis during a difficult period of economic uncertainty and social unrest in the late 1960's, I learned that a community must be built in living rooms, classrooms, and churches.

To strengthen the city's economy, we launched a comprehensive reorganization of local government, consolidating our city and county. We cut property taxes 5 times in 8 years, attracted businesses, and made Indianapolis the amateur sports capital of the world. Indianapolis is a dynamic and successful city, and it has reduced poverty and crime that plagues many urban areas.

Long-term growth and prosperity for our communities are most often earned the old-fashioned way—through hard work, dedication and commitment to common purpose.

The folks facing the toughest decisions on whether to permit gambling are leaders at the local level. These officials are frequently overwhelmed by the size and complexity of proposals made for casinos and other establishments promising jobs and solutions to local financial dilemmas. They are often forced to make decisions about gambling in a vacuum of reliable, unbiased information—information desperately needed to make sound choices that will affect both the social and economic future of their communities. This is one area where the resources of the Federal Government can help communities by providing them objective, unbiased information they can use to make their own informed decisions about gambling.

Mr. President, while history is replete with examples of communal difficulties associated with gambling, it is difficult to determine the costs—especially in certain human factors related to problem gambling that include alcoholism, divorce, suicide, family dysfunction, and criminal activity.

A number of studies have attempted to address the social costs of gambling; however, they are often regional in focus, limited in scope or funded by subjective interests. A Federal study commission will provide a broad-based, authoritative report on this important aspect of the gambling issue that deserves closer examination.

As a society we appear to have made a piecemeal decision to legalize a wide variety of gambling activities. But this does not obviate the need to be mindful of the underlying problems associated with gambling that lead most of the country to keep it illegal for decades.

We know that the presence of legalized gambling can exacerbate numerous social problems, including crime, alcoholism, corruption, suicide, bankruptcy, family dysfunction, and compulsive or addictive behavior. These side effects can represent an enormous moral and financial cost to communities.

The gambling industry does not choose to confront these moral questions. The gambling industry frequently asserts that what it is providing is an adult entertainment option. Undoubtedly, many adults can gamble responsibly, have a good time, and sustain the financial losses that they incur. But we should not deceive ourselves that gambling is no different than any other entertainment option. Gambling is a complex and problematic activity both in terms of its economic and social impact on communities and its economic and psychological impact on individuals and families.

Gambling-related employment is not comparable to other forms of employment such as manufacturing. Gambling does not produce a value-added product or reinvestment in the market economy. Although gambling operations can contribute lower-paying jobs to a local economy, other businesses in the region often lose as a consumer spending for goods and services shifts to a small number of casinos and casino-related activities.

One does not have to be a gambling prohibitionist to conclude that our Nation needs to know more about where we are headed.

Mr. President, this legislation creates a 2-year, 9-member commission appointed by Congress and the President to conduct a comprehensive legal and factual study of the social and economic impacts of gambling on States and communities. S. 704 does not propose to further tax, regulate or limit gambling activities.

The Commission will be charged with compiling all Federal, State and local laws pertaining to gambling. The Commission also will assess the impact of gambling on local businesses; the relationship between gambling and levels of crime; and the impact of problem and pathological gambling on individuals, families, and the economy.

The Commission will examine electronic gambling involving use of the Internet. Internet gambling is a new and rapidly growing activity in the United States and elsewhere. It allows people using personal computers and credit card accounts to gamble across State lines and national borders. Internet gambling could have serious international policy implications for the United States. Very little is known about the risks associated with citizens who gamble in ''virtual'' casinos located outside U.S. jurisdiction. We need to learn more about the Internet.

After 2 years, the Commission will submit a comprehensive report to the President, the Congress, Governors, and Native American Tribal governments on its findings. This report will provide objective, unbiased data and analysis that States and communities can use to make their own informed decisions about gambling.

Providing the Commission with adequate resources and authority to perform its duties is essential to developing an authoritative report. Allowing the Commission to conduct hearings, provide recommendations and have a limited, but effective level of subpoena power are essential to achieving this goal. To reduce the cost of the Commission, S. 704 uses existing Government entities—the Advisory Commission on Intergovernmental Relations and the National Research Council of the National Academy of Sciences—to assist in the Commission's efforts to compile existing laws and conduct research on problem and pathological gambling.

Senator STEVENS and the Governmental Affairs Committee have worked to establish a balanced and effective commission that will conduct a thorough review of the social and economic impacts of gambling. At the same time, the committee worked to ensure that information gathered by the Commission would not be misused nor exceed

the common sense bounds of our Federal system. The bill incorporates existing privacy laws under title 18 to ensure protection for individual privacy and for business trade secrets.

The bill allows the Commission to subpoena certain documentation necessary to carry out its duties as outlined in the bill. The Commission is allowed subpoena authority to gather additional information to help the Commission understand documentation received under subpoena.

I have worked with Senator SIMON, Senator STEVENS, the Governmental Affairs Committee and Representative FRANK WOLF to gain approval of this legislation in the Congress because I believe the country would be served by a Federal study. The House of Representatives approved similar legislation this year, and the President has indicated his support for establishing a commission to study gambling. It is my hope the Senate will give swift approval to this important measure to examine this pressing national issue. I believe the Commission's work will be helpful to State and local leaders as they make their own informed decisions about whether or not to allow gambling in their communities.

Information is the goal of this Commission. Information will strengthen the democratic decision-making process.

I urge my colleagues to join me to support passage of S. 704.

Mr. STEVENS. Mr. President, I rise today to support S. 704 as amended by the Governmental Affairs Committee. The bill establishes a national commission to study the social and economic impact of legalized gambling in the United States.

S. 704 was originally introduced on April 6, 1995, by Senator PAUL SIMON and Senator RICHARD LUGAR. Currently, there are 25 Senate cosponsors of this legislation.

On November 2, 1995, the Governmental Affairs Committee held a hearing on S. 704. At that time, concerns were raised about the adequacy of the funding levels and the scope of the original bill.

On May 14, 1996, the Governmental Affairs Committee approved a substitute which was drafted in consultation with the sponsors of the Senate and House bills and the representatives of various groups.

This bill, as reported by the committee, attempts to address a wide range of concerns, including balancing the needs of the commission to get access to information and protecting the rights of individuals to their personal privacy.

S. 704 as amended creates a nine-member commission—three appointed by President, three by the Speaker of the House, and three by the Senate majority leader. The commission has 2 years to conduct the study and issue a report, which may include findings and recommendations, to the President, the Congress, the Governors, and native American tribal governments.

Under this bill, the commission will utilize the expertise of the Advisory Commission on Intergovernmental Relations and the National Research Council. This will avoid duplicating work already done by the Government, reduce the cost of the commission, and ensure that the States are not left out of the process.

The bill specifies a number of topics that the commission will study, encompassing many aspects of gambling and its effects, including problem gambling and gambling on the Internet. It authorizes ''such sums as may be necessary''—the original bill introduced in the Senate only provided $250,000 for the commission. Funding for the commission would be subject to appropriations. The commission will terminate after completing its 2-year study.

The most recent Federal study of the effects of gambling was published 20 years ago—the 1976 Commission on the Review of the National Policy Toward Gambling. At that time, that study cost $3 million—which would be the equivalent of $8.1 million today.

In 1976, only two States—Nevada and New Jersey—had legalized gambling. Currently, 48 States have some form of legalized gambling, and since 1988, 21 States have legalized casino gambling.

There has been rapid growth recently in the gambling industry—it is now a $40 billion industry which includes casinos, riverboats, Indian reservations, State and interstate lotteries, and electronic gambling. Despite the growth in this industry, not much current objective data exists on the impact of legalized gambling in the United States.

Other concerns that the committee addressed include: specifying the areas to be studied; problem gambling; electronic gambling—such as gambling on the Internet; requiring the report to be issued to Governors and native American tribes so that they could make use of the information; and providing a clear definition of gambling.

The House version introduced by Representative FRANK WOLF on January 11, 1995, was passed by the House of Representatives on March 5, 1996, after some modifications by the House Judiciary Committee.

Unlike the House bill, the original Senate bill did not include subpoena power. The House bill allowed the commission to subpoena both individuals and documents. The Congressional Research Service has indicated that based on a review of commissions created in recent years, it is unusual to grant broad subpoena power to this type of commission.

However, recognizing the short period of time in which the commission has to complete its work and the need to be able to obtain relevant information, S. 704 as amended grants the commission the power to subpoena documents.

In order to protect the privacy of individuals, however, information gathered by the commission must be kept confidential. The bill provides criminal penalties under section 1905 of title 18 of the United States Code for the unauthorized disclosure of any confidential personal or business information.

Any information obtained by the commission—whether voluntarily provided or provided under subpoena—may not be disclosed to any person in any manner, except to authorized commission employees; upon court order, or when released by the commission in aggregate or summary form that does not directly or indirectly disclose the identity of any person or business.

In addition, individuals falsifying information to the commission are subject to criminal penalties under section 1001 of title 18 of the United States Code.

The commission may serve a subpoena throughout the United States, and may go to a U.S. district court to enforce it. All subpoenas must comply with the requirements for subpoenas under the Federal Rules of Civil Procedure. The commission is required to notify the U.S. Attorney General at least 10 days in advance of issuing a subpoena. This will allow the Attorney General time to raise objection if the subpoena is going to interfere with an ongoing criminal investigation.

The Congressional Budget Office projects S. 704 as amended will cost $5 million, roughly equal to their revised estimate for the House version, H.R. 497. CBO also projects that the costs to State, local, and tribal governments for complying with information-gathering requests will be minimal. Mr. President, at this point I ask unanimous consent that the CBO's letter on this bill be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 21, 1996.

Hon. TED STEVENS,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 704, the National Gambling Impact Study Commission Act.

Enactment of S. 704 would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 704.

2. Bill title: National Gambling Impact Study Commission Act.

3. Bill status: As ordered reported by the Senate Committee on Governmental Affairs on May 14, 1996.

4. Bill purpose: This bill would establish a commission to study the impact of gambling in the United States. The study would cover many issues related to gambling, including the relationship between gambling and crime and the extent to which gambling provides revenues to state, local, and Native American tribal governments. The commission, consisting of nine members, would have two

years after it first meets to conduct the study and to present its findings to the Congress. In addition, the chairman of the commission would have the authority to appoint an executive director and other personnel to assist the commission in performing its duties. The bill would require that the commission contract with the Advisory Commission on Intergovernmental Relations and the National Academy of Sciences for assistance in conducting its study. Finally, the bill would grant the commission the authority to hold hearings and subpoena documents.

5. Estimated cost to the Federal Government: As shown in the following table, CBO estimates that enacting S. 704 would increase discretionary spending by about $5 million over the next two years, assuming appropriation of the necessary funds.

[By fiscal years, in millions of dollars]

	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATIONS ACTION						
Estimated authorization level	2	3	.....	.....	.....	
Estimated outlays	2	3	.....	.....	.....	

The costs of this bill fall within budget function 750.

6. Basis of estimate: For purposes of this estimate, CBO assumes that S. 704 will be enacted by the end of fiscal year 1996, and that the estimated amounts will be appropriated for each of the next two years. We projected outlays based on the historical rate of spending for similar commissions.

To estimate the cost of S. 704, CBO assumed that the commission would hire about 20 people to provide technical and administrative support, and that the commission would have other costs similar to those incurred by the first commission established to study gambling in 1974—the Commission on the Review of the National Policy Toward Gambling. In total, CBO estimates that the proposed commission would cost about $5 million over the next two years. This cost would cover per diem and travel expenses of the commission's members and witnesses, salaries of the commission staff, contract expenses and other administrative costs.

7. Pay-as-you-go considerations: None.

8. Estimated impact on State, local, and tribal governments: Public Law 104–4, the Unfunded Mandates Reform Act of 1995, defines an intergovernmental mandate as an enforceable duty imposed on state, local, or tribal governments, except a condition of federal assistance or a duty arising from participation in a voluntary federal program. CBO has determined that providing documents and information, and answering questions about such information under threat of a subpoena, constitutes an enforceable duty on these entities as defined by the law.

Based on information provided to us by eight states with significant gaming operations and from interest groups representing state, local, and tribal governments, CBO estimates that the cost to states, localities, and tribal governments of providing documents and information to the commission is unlikely to exceed, on average, $100,000 per state. Total costs are thus unlikely to exceed $5 million. They would be incurred over the two-year period during which the commission is preparing its study.

9. Estimated impact on the private sector: Public Law 104–4, the Unfunded Mandates Reform Act of 1995, defines a private sector mandate as an enforceable duty imposed on the private sector, except a condition of federal assistance or a duty arising from participation in a voluntary federal program. S. 704, the National Gambling Impact Study Commission Act, contains provisions that require the gaming industry and individuals to provide documents and information, and to respond to questions about such information under threat of a subpoena. Those provisions constitute a private sector mandate. Although the demand for information by the commission from individual operators could impose substantial compliance costs in some cases, CBO estimates that the aggregate annual impact on the private sector would fall well below the $100 million threshold specified in Public Law 104–4.

10. Previous CBO estimate: On November 17, 1995, CBO transmitted a cost estimate for H.R. 497, the National Gambling Impact and Policy Commission Act, as ordered reported by the House Committee on the Judiciary on November 8, 1995. The two estimates are similar; we now estimate federal costs of $5 million over the 1997–1998 period, whereas our previous estimate for H.R. 497 was $4 million over the 1996–1998 period. The increase in estimated cost is attributable primarily to S. 704's provision authorizing reimbursement of expenses incurred by witnesses at commission hearings.

11. Impact: Estimate prepared by: Federal Cost Estimate: Susanne S. Mehlman. State and Local Government Impact: Theresa Gullo, Private Sector Impact: Matthew Eyles.

12. Estimate approved by: Robert R. Sunshine for Paul N. Van de Water, Assistant Director, for Budget Analysis

Mr. STEVENS. The Clinton administration states that it supports legislation creating a commission to study the effects of gambling, but has stopped short of endorsing any specific bill. The Department of Justice has stated that the substitute addresses many of the agency's concerns, and have asked that their views be included in the RECORD. Mr. President, at this point, I ask unanimous consent that the Justice Department letter outlining the administration views on the bill be printed in the RECORD.

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

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, May 21, 1996.

Hon. TED STEVENS,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in regard to S. 704, the National Gambling Impact and Policy Commission Act, which the Committee ordered reported last week. I especially want to express my appreciation to you for your staff's cooperation in resolving several concerns expressed by the Department.

As President Clinton recently stated in letters to Senators Simon and Lugar, the Administration supports the establishment of this Commission. One of the duties of this panel is to conduct a comprehensive study, which will include an assessment of the relationship between gambling and levels of crime.

The Committee-approved version of S. 704 addresses a number of issues of concern to the Department of Justice. For example, section 5(b)(1) gives the Commission the power to subpoena certain information, but also provides that the ''Commission shall transmit to the Attorney General a confidential, written notice at least ten days in advance of the issuance of any such subpoena.'' This provision would allow the Department to learn in advance who is being subpoenaed and the subject matter of the subpoena. In addition to keeping us abreast of what the Commission is doing, this would permit the Department to object or make our views known regarding such subpoena.

However, we understand that this provision does not constitute any kind of approval process. No inference should be drawn if the Department is notified of the pending issuance of a subpoena and does or does not object or comment. For example, such silence should not be construed as approval or endorsement of the subpoena or its subject matter. Nor should the presence or absence of a comment be construed to indicate the presence or absence of a criminal investigation, on which the Department as a matter of policy does not comment.

We understand that Section 5(b) does not grant the Commission authority to subpoena federal agencies. However, section 5(c) of the bill gives the Commission the authority to obtain information directly from federal agencies. This provision says that ''[u]pon request of the Commission, the head of such department or agency may furnish such information to the Commission.'' This language is intended to preserve the ability of a federal agency, including the Department of Justice, to use its discretion and judgment in withholding privileged and sensitive information.

We would appreciate it if you would include this letter in the record of consideration of this legislation. Again, we thank you and your staff for your cooperation in resolving these important issues.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Please do not hesitate to contact me if I may be of assistance on this or any other matter.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mr. GLENN. Mr. President, I rise in strong in support of the Stevens substitute to S. 704—legislation to set up a national commission to study the growth of legalized gambling in America and its relevant social, economic, and legal impacts.

Gambling is an industry that is growing rapidly. In 1976—the last time we studied this issue on a national basis—legalized wagering in the United States totaled $22 billion, while legalized gaming approached $3 billion. In 1994, legal wagering exceeded $482 billion, while legal gaming reached $40 billion. We now have riverboat and land-based casino gambling in a number of States, and most States operate their own lotteries. In addition, Indian tribes are increasingly turning to casino and other forms of gaming as a tool for economic development. Finally, the gambling industry is looking toward the Internet and other electronic media as the markets for the future.

This kind of explosive growth in an industry that brings with it both serious economic and social costs along with benefits is at least a cause for further study. So I support the establishment of a national commission. This issue has not been examined on a national or Federal level for nearly 20 years and I believe that it is time we looked at gambling in America in greater depth.

The 1976 commission concluded that the regulation of gambling should be a State responsibility. With the exception of gambling on Indian lands where

there is a shared Federal-State role, that is currently the case. But given the rapid growth of the industry in America in recent years, the proper role of the States and the Federal Government on this issue needs study and examination. There are important federalism and sovereignty questions that need to be answered. I don't have the answers—I'm not sure any of my colleagues do either. That's why establishing a commission to study gambling and to advise Federal, State, local, and tribal policymakers is both necessary and worthwhile. Some might argue that this commission represents an intrusion on states rights. I don't agree. This commission does not have the power to regulate, only to make recommendations. It is a study commission, not a regulatory body.

This substitute represents a considerable improvement from the original S. 704. The commission's charter has been strengthened. It will assess: the impact of existing policies and practices concerning legalized gambling; the impact of pathological gambling on individuals and families; the relationship between gambling and levels of crime; the growth of electronic or Internet gambling; and the extent to which alternative sources of revenues could be developed for State, local, and tribal governments. Based on its examination of these issues, the commission will then make appropriate recommendations to policymakers at all levels of government.

The substitute includes my proposal that the commission contract with the National Academy of Sciences [NAS] to assist in producing the study, with a particular emphasis on employing the NAS to study the problem of pathological gambling. This may be the most pernicious aspect of the growth of legalized gambling and we don't have much knowledge about it. We read the occasional story in the newspaper about some of the elderly cashing their social security checks to play the slot machines; teenagers gambling on the internet; the poor getting hooked on the lottery or keno; or others committing suicide under the weight of crushing casino debts. But we don't have much national or aggregate information on problem gambling and how it is being affected by the rapid growth of the industry. With its scientific expertise, the NAS is the ideal organization to gather and analyze this information.

The commission is also directed to utilize the Advisory Commission on Intergovernmental Relations [ACIR] to review existing State and local laws and policies on gambling, including existing enforcement and regulatory practices that address crime and gambling. Earlier drafts of the substitute had ACIR carrying out all the responsibilities of the commission. I thought that was too much for ACIR to do, first, because some of the aspects of the study are outside the scope of ACIR's expertise and second, because some in Congress have unfortunately succeeded in nearly zeroing out ACIR's appropriation, thus making it difficult, if not impossible, for ACIR to carry out the commission's work. This version wisely focuses ACIR to look at the Federalism aspects of the gambling issue, where ACIR's expertise would be most helpful and where it will need less funding to do the work.

The Stevens substitute does grant the commission limited subpoena authority. Some have argued that subpoena power gives the commission an open license to conduct a witchhunt in a legitimate industry. These arguments have been raised in discussing the House version, which grants the commission unlimited subpoena authority and charges it with such missions as investigating organized crime and political corruption. The Senate bill is different. We don't have the commission looking into organized crime or political corruption. Its mission is to focus on the broader socioeconomic impact of gambling, with the only matter relating to crime that the commission is to look at is the correlation between gambling and crime rates. This would be valuable information for states or communities who are considering legalizing gambling in their jurisdictions.

The Stevens substitute does grant the commission power to subpoena documentary information. I think such subpoena authority is needed to ensure that the commission has access to all the documents it needs to carry out its work in a thorough and independent manner.

I would point out that the 1976 commission had subpoena authority. I would like to read an excerpt from a letter from Charles Morin, Chairman of the 1976 Commission, to Congressman FRANK WOLF, sponsor of the House bill.

> The 1972–76 commission had subpoena power and, because of that, we never had to use it—in other words, when you have the power you will get cooperation. Obviously, the power need not be unrestricted and Congress may see fit to provide safeguards and, if the power were to be abused and there were non-compliance, the commission would be forced into court to compel compliance—something it would be most reluctant to do. On the other hand, if it were used legitimately, it would mean that information had been withheld for a reason—which is why you must have the power! And in the normal instance, as we found out from our years of experience, the knowledge that we had the power and would not hesitate to use it provided all the persuasion we needed.

I think Mr. Morin sums up pretty well why subpoena power is needed. But he does note that Congress may wish to put some parameters and limits around the commission's subpoena power. We've done that. The commission may only subpoena documentary information, and that is only after those who possess the materials fail to supply them as requested by the commission. The commission cannot subpoena witnesses to compel public testimony. This should satisfy those who are concerned that the commission might misuse its subpoena authority to create some sort of public spectacle. The commission may also issue a subpoena in order to help it understand the materials already obtained pursuant to that authority, and the choice is given to the respondent to submit answers either through a sworn deposition or written interrogatories under oath. Finally, we require the commission to issue written notice to the Attorney General at least 10 days in advance of issuing any subpoena.

Still, some remained concerned that the commission would misuse its subpoena authority to publicly disclose confidential business information, or violate the privacy of certain individuals who gamble. So we added an additional safeguard. We placed the commission under the Trade Secrets Act, Federal law which carries with it both civil and criminal penalties for the unauthorized disclosure of confidential business information by any Federal employee. Serious violations of the act can lead to a jail sentence of up to one year. The Trade Secrets Act applies to all Federal employees and officers of the Federal Government and we would extend its application to the members and employees of the commission.

So we have put some limits on the commission and set up penalties if those limits are violated. Those who might argue that we have created some renegade commission are misguided. We have granted the commission the powers it needs to carry out its mission, but we've also ensured that penalties exist for those who abuse those powers.

There are a couple of points I would like to clarify in the legislation since we did not file a report on it. First of all, we are making one change to the bill since the markup. We are correcting language in Section 5 to ensure that the Trade Secrets Act covers not only subpoenaed information, but information voluntarily supplied to the commission. Without this change, people would be discouraged from voluntarily supplying confidential business information to the commission as it would otherwise not be protected. Our change also includes a provision that ensures that the Trade Secrets Act applies only to confidential business information. Business or other information that is currently available to the public or already in the public domain, such as information in trade publications, journals, magazines, 10(k) filings, etc., would not be covered by the act. The commission should be able to publicly discuss and release information that is already in the public domain without fear of facing some frivolous lawsuit.

The commission, under section 5(b)(2), is allowed to issue additional subpoenas to further its understanding about materials already produced by that means. The respondent, again, has the choice as to how to comply—either by a sworn deposition or through written interrogatories under oath. In my view, it is crucial to discuss what the

verb ''to understand'' means in this regard. Indeed, it is a relatively new term of art in defining subpoena authority. A very narrow reading would limit such a subpoena to helping the commission understand only what is written on a page. I do not subscribe to this very restrictive interpretation and certainly do not think it is our intent to do so. Questions about the facts and circumstances beyond the four corners of a document—how it was developed, who was responsible for writing and/or approving it, and under what context—may be well necessary and crucial to augment the commission's understanding of the materials at hand and carry out its duties. I think the commission should have such authority and use it, if necessary, to clarify and supplement the information contained in the documents themselves. That's the only way the commission will be able to fully comprehend the meaning and context of any subpoenaed documents.

This commission will be closely watched by many, including those with the power and resources to tie the commission up in costly litigation. It is subject to the Federal Advisory Committee Act [FACA], a statute which requires compliance with open meetings and public access, but also a statute that allows litigation, something we've seen a significant amount of in the last several years with various executive branch commissions and taskforces. So I would urge the commission at its first meeting to read FACA and to closely adhere to its requirements.

We've given the commission significant latitude in establishing its own rules and procedures of operation. I would urge that at its very first meeting that the commission establish those procedures, and not wait until later when some issue arises and the commission has not set appropriate rules to deal with it. In particular, the commission should establish its rules for the issuing of subpoenas in their first meeting, and not wait to establish those rules just before the commission is actually considering issuing a subpoena.

In closing, I want to thank Senators SIMON, LUGAR, and LIEBERMAN and their respective staffs for working with Senator STEVENS and I to develop this legislation. It is a well thought out proposal that will ensure a thorough, balanced, and fair examination of gambling in America. I urge my colleagues to support it.

Mr. BREAUX. Mr. President, I would like to engage Senator STEVENS in a colloquy regarding the enforcement of a subpoena issued by the Gambling Impact Study Commission. The vast majority of Federal commissions created by Congress in recent years have not possessed subpoena power. Of the few commissions in the past that have been granted subpoena power, and in this case I support it, the authority to enforce a subpoena was typically placed with the U.S. Attorney General. For example, legislation which established the National Indian Gaming Commission, the Commission on Civil Rights, the Commission on Government Procurement, and the President's Commission on Organized Crime expressly specified the Attorney General's involvement in any action to enforce a subpoena.

The language of S. 704, the Gambling Impact Study Commission Act, provides that ''* * * the Commission may apply to a U.S. district court for an order requiring that person to comply with such subpoena.'' It is my understanding that the Attorney General, which has expertise in this type of matter, could be asked by the commission to seek enforcement of a commission subpoena, and it is often the case that the Attorney General is asked to do so.

Mr. STEVENS. The Senator is correct. We have been in contact with the Department of Justice [DOJ] and have been advised informally the DOJ would not object to enforcing a subpoena issued by the commission. In fact, they have been operating under the assumption that they would be called upon to enforce such a subpoena. There are many other Government bodies which use DOJ to enforce subpoenas and they are fully staffed to handle such requests.

Mr. BRYAN. Mr. President, a matter that I would like to clarify with the bill's lead sponsor, Senator SIMON, involves two interrelated issues regarding the Commission's study of the role of advertising in promoting gaming. First, unlike the Commission's other areas of study, advertising is a constitutionally protected right of communication between buyers and sellers of legal products. Second, the Federal Government, through the Federal Trade Commission, already exercises broad enforcement and regulatory authority over false and deceptive advertisements in general, including those for gaming.

My question to my colleague is whether the Commission will be mindful of the unique first amendment liberties for advertising, and of the FTC's already existing regulatory authority over false and deceptive advertising when the Commission assesses and evaluates the impact of gaming advertisements.

Mr. SIMON. My answer to my friend from Nevada, Senator BRYAN, is an unequivocal yes on both counts. As my colleague points out, the first amendment freedom of commercial speech provides important liberties for advertising. It is my hope and intention that the Commission will grant special attention to the first amendment implications of its recommendations and avoid trespassing upon any constitutionally protected freedoms of commercial speech when it formulates its policy recommendations.

Moreover, as my friend from Nevada points out, section 5 of the Federal Trade Commission Act empowers the FTC to prevent ''unfair or deceptive acts or practices affecting commerce.'' It is my hope and intention that the Commission will take this fact into account and, to the extent practicable and appropriate, will incorporate the FTC's existing authority and expertise over false and deceptive advertising.

Mr. BREAUX. Mr. President, I would like to engage Senator STEVENS in a colloquy regarding the privacy rights of individual citizens who engage in legal gambling activities.

The Gambling Impact Study Commission Act (S. 704), which I cosponsored and support, is intended to conduct a thorough study of issues related to legalized gambling. Private citizens who engage in legal gambling activities, dine in a casino restaurant or stay in a casino hotel, should also have their right to privacy protected.

The sponsors of this bill and other Members of the Senate have been careful to state that the intent of this bill is to conduct a thorough study of the gaming industry while protecting the privacy rights of individual gamblers. I understand that this legislation addresses the privacy issue by prohibiting the release of individual information unless it is in aggregate or summary form and that there are sufficient criminal and civil penalties to prevent public release of such information. In addition, this legislation is intended to be consistent with any other law which offers privacy protection to American citizens, including the Privacy Act of 1974.

Would you agree that the intent of this legislation is to provide the Commission with the necessary tools to gather the information it needs while protecting the privacy rights of Americans? It is my understanding that it is estimated that between 4 and 6 percent of gamblers are compulsive gamblers. Is it correct to assume that, although the Commission can subpoena the information, it would not have a need for the personal records of private citizens, including the vast majority of individual gamblers who are not considered compulsive gamblers?

Mr. STEVENS. The Senator is correct on all counts. This legislation fully protects the privacy rights of American citizens.

Mr. REID. Mr. President, the record should reflect that had this matter been decided by a roll call vote, I would have voted in the negative.

I believe this legislation to be unwarranted, invasive, and potentially capable of doing more harm than good. It is indeed ironic that this Congress, which professes to be a States rights Congress has chosen to take action on a bill that affects an inherently State matter.

While this bill enjoys overwhelming support—even from some in the gaming industry—I believe it establishes a poor precedent. We should not be creating commissions to study lawful industries governed predominantly by State law. Nevada's regulation of gaming works well. As the former chairman of the Nevada Gaming Commission, I know

first-hand the many benefits resulting from this successful relationship.

Notwithstanding over 200 studies of gaming, the proponents of this legislation argue that yet another study is warranted. I believe the most recent impetus for greater examination is but the camel's nose under the tent. Opponents of legalized gaming seek to use this commission as a means to increase both Federal regulation and taxation of gaming. Ultimately, in my opinion, they will not be satiated until this law abiding industry is either outlawed or regulated to death. I wish to disabuse them of any notion that they will succeed in their endeavors without a fight.

It is difficult to even grant this commission the benefit of the doubt. While I have some hope that the commission will appreciate Nevada's model of modern gaming operations I am concerned that it will focus on those stories where gaming has failed. The well organized special interests lined up against lawful gaming operations have consistently demonstrated their willingness to find only one side of the debate. It is imperative that those who are appointed to this commission include people of good will and impartiality who are capable of examining this industry from an unbiased perspective. It does not need headline seekers intent on magnifying a few unique negative stories and painting a broadbrush gloom and doom picture that would unfairly taint Nevada's No. 1 employer.

Perhaps my greatest objection to this measure, however, is the unwarranted inclusion of subpoena power. In this Senator's view, we should not be empowering congressionally appointed commissions with such broad subpoena authority for a study of gaming. Permitting the exercise of such a coercive tool only invites mischief and abuse by those who are hostile to the gaming industry.

I realize it is the prerogative of the majority to set this Congress' agenda and prioritize those issues that should be addressed. I do not believe the formation of this unwarranted commission is, or should be, a priority. Again, this is a matter of States rights.

Today, by voting against this bill, I realize I represent but the smallest minority. However, I believe my concerns about the potential for abuse and officious intrusion are entirely warranted. There is not a doubt in my mind as to the ultimate agenda of the antigaming extremists. It is my sincere hope that my fears are proved wrong. I wish I could stand before this body and say I look forward to reading a responsible and insightful report on gaming. Unfortunately, while this commission may be created with the best of intentions, there is too much opportunity for it to do mischief and promote unwarranted proposals. That said, I will be steadfast in my own monitoring of its evolvement and agenda.

Mr. BRYAN. Mr. President, I would like to register my strong opposition to S. 704, the Gaming Impact Study Commission Act. While this bill is improved over the egregious version that passed the House, I still believe this is a waste of taxpayer's money and has the potential of becoming a witch-hunt instead of a legitimate study. If this turns into a witch-hunt, it could have a chilling effect on leglaized gaming nationwide and have a devasting effect on the economy of my State of Nevada.

Advocates of legislation to create a Federal Gambling Study Commission have stated the purpose of the commission is to study the socioeconomic effects of all forms of gambling and to make recommendations to Congress. They consistently emphasize that no one, least of all the legal gaming industry, should fear just a study.

While the gaming-entertainment industry has nothing to fear from a fair and unbiased study, anti-gaming groups have tried to skew this study into looking at only one side of the issue and to turn this into a crusade.

The argument has been advanced that a Federal commission is needed to look at the impacts of the spread of gaming because State and local governments lack the ability to acquire and act on objective information in the face of well-financed attempts to put casinos or other gaming-entertainment operations in their area.

The reason why this premise is false is that even without the assistance of a Federal commission, jurisdiction after jurisdiction has actually decided not to approve an expansion of gaming. No State has approved new casino gaming for several years. For example, 7 of 10 gaming initiatives were defeated in 1994 and no new casino gaming or video poker was approved by a new jurisdiction in 1995.

The proposed commission is a Federal solution in search of a nonexistent State problem: States are free to make their own decisions on whether to permit gaming, one way or another.

Still others attack legalized gaming as some insidious form of entertainment that must be banned. The fact is today the legalized gaming industry is as legitimate a business as any of the Fortune 500. More than 50 publicly-traded companies, all regulated by the Securities and Exchange Commission, own gaming interests. The stocks of these companies are owned by millions of Americans around the country.

The gaming-entertainment industry directly and indirectly employs over one million people throughout the United States, paying $6 billion in salaries in 1994 alone. The casino gaming-entertainment industry paid more than $1.4 billion in taxes to State and local governments in 1994 with an estimated $6 to $7 billion more paid by other forms of gaming-entertainment, such as State lotteries, horse and dog racing.

Nevada is proud to be the gaming-entertainment capital of the world. Nevada's gaming industry provides 43 percent of the $1.2 billion annually going into the State's general fund. About $215 million from gaming revenues is dedicated to the State's university system and another $400 million goes to kindergarten through grade 12 education programs.

None of this is to suggest that the gaming-entertainment industry, like any other major business, particularly one which hosts millions of visitors each year, does not have its share of public issues and challenges to address. The industry, to its credit, is making a serious effort to address concerns about problem gaming. For example, the industry recently made a multi-million dollar commitment to a new national center for responsible gaming which last week chose the Harvard Medical School's division of addiction for a $140,000 grant to study problem gaming.

This all leads me back to the question of why we need to spend taxpayers dollars to study gaming.

Again, this bill is better than the House version which contains an open-ended, unrestricted authority for the commission to issue subpoenas. In the House version, there are almost no protections on what could be subpoenaed and what they could do with this information.

I do not believe gaming is appropriate for all locations. Each community should weigh the merits and decide if they want gaming, and if they do, what types of gaming and under what conditions do they want it.

I am concerned that in certain jurisdictions gaming is not being adequately regulated. Nevada's gaming industry is closely monitored with the State regulatory body employing 375 individuals. Unless the regulation is improved in certain jurisdictions, including Indian casinos, we may see problems down the line. We should make it a priority to improve this regulation.

I regret some groups have seized this issue to make a full court press against all gaming. Gaming-entertainment is a legitimate, highly-regulated industry that is being unfairly maligned. It has made significant contributions to the Nation's economy and I am proud of the benefits it has brought Nevada.

Mr. LAUTENBERG. Mr. President, in recent months, the gaming industry has come under considerable attack here in Washington. And as a senator who represents thousands of ordinary people who are employed by the industry, I want to come to their defense.

Mr. President, if you believed some of the rhetoric around here, you would think that gaming is the root of all evil. Yet millions of Americans gamble, whether in the form of State lotteries, office pools, race track betting, church bingo, or casino gaming. For these citizens, gaming is fun, it is exciting, and, if pursued in moderation, it need not do any harm.

Gaming is also an important part of our economy, and provides jobs and opportunities for thousands of our citizens. Nationwide, casinos provide jobs

for over 365,000 Americans. In Atlantic County, NJ, casinos directly supply one out of three jobs. Last year, 33 million people visited Atlantic City, more than any other city in America.

Mr. President, in 1976, the voters of New Jersey decided that they wanted Atlantic City to have casinos. That was a democratic decision that reflected the views of our electorate. Nobody forced New Jerseyans to vote that way. They evaluated the benefits of gaming, and they made their choice.

As a result of that decision, revenues generated by the gaming industry in New Jersey have provided literally hundreds of millions of dollars for various projects throughout the State. They have financed the New Jersey Vietnam Veterans Memorial. They have built hundreds of homes. They have renovated day care centers, a bus terminal, and a trauma center.

They also have helped improve the lives of countless numbers of people living in the area. In Atlantic City, the number of families on Aid to Families with Dependent Children has dropped by about 30 percent since the first casino opened.

The more than $1 billion from casino property taxes paid since 1978 have lowered the burden on other property owners and supported schools in Atlantic County. Taxes on casino revenues have supported pharmaceutical assistance to the elderly, nursing and boarding home care and assistance with utility bills for senior citizens and the disabled.

Mr. President, in the past, some casinos have been tied to organized crime and other problems. But it is unfair to assume, as some do, that these problems are inevitable. Atlantic City's casinos are the most regulated in the country, perhaps the world. And the history of the last two decades is that, by and large, this regulation works.

Mr. President, I met recently with the heads of the New Jersey casinos. And I can tell you that the industry is not concerned about a study, if it is conducted in a fair and impartial manner.

But, Mr. President, I have real concerns about the likelihood that the commission to be established by this legislation will not be impartial. The whole impetus for this legislation seems to be coming from the Christian Coalition and others who are on a moral crusade against the industry. Maybe some of my colleagues believe that Ralph Reed and others only want an objective evaluation of this industry. But I doubt it. Instead, Mr. President, this study seems designed to lay the groundwork for a massive attack on the gaming industry. An attack that serves the political goals of a radical fringe.

I want to acknowledge that, as with many other products and services, some people who gamble do so to excess. And that can be a very serious problem. Compulsive gamblers can destroy themselves and their families with just a few rolls of the dice, and they need help. We should not ignore their plight. In the case of other addictions, we've encouraged public education efforts which have proven to be the most effective deterrent to excesses. I would encourage States and localities to consider such efforts, if appropriate. However, for the overwhelming majority of people, gaming is a complement to a vacation or the equivalent of going to a movie on Saturday night. It is recreation. And, in the case of Atlantic City, the tourism industry is making great efforts to diversify and provide attractive convention facilities and opportunities for family vacations. I would hate to see these efforts, and the contribution they make to our State's economy and communities, hurt by a political witch hunt.

So, Mr. President, I hope that the commission's study will prove to be objective, balanced, and fair. And I hope its conclusions are reasonable and rational. However, if this study simply leads to punitive legislation, which will hurt the hundreds of thousands of men and women who work in our casinos and related jobs, I will fight it every step of the way.

Mrs. KASSEBAUM. Mr. President, I rise today in support of S. 704, legislation to establish a national gambling impact study commission.

In the past few years, we have witnessed the rapid proliferation of the gaming industry across the Nation—initially under Indian tribal ownership and more recently by State governments. In my home State of Kansas, the casino and slot machine issue has been hotly debated. Race tracks and river boat gambling have been established in the Kansas City area, and both the Kickapoo and Potawatomie Nations have plans to expand certain gaming facilities on tribal lands.

I realize that gaming can provide tremendous revenues for State and local economies, particularly for Indian tribes wishing to improve reservation conditions and provide employment opportunities. In this regard, gaming has produced positive results. However, growing evidence indicates gambling has some harmful side effects. A particular concern focuses on reports that gaming causes the breakup of families, suicides, increased teenage gambling, corruption, and the closing of main street stores.

Mr. President, I think an impact study would help Americans better understand the unintended social and economic effects the gaming industry is having on our families and communities. I also believe we have a responsibility to bring together all the relevant data so that Governors, State legislators, and citizens can make more informed decisions about gambling in their home States.

Concerns have been raised in the Senate regarding the commission's original subpoena authority. As my colleagues have already stated, however, those concerns were addressed by the Senate Committee on Government Affairs when it adopted the Stevens substitute amendment on May 14. In my view, the final measure represents a balanced approach—one that addresses individual privacy rights and business trade concerns but also provides the commission the authority and resources necessary to thoroughly examine this issue.

This legislation has drawn broad, bipartisan support in Congress. I strongly urge my colleagues to vote in favor of S. 704.

Mr. COATS. Mr. President, there is a shadow creeping across the American landscape. It thrives in some of the poorest of our urban and rural communities. It threatens our towns and cities with economic cannibalism. It undermines our political process with a flood of cash into the campaign coffers of our politicians. It preys upon the weakness of the poor, the elderly, and the young with the promise of easy money. It undermines the family with pathological addition and spousal and child abuse, and neglect.

Mr. President, what is this menace? We know it all too well. It is gambling. An industry that, just a few years ago, was frequently pursued by law enforcement agencies from the Federal Bureau of Investigation down to rural county sheriffs is today touted as the economic savior of communities across America. And it is increasingly embraced and promoted by State and local government across the country as the answer to chronic government funding problems.

Mr. President, the gambling industry is booming. In 1988, only two States—Nevada and New Jersey—permitted casino gambling. By 1994, 23 States had legalized gambling. During this time, casino gambling revenue nearly doubled. In 1993, $400 billion was spent on all forms of legal gambling in American. Between 1992 and 1994, the gambling industry enjoyed an incredible 15 percent annual growth in revenues.

Many of my colleagues would look at this performance and say ''good for them.'' Many would cite the gambling industry as an American success story. I am not so enthusiastic. There are many unanswered questions regarding the hidden costs of rolling out the welcome mat for the gambling industry. Many of the promises made by the gambling industry—of jobs, economic growth and increased tax revenues—are dubious at best. The statistics on the devastating impact on our families are beginning to roll in. Concern about teenage gambling addition is growing as more and more teens are lured by the promise of easy money. Crime and suicide numbers are sky-rocking in communities where gambling has taken root.

Mr. President, it is time to take a good, hard, objective look at the gambling industry and the gambling commission proposed in this bill is an important step toward getting the facts.

Critics of a gambling study commission claim that this is purely a State

issue, that there is no Federal role. This claim will not bear scrutiny. Article 1, Section 8 of the Constitution clearly provides Congress authority over issues of interstate commerce. Mr. President, surely a one half trillion dollar-a-year industry, in which parent corporations own and operate facilities in multiple States, can be considered interstate commerce. Further, gambling interests are involved in political campaigns in virtually every State, and crime associated with gambling does often cross State lines. Finally, given the potentially devastating impact of pathological gambling on the American family, it is critical that this Federal commission be established to gather the facts on the explosion of legalized gambling.

Opponents of this commission have raised many charges against it. They have claimed that the commission is a tool of the religious right. they have claimed that the commission will become a witch hunt against the gambling industry.

Mr. President, these claims are unfounded. The appointment of commissioners will be equally divided between the executive branch and the two Houses of Congress, ensuring that no faction may dominate the work of the commission. Further, Mr. President, the scope of the commission is clearly established within this legislation, which will prevent commission members from embarking on unrestricted investigations of the industry. Finally, this legislation enjoys broad bipartisan support, across both ideological and political lines, in both the House and Senate. President Clinton has indicated his support for this commission. The national media and newspapers across the country have been unanimous in advocating this gambling study commission.

Mr. President, in recent years the gambling industry has preyed increasingly on struggling rural communities. These communities have been targeted with millions of dollars in promotional money and lobbying. They are lured by the promise of booming economic development, new jobs and expanded tax revenues.

There can be little doubt that this promise has held true in the short-run for some communities. What many communities are beginning to discover, however, is that in the medium and long term, gambling takes a lot more from our communities than it gives. These costs are measured in broken families and broken lives.

Our communities are being sold on the vision of becoming another Las Vegas. They are being promised tourist dollars and booming economic growth. The reality is different. The preponderant majority of gamblers on riverboats and in this new breed of casino are from the local community. Essentially, the gambling industry is cannibalizing the local economy.

A 1994 study of riverboat gambling in Joliet, IL found that 74 percent of all players came from within 50 miles of Joliet. A similar study of gambling in Aurora found that 70 percent of all players came from the immediate Aurora area, with only 3 percent coming from outside the state of Illinois. Henry Gluck, the CEO of Caesar's World casino firm told a 1994 New York State Senate hearing on gambling that the potential for casinos to attract outside dollars, and I quote, ''truly applies to a few major cities in the United States.'' I doubt that this is the message that the people of Harrison County, IN are getting from the gambling industry.

It is becoming increasingly clear that these casinos provide little additional value to local economies and tend to shift money out of local businesses. Casinos are one-stop entertainment. They provide meals, drinks and everything else. Players simply take entertainment dollars that would normally be spent at local restaurants, bowling alleys, baseball parks, and movie theaters and spend them at the casinos. This is not economic growth. It is economic churning.

Crime is another critical issue that this Commission will examine. Traditionally, organized crime has been synonymous with the gambling industry. There is every indication that its influence is still present. However, just as important are the more local concerns of dramatic increases in theft and violence that has followed the growth of gambling in America. A study conducted by ''U.S. News and World Report'' found that crime rates in communities with gambling are nearly double that of the national average. Examining assault, burglary, and larceny, the report found 1,092 incidents per 10,000 population in 1994 in communities where gambling is present. The national average for these crimes is of 593 per 10,000 people. U.S. News concluded that ''* * * towns with casinos have experienced an upsurge of crime at the same time it was dropping for the Nation as a whole. They recorded a 5.8 percent jump in crime rates in 1994, while crime around the country fell 2 percent.'' This same study found that in 31 locations that got new casinos crime surged 7.7 percent in the first year following the introduction of the casino.

Deadwood, SD legalized casino gambling in 1989. Five years later serious crimes had increased by 93 percent, forcing the community to double the size of its police force. In Central City, CO assaults and thefts increased by 400 percent in the first 2 years after gambling's introduction.

Mr. President, our Nation is all too aware of the toll that crime takes on our cities and towns. It is critical that we come to understand how gambling acts as a catalyst for criminal activities and provide these facts to communities that face decisions about inviting this industry into their local economies.

Another area of concern is that of pathological gambling. For decades now our Nation has struggled with the demon of addiction. In the past, this problem has taken the form of drugs and alcohol. However, the rapid expansion of gambling injected a new narcotic into the Nation's bloodstream. Problem and pathological gambling is on the rise. The National Council on Problem Gambling places the number of Americans with serious gambling problems at around 5 percent. Most studies confirm this estimate. However, as gambling becomes more pervasive, this number is increasing. What does this mean?

As with other addictive behaviors, gambling impacts the individual, their families, their job, virtually every aspect of their lives. Marital problems—separation and divorce, spousal and child abuse and neglect, substance abuse, and suicide are all side-effects of problem gambling. Durand Jacobs, an individual who has done outstanding research on the impact of gambling, conducted a study of 850 Southern California high school students. He discovered that ''children with gambler parents experienced almost twice the incidence of broken homes caused by separation, divorce, or death of a parent by the time they were 15 years old.'' Another study, published in the Journal of Community Psychology, found that about 10 percent of the children of compulsive gamblers had been the victim of physical abuse of the gambler parent. Fully one-quarter of the children in the study suffered ''significant behavorial or adjustment problems.''

Ronald Reno, in his study on the ''Dangerous Repercussions of America's Gambling Addiction,'' cites a gamblers anonymous study that found that 78 percent of spouses of gamblers threatened separation or divorce with nearly half carrying through on their threat.

Harrison County, MS, an area of intense gambling activity, experienced a 149-percent increase in the divorce rate the year following the introduction of riverboat gambling. A study in Deadwood, SD, found that reports of domestic abuse have risen more than 50 percent since the advent of legalized gambling. Central City, CO, experienced a six-fold rise in child protection cases in the first year following casino gambling's introduction.

Mr. President, perhaps the most disturbing fact about the spread of gambling is the danger it poses to children. As with other addictive behaviors, our children are most vulnerable to gambling addiction.

The March 1996 edition of ''Policy Review'' tells the story of Joe Kosloski. Joe, then 16, won a little money at a bowling tournament. Taking the money, he and some friends headed for the Atlantic City casinos. Despite being only 16 at the time, these kids got in. Joe got on a roll, and parlayed his winnings into a couple of thousand dollars. Like most gamblers though, Joe's luck did not last. His fever for gambling, unfortunately, did.

Once the cash ran out, Joe opened credit accounts in the names of family members and used cash advances and credit cards to gamble. When Joe's scam finally came crashing down on him, he had amassed a $20,000 debt. At 20 years of age, with no previous criminal record, he is in Pennsylvania Federal Prison for credit card fraud.

Mr. President, it had been my intention to offer an amendment to S. 704. As currently written, the bill would provide the Commission the power to subpoena documents only. In my view, this substantially limits the Commission's ability to do its work. The gambling industry is a one-half trillion dollar a-year cash business. Many of the insidious tactics used by the gambling industry to bilk people out of their money must be considered by the commission in order to understand fully the modern business of gambling. These techniques range from themeing—the development of themes within the casino to attract and hold people there for longer periods of time—to various techniques to entice people to place more frequent or higher wagers. Here I quote from a ''U.S. News and World Report'' article of March, 1994:

A decade ago, most casinos bothered to gather data only on high rollers. Now they use slot-club cards to snare the meat-and potatoes guy, too. After filling out a survey and receiving an ATM-like card, slot junkies insert them into a ''reader'' built into almost all slot machines. In a distant computer room, casinos track the action 24 hours a day, down to the last quarter.

Players who use the cards the longest get the most comps, somewhat like a frequent-flier giveback. At the Trump Castle in Atlantic City, an internal document shows that 64 percent of all slot players now use the Castle card. The cardholders lost $109 million to the slots last fiscal year, or about $101 per player per trip. Slot players who never bothered with the card, by contrast, lost $31 per trip on average.

Mr. President, it is my strong belief that this Commission should have full subpoena power to encourage the cooperation of gambling industry figures to appear before the Commission. In order to ensure that this bill was brought to the floor and passed, in order to ensure that there is no delay in getting to the facts, I agreed not to offer this amendment. However, I am here to serve notice that, at the first indication that the gambling industry is dodging the Commission, I will be back here to offer legislation to broaden the Commission subpoena power.

Finally, Mr. President, I would like to talk briefly about State sponsored gambling. In most States this takes the form of lotteries. However, in many States, including Indiana, the lottery has opened the door to scratch tickets, horse racing, casinos, the works. At last count, 48 States have become involved in some form of gambling. Mr. President, given the concerns I have laid out, there is something very disturbing about States promoting gambling as a solution to economic development and shrinking tax bases. To quote the late Dr. Richard C. Halverson, our former chaplain, this State sponsored gambling is nothing short of a tax on the character of our people. It is dereliction of our public duty to use gambling to solve Government revenue problems.

Annual lottery sales now approach $32 billion. Yet the virtue of gambling as a revenue source is dubious at best. Money Magazine estimates that States keep only about one-third of total revenues generated from lotteries. Further, many States rely on lottery revenue to fill revenue gaps rather than lower taxes. Many States claim to use the lottery to fund education. However, the proportion of State spending on education has remained relatively unchanged.

Perhaps most disturbing, Mr. President, is that as States are being flooded with gambling cash, the tide of political scandal is rising. Across the country, State legislators are grappling with how to stem the tide of gambling interest dollars and the corruption that follows it. And Congress is no exception. Gambling dollars are also finding their way into our campaigns. Mr. President, I feel strongly that the Commission should examine this problem in detail.

In closing, Mr. President, I congratulate Senators LUGAR and SIMON for getting this bill passed. It was no easy task. In addition, I reiterate my concern and my warning regarding the subpoena issue. If the gambling industry throws its lawyers at the Commission the way they have thrown their lobbyist at Congress, I have little doubt that we will revisit this issue.

Mr. LOTT. Mr. President, I ask unanimous consent that a managers' amendment at the desk be deemed considered and agreed to, the bill be deemed read the third time, the Senate proceed to the House companion measure, Calendar No. 344, H.R. 497, and all after the enacting clause be stricken and the text of S. 704 be inserted in lieu thereof, the bill be deemed read the third time, and passed, the motion to reconsider be laid upon the table, and any statements or colloquies relating to the measure appear at this point in the RECORD. Finally, I ask that S. 704 be returned to the calendar.

Mr. REID. Mr. President, reserving the right to object. I want the RECORD to reflect when the voice vote is done, or whatever the procedure is to get this matter passed, that I be recorded as voting ''no'' and that I be allowed to insert in the RECORD a statement regarding this legislation dealing with the unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, I would like that to be a part of the request.

Mr. BRYAN. Mr. President, I make the same request.

Mr. LOTT. Mr. President, I add that to the unanimous-consent request. I ask to include the statement and position of both of the Senators from Nevada. Mr. President, without their cooperation, this would not be possible. Like them, I have some reservations, but they have helped work out the problems, and I think they should get the opportunity to be recorded against this Commission, even though they have agreed to let it go on a voice vote.

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

The bill (H.R. 497), as amended, was deemed read the third time, and passed.

Mr. LOTT. Mr. President, I want to recognize the diligent efforts of the Senators who have been working on this Commission. Senator LUGAR, from Indiana, has been very helpful. He is one of the two original sponsors. He has been ably assisted in our effort to clear out problems by Senator COATS from Indiana. Several Senators had some amendments they were interested in on both sides of the aisle, and they have agreed to withhold those. There was also, of course, the very fine work of Senator SIMON to help work through problems on the Democratic side of the aisle. Without their cooperation, efforts, and commitment to this, it would not have happened. In fact, I would not have been pushing for it personally.

So I commend them. I would be glad at this point to yield the floor so they can make statements.

One final person, if I might, Mr. President. I would like to also commend the chairman of the Governmental Affairs Committee who had this hot potato in his lap and managed to work it out in a way so that we can get it approved by unanimous consent. I thank him for that work.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, the Senator from North Carolina has been very patient with us this afternoon. He repeatedly sought the floor. We have urged him to delay. I now ask that, in morning business, he be recognized so that he may make his statement for 12 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. SIMON. Mr. President, reserving the right to object—I shall not—I would like to speak for 2 minutes on the bill.

Mr. STEVENS. Let me ask this. I ask unanimous consent that Senator FAIRCLOTH be recognized for 12 minutes, Senator SIMON for 2 minutes, and Senator KENNEDY for 3 minutes as though in morning business so that we can get that out of the way. Then we will go back to the bill.

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

The Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent to be recognized as if in morning business for 12 minutes.

Mr. SIMON. Parliamentary inquiry, Mr. President: I reserved the right to

object subject to my being acknowledged for 2 minutes to speak on this bill. I do not think that the request was granted.

Mr. STEVENS. The request was granted, Mr. President. We had committed to Senator FAIRCLOTH first, if the Senator does not mind.

Mr. SIMON. I would like to speak for 2 minutes on the bill which was just passed, if I may. I think my colleague from North Carolina would yield to me.

Mr. FAIRCLOTH. I yield to the Senator from Illinois for the 2 minutes, if I may then go.

Mr. SIMON. I thank him.

Mr. WARNER. Mr. President, will the Senator kindly yield to me 1 minute following the Senator from Illinois? I am on the same bill.

Mr. FAIRCLOTH. I also yield to the Senator from Virginia.

Mr. STEVENS. Mr. President, respectively we have already yielded to the Senator from Massachusetts following the Senator from North Carolina. If our request is going to be honored, I hope we will adjust this accordingly.

Does the Senator from Virginia seek to speak on the same bill as the Senator from Illinois?

Mr. WARNER. Mr. President, that is correct; the same bill on which I am a cosponsor.

Mr. STEVENS. May I suggest that the Senator from Illinois be recognized for 2 minutes, the Senator from Virginia for 1 minute, the Senator from Massachusetts 3 minutes, and the Senator from North Carolina will have his 12 minutes.

I rephrase my unanimous-consent request.

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

The Senator from Illinois.

Mr. SIMON. Mr. President, I thank a number of my colleagues for their help on creating the commission that has just passed, assuming the House acts favorably.

Particularly, I would like to thank my colleague from Indiana, Senator LUGAR. Senator WARNER from Virginia has been very helpful. Senator John GLENN was helpful. Senator STEVENS was helpful. And a number of others that I should acknowledge, as well as Michael Stevenson of my staff. What we have just done is to say, let us look at this problem. I think we owe that to the Nation, and I appreciate our colleagues doing that.

The fastest growing industry in our Nation today is legalized gambling. Is this good for the Nation? Is it not? Should it be slowed somewhat? No one suggests that we are going to close down Las Vegas or Atlantic City. But I think we ought to look at this problem and see what the dimensions of that problem are and what we ought to do. That is what the commission bill does.

I thank my colleagues.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to join in thanking the principal sponsors of the bill—the Senator from Indiana, the Senator from Illinois and the Senator from Alaska and also my distinguished colleague in the House of Representatives, Representative FRANK WOLF. I have been working as a team with FRANK WOLF. It is essential for America simply to listen and learn about the growth of gambling. Then we can decide for ourselves. States and individuals can decide for themselves. But this bill will start a vital educational process.

I am privileged to have been a part of the effort which has succeeded today. We did not get everything we wanted. But we have certainly made a start, and, if necessary, there may be a sequel to this piece of legislation in the future.

Mr. WARNER. Mr. President, I applaud passage of the Gambling Impact Study Commission Act. It has been apparent for some time that a reasonable consensus had been reached on providing the Commission with reasonable powers and duties, and I congratulate the leadership for bringing this important bill to the floor.

I also congratulate Senator STEVENS for maneuvering this legislation through a tricky legislative process. Senators LUGAR and SIMON have done a remarkable job of keeping public attention on this issue. And Representative WOLF from my home State of Virginia has certainly been a leader in steering this legislation through the House of Representatives. I have enjoyed working with all of them to make sure that the facts about gambling are laid before the people so that they and their representatives can make fully-informed decisions about gambling in their States and communities.

Mr. President, we all know that the benefits of gambling are often easy to see—tax revenues for the States, jobs created in casinos, attention paid to cities or States with exciting games and lotteries. These benefits are very evident in a number of our communities around our country.

The problem is that the downsides of gambling are harder to see. If a teenager gets addicted to gambling, or a father loses his family savings, the effects on their families, their employers, and their friends, are difficult to quantify. And just as there is no doubt that the benefits of gambling are real, these hidden costs are very real indeed.

This Commission will be an unbiased factfinding body to analyze the effects of gambling. The Commission will have a number of important topics to consider, including: gambling addictions, reliance by States on gambling revenues, advertising, the effect of increased gambling operations on Native American communities and reservations, relationships between gambling and crime and alcoholism, and effects of gambling on other types of businesses and entertainment. The Commission will have a full plate of issues to consider and I am confident this bill will provide it the resources and time for thorough investigations and recommendations.

The gambling industry has spoken out against the investigatory tools this bill gives the Commission and I can understand their concern that the Commission be even-handed. I believe the compromise reached concerning the scope of the Commission's use of subpoenas and hearings responds to those concerns. For the Commission's conclusions to be reliable, it must have good information from the industry—without this cooperation, the Commission would be no more useful than the incomplete and biased studies States and localities have had to rely upon in the past.

The Commonwealth of Virginia has considered a number of types of gambling over the past several years. It has adopted some, such as a State lottery, while rejecting others like riverboat casinos. The new Commission will be able to provide the Virginia legislature, executive branch, and citizens with more accurate facts as they continue to debate the future of gambling in the Commonwealth.

I do not favor federalizing regulation of the gambling industry—this bill does not require or foresee any Federal response to the findings made by the Commission. It is a fact-finding act. Seeing the growing importance of gambling in our society, however, I have concluded that discovery of these facts for consideration by the States may be more important than any new Federal legislation.

Again, I congratulate the leadership and sponsors, and I hope that this legislation can be enacted in the very near future.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized according to the agreement.

Mr. KENNEDY. Mr. President, I thank the Chair. I thank Senator FAIRCLOTH.

Mr. President, speaking today at a private high school in Minneapolis, candidate Bob Dole—formerly Senator Bob Dole, who should know better—offered the American people what he called an ''Education Consumer's Warranty.'' But candidate Dole was not being candid about the facts.

He did not hesitate to bash teachers and students. But many of his criticisms were based on blatant misinformation, and he offered no solutions to the problems he mis-identified.

Candidate Dole said that test scores and literacy are dropping. In reality, math and science scores on the National Assessment of Educational Progress are up since 1982—for 9- 13- and 17-year olds. In addition, American students finished second among 31 nations in a 1992 study of reading skills.

Candidate Dole said that students are taking fewer courses in basic subjects. The opposite is true. In the early 1980s, only 13 percent of high school graduates had 4 years of English and at

least 3 years of math, science, and social studies. By 1990, according to the National Center for Education Statistics, 40 percent of high school graduates had taken at least those basic courses.

Candidate Dole said that SAT scores are dropping. He was right 10 years ago, but he is very wrong now. In 1983, SAT scores had been dropping for a decade. In the 1990s, they are rising. The national average score for the class of 1995 was 910, the highest since 1974.

Candidate Dole also said that dropout rates are rising. In fact, more students are finishing high school and going on to college than ever before. The high school dropout rate has been cut by a third—from 17 percent in 1967 to 11 percent in 1993. Almost 90 percent of students are graduating from high school. Between 1980 and 1993, the proportion of high school graduates going to college increased—from 49 percent to 62 percent.

Despite these improvements, much more needs to be done, and I commend candidate Dole's new-found support for education. As Senate majority leader, he helped lead the Republican attempt to slash funds for education. He even wanted to slash support for safe and drug free schools by more than half. But now he agrees that every student has the right to be safe in school.

Candidate Dole voted to cut support for reading and math by $1 billion last year. Now he rightly agrees that all students need a solid grounding in basic subjects.

Candidate Dole voted against the Improving America's Schools Act in 1994, which encourages greater parent involvement in the full range of educational decisions for their children. Now he rightly says parental participation is a key component of successful education.

Obviously, when it comes to education, candidate Dole has a difficult time escaping his anti-education record.

By contrast, President Clinton is the ''Education President.'' He has worked tirelessly and effectively to improve education since he was elected in 1992. He led the opposition to the Republicans' attack on education last year, and he has proposed a budget that invests significantly more in education in the years ahead, and while still achieving a balanced budget in the year 2002.

If Americans want an Education President, they already have one. Any ''Education Consumer'' would be well-advised to go with the proven product, not a candidate who is suddenly discovering the error of his past ways.

Mr. President, I thank the Senator from North Carolina.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

(The remarks of Mr. FAIRCLOTH pertaining to the introduction of S. 1968 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

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

AMENDMENT NO. 4575, AS MODIFIED

Mr. STEVENS. Mr. President, I send to the desk a modification of the amendment No. 4575, and ask it be considered immediately.

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

The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SPECTER, for himself, Mr. JOHNSTON, Mr. COCHRAN, and Mr. LOTT, proposes an amendment numbered 4575, as modified.

Mr. STEVENS. 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 19, line 7, before the period insert the following: '': *Provided*, That of the funds provided in this paragraph and not withstanding the provisions of title 31, United States Code, Section 1502(a), not to exceed $25,000,000 is available for the benefit of the Army National Guard to complete the remaining design and development of the upgrade and to increase gunner survivability, range, accuracy, and lethality for the fully modernized Super Dragon Missile System, including pre-production engineering and systems qualification''.

Mr. STEVENS. Mr. President, I ask this amendment be agreed to because it will provide up to $25 million to upgrade the Dragon Missile System that is currently employed by the Army National Guard. It has been cleared on both sides, I believe.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. We have no objection.

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

The amendment (No. 4575), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4493, AS MODIFIED

(Purpose: To provide $1,000,000 to assist the education of certain dependents of Department of Defense personnel at Fort Bragg and Pope Air Force Base, North Carolina)

Mr. STEVENS. Mr. President, I ask the clerk lay before the Senate amendment No. 4493, as modified.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. HELMS, proposes an amendment numbered 4493, as modified.

Mr. STEVENS. 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 9, line 22, before the period, insert: '': *Provided further*, That of the funds appropriated under this heading, $1,000,000 is available, by grant or other transfer, to the Harnett County School Board, Lillington, North Carolina, for use by the school board for the education of dependents of members of the Armed Forces and employees of the Department of defense located at Fort Bragg and Pope Air Force Base, North Carolina''.

Mr. HELMS. Mr. President, this amendment will help restore equitable treatment for Fort Bragg-based military personnel and dependents who live in and attend school in nearby Harnett County, NC. To achieve this, my amendment authorizes $1,000,000 from fiscal year 1997 Army O&M funds to be applied to the costs of Harnett County schools' providing quality education to dependent children of Fort Bragg personnel.

This amendment will remedy the gross disparity that now exists in the distribution of impact aid dollars intended to help defray the costs of the schooling of military-connected dependents. Over the years, and despite a substantial increase in Fort Bragg-connected student populations, the Federal Government has provided a declining amount of impact aid dollars to Harnett County. Under current law, Harnett County no longer qualifies for any impact aid funding.

Mr. President, much of the growth in Harnett County's public school system is directly attributable to the influx of military personnel. According to one housing developer in Harnett County, 98 percent of the families buying in one of his communities are military families.

During the past few years, thousands of students have been added to the rolls of Harnett County's school system. Many of them are children of Army personnel and DOD civilians employed at Fort Bragg. This growth has caused severe school overcrowding in Harnett County. Many children attend classes in temporary facilities, such as cafeterias, gymnasiums, auditorium stages, libraries and trailers. In some schools, students must wait in line up to an hour to use the bathroom.

Mr. President, projections indicate that Harnett taxpayers will have to spend $87,000,000 for new schools within the next decade merely to keep up with this growth. The county simply does not have the resources to build another school without substantial assistance.

The Federal Government has an obvious obligation to provide for the education of military dependents. Because of the nature of military service which requires frequent moves and reassignments, military families seldom have an opportunity to establish strong roots in a community and to become active in local schools. The Federal Government has a duty to ensure that these parents need not worry about the quality of education afforded their children.

To further exacerbate the education funding crisis, Fort Bragg is now seeking to purchase an 11,000-acre property—known as the ''Overhills property''—which will nearly double the amount of land the Federal Government presently owns in Harnett County—7,000 acres of the Overhills property are in Harnett County. This purchase by Fort Bragg will cause Harnett County to permanently lose an additional $24,000 in annual tax revenues.

Some may ask why Harnett County should be singled out to benefit from this amendment. It is because it's the right thing to do. Harnett is the only county in the Fort Bragg Impact Area that suffers an economic loss due to its location near Fort Bragg. According to 1990 figures, Harnett County has been losing $122,000 per year because of Fort Bragg.

Since then, impact aid funding has been eliminated, the number of military dependents has soared, and the Army has proposed to erode further the tax base. Without help, the situation will worsen further.

Let there be no doubt, I fully support the acquisition of the Overhills property by the Army—provided that Harnett County's school system is given the assistance it needs and deserves.

Mr. President, North Carolinians are proud of the several great military installations within our borders. For more than 50 years, North Carolinians have been especially proud of Fort Bragg, home of the United States Army's XVIII Airborne Corps and the 82nd Airborne Division. These units and other units stationed at Fort Bragg are on the front line of our Nation's defense; standing ready to deploy anywhere, any time, to preserve freedom in the world.

Mr. President, I spent four non-heroic years in the Navy during World War II. I have great affection and respect for the soldiers and defense support personnel who are devoting their lives to the defense of our country. I will do anything in my power to ensure that they are provided everything they need to do their jobs.

This includes not merely providing an adequate training area, equipment and hardware; they also deserve the quality of life and peace of mind to enable each soldier to focus on his mission, accomplish it, and return home safely.

Unmistakably essential to that quality of life is the proper education of their children.

Mr. President, I urge Senators to support this amendment which takes a small step towards addressing the educational needs of the children of our Nation's finest soldiers.

I ask unanimous consent that ''Education Equity Fact Sheet'' be printed in the RECORD.

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

EDUCATION EQUITY FACT SHEET

The Helms amendment would authorize $1 million over two years to ensure that Fort Bragg-connected dependents who attend school in Harnett County, N.C. are treated the same as Fort Bragg-connected dependents who attend school in Cumberland County, N.C.

CRITICAL SITUATION

Currently, Harnett is the only county in the Fort Bragg Impact Area that suffers an economic loss due to its location near Fort Bragg. (Fort Bragg-Pope AFB Impact Assessment, Sept. 1990).

Military dependents are attending classes in makeshift classrooms including cafeterias, gymnasiums, auditorium stages, libraries, and trailers. It is projected that $87,000,000 is needed to provide for new school facilities over the next 10 years. (Harnett County News, Apr. 10, 1996).

According to 1990 figures, Harnett loses $122,000/year and that deficit has substantially worsened as the number of post-related personnel and dependents moving into the county has increased dramatically. (Id.)

It costs the same amount to educate a child in Harnett County as it does to educate a child in Cumberland County.

No child of a military service member should be treated as a second-class citizen.

The federal government's responsibility to provide for the education of military dependents should not depend upon where their parents live.

UNJUSTIFIABLE IMPACT AID DISPARITY

FY96 Cumberland—$2,586,932.00/14,143 Students=$183 per student.

FY96 Harnett—$47,176.00/1,025 Students=$46 per student.

However, under current law, Harnett County no longer qualifies for any impact aid funding, even though their base-connected student population is soaring.

Fort Bragg wants to buy a Rockefeller Estate known as the ''Overhills Property'', lying primarily in Harnett County—the purchase will almost double the amount of land the federal government owns in Harnett County, causing an additional annual tax loss of $24,000.

Each new resident pays an average of only $231 per person in taxes to Harnett County while it costs the county $500 to educate each child.

Military families flock to Harnett.—Fayetteville Observer-Times—Sun., Dec. 3, 1995.

''Ninety-eight percent of the families buying [in Heritage Village] are in the military.''—Bill Arnold, Partner in the Kilnarnold Corp.

Out of room.—Harnett County News—Wed., April 10, 1996.

''We've reached the critical stage for Harnett County. No. 1 we're a low wealth county and No. 2, we're fast growing. We're picking up 600 extra students a year.''—Hank Hurd, Assistant School Superintendent.

''Western Harnett Middle is now in an extremely overcrowded situation right now. . . . It's a crisis situation as far as the school facilities needs of our county are concerned.''—Harnett's Assistant School Superintendent Hank Hurd.

''We're going to see more and more mobile classrooms. But, it's no long term solution. The more mobile classrooms you put in, the more bathrooms and cafeterias are overtaxed.''—Hank Hurd.

''We need construction that is stable in our classrooms that will last for years to come instead of this patchwork. . . . Sometimes students don't understand why we don't have the same things that we need as other students in the main building have.''—Special Education Teacher Angela Williams.

''Sometimes we have to wait at least one hour in line to use the bathroom. . . . The bathroom we have to use has only four stalls for 50 girls. . . . Then when we are late for class, we get written up by our teachers.''—Student Sandra McNeill.

''All of these trailers were supposed to have handicapped ramps to follow federal guidelines. . . . We do have a special-ed child who walks on crutches. . . . We had a Physical Education class out here last year and they had to carry the child up the steps.''—Angela Williams.

''They have educational TV's in the main classrooms and we can't even get a TV in our hut classrooms.''—Angela Williams.

Growth squeeze in Harnett County Schools.—The News & Observer—Sat., Feb. 3, 1996.

''It will be years before the needs of our children are met.'' Comments on the schools condition without the prospect of outside help, county schools superintendent Bob Beasley.

''We spend a lot of our time just figuring out what we're going to do next'' in an effort to make room for new students, Principle Ned White.

''To one new schoolhouse per year,'' that the county needs ''but can't afford to be built.'' The space needed to accommodate the estimated 500 new students per year, for the next three to five years, Chairman H.L. Sorrell Jr. of the county commissioners.

Mr. STEVENS. Mr. President, this amendment has been cleared on both sides. I ask for its adoption.

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

The amendment (No. 4493), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. I yield to the Senator from Indiana for a request.

PRIVILEGE OF THE FLOOR

Mr. COATS. Mr. President, I ask unanimous consent a staffer of mine, Maj. Sharon Dunbar, be granted the privilege of the floor during debate on the defense appropriations bill.

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

Mr. COATS. Mr. President, I wonder if I can inquire of the Senator from Alaska whether he anticipates there will be any time for additional morning business, or does he have a full schedule on appropriations?

Mr. STEVENS. We would be happy to. How much time does the Senator wish?

Mr. COATS. Mr. President, 5 minutes at most.

Mr. STEVENS. We promised the Senator from Iowa he could proceed with his amendment. As soon as he is finished, we will be glad to consider that, if that is agreeable.

AMENDMENT NO. 4890

(Purpose: To permit up to $10 million of appropriated funds to be used to initiate engineering and manufacturing development of airborne mine countermeasure system)

Mr. INOUYE. Mr. President, I send to the desk an amendment proposed by Senators DODD and LIEBERMAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. DODD, for himself and Mr. LIEBERMAN, proposes an amendment numbered 4890.

Mr. INOUYE. 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, on line 20, strike the period and insert in lieu thereof: '': *Provided further*, That up to $10 million of funds appropriated in this paragraph may be used to initiate engineering and manufacturing development for the winning airborne mine countermeasure system.''

Mr. DODD. Mr. President, I rise to offer an amendment on behalf of myself and Senator LIEBERMAN that will help to preserve strong technological innovation in the State of Connecticut, as well as contribute to the safety of U.S. troops.

The amendment will allow the Navy to spend up to $10 million to initiate engineering and manufacturing development of the Magic Lantern airborne mine countermeasure system, which was created by the Kaman Co. of Connecticut.

This important measure maintains the ability of one of Connecticut's businesses to continue development of vital antimine technology. The Magic Lantern system was deployed in a prototype stage during Desert Storm, and in subsequent tests, the improved system has met and exceeded every Navy-established criteria, including probability of detection and classification, area coverage, and false alarm rate.

Mr. President, I understand this amendment will be agreed to, and I am pleased that the Magic Lantern program will be able to continue to contribute to both the economy of Connecticut and the safety of U.S. troops.

Mr. INOUYE. Mr. President, this amendment has been cleared by both managers.

Mr. STEVENS. This deals with using funds within appropriations to initiate engineering and manufacturing development of an airborne mine countermeasure system.

I urge the adoption of the amendment.

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

The amendment (No. 4890) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 4463

(Purpose: To prohibit the use of funds for support of more than 68 general officers of the Marine Corps on active duty)

Mr. GRASSLEY. Mr. President, I call up an amendment filed at the desk, No. 4463.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 4463.

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. Funds appropriated by this Act may not be used for supporting more than 68 general officers on active duty in the Marine Corps.

Mr. GRASSLEY. Just to bring my colleagues up to date as to where we are on this amendment, I have spoken a long time on it. I have one more point I want to make.

I have been told two individuals want to speak, one who wants to speak for my amendment and one against it. I do not think Senator STEVENS cares to prolong the vote on this amendment. When the time comes, I will be willing to do that. I am saying, a couple of others want to speak. I am not sure they will be able to speak. I notified their offices. If they do not come over, as far as I am concerned, we can go to the completion of the amendment. Is that all right with the Senator from Alaska?

Mr. STEVENS. I am pleased to agree with that procedure. We normally try to get a time agreement, if the Senator wishes a time agreement. We do not know how many other Members wish to speak on the Senator's amendment, so we will defer that. Has the Senator submitted his amendment?

Mr. GRASSLEY. It is called up.

If you will remember, my amendment, just read, would not fund the 12 additional Marine Corps generals that the Marine Corps wants, and the money is in this bill to do that. My argument, obviously, was as the number of marines has gone down from 199,000 to about 172,000 to 173,000, it seems to me that as we are downsizing, we should not be topsizing the administrative overhead from the standpoint of adding 12 more generals.

We have seen a reduction in the number of generals and admirals—maybe not enough—but we have seen a reduction in the other three forces. They still are not as efficient from the standpoint of the number of generals and admirals as the Marine Corps is.

Regardless of that, it seems to me inconsistent with balancing the budget, when the Secretary of Defense is pointing out to us the need for every dollar that we can get going into modernization, that we do not spend more money on administrative overhead. If 70 generals were in charge at the time there were 199,000, it seems to me we do not need 80 generals when we have 172,000 marines.

One argument that has been made by the Senate Armed Services Committee, the authorization committee, is that this issue should be decided in conference between the House and the Senate on the authorization bill and should not be a point to discuss when we have the Senate defense appropriations bill up.

I disagree with that, and I disagree with that because this is a legitimate appropriations matter. The Marine Corps requested 12 additional generals, and these generals do cost extra money. In fact, it involves a lot more money. That extra money is in the bill that is before the Senate right now. Regardless of what the Senate Armed Services Committee said, if the money is not in this bill, then the new generals do not get paid. Period. You cannot pay people if there is no money appropriated for it. You cannot pay these new generals based on the authorization bill. DOD cannot write one check based on an authorization.

The money is in the military personnel account. You can turn yourself, if you want to see it, to pages 6 and 7 of the committee report, and there you find a listing of the branches of the military, the number of people who are being funded by this legislation. You are not going to receive a paycheck if there is not money appropriated, because you cannot spend money in our Government without the consequence of an appropriations bill.

So these generals are expecting to be paid. They will only be paid if the money is in this bill, and my amendment would take that money out. It would leave the money to the Defense Department, hopefully to do what the Secretary of Defense said should be done, and that would be to modernize our military capability.

The last point—at least I think it will be the last point I will have to make because we have not had the debate on this amendment that I hoped we were going to have, particularly from people on the Senate Armed Services Committee. Most of their arguments have been procedure, that this is in their bailiwick, it should not be decided now. They have not been willing to state their case. Maybe somebody will come over here and do it, and I hope they will.

But the last point I want to make is that if there is a real need for additional personnel to be funded in the Marines, it is for more sergeants and more lieutenants, because those are the people who lead Marine platoons in battle. That is the place where there is a tremendous shortfall in the number of qualified people who are needed, and I will refer to a study in just a minute.

Earlier in this debate, I talked about the driving force behind the request for 12 more Marine Corps generals. I said even though the Marine Corps said that war fighting was the reason they needed more generals and even though the Senate Armed Services Committee said war fighting was not the reason for needing more generals, in either case, this cannot be justified because these positions are not going to war fighting, and it is not because of Goldwater-Nichols.

With all due respect, I think people who make these arguments are using smokescreens. If war fighting were the top priority, the Marine Corps would be adding more platoon sergeants, not more generals to fill the highest levels

in headquarters positions. I said the Marine Corps has a critical shortage of sergeants and lieutenants. I said that in one of my earlier statements today. These are the people, lower in the ranks, who train the force and keep it ready to go. If war breaks out, they would lead our platoons into battle.

Everyone knows that the heart and soul of the Marine Corps fighting force is its 27 infantry battalions. That is what the Marine Corps is all about. Everything the Marine Corps does is focused on moving, protecting and supporting those units. If those 27 battalions are not healthy, then the Marine Corps is not strong.

Well, a doctor has been examining the battalion's vital signs, and they are not up to snuff. I repeat what I said a moment ago, there is a critical shortage of platoon sergeants. That statement is based on an important piece of information. It is based on the Marine Corps briefing paper that I have in my hand, ''Making the Corps Fit to Fight.'' It is called a unit cohesion task force interim report.

This review was conducted by the unit cohesion task force in April of this year, just 3 months ago. It was under the leadership of Marine Col. G. S. Newbold.

I ask unanimous consent to print a portion of this briefings in the RECORD.

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

MAKING THE CORPS FIT TO FIGHT—UNIT COHESION TASK FORCE INTERIM REPORT

UNIT COHESION TASK FORCE—COL. G.S. NEWBOLD

MM

Sgt. Maj. J.H. Lewis III.

MMEA

Lt. Col. B. Judge.
Maj. J.P. Diffley.
Maj. D.J. Donovan.
Maj. S.J. Jozwiak.
Maj. R.J. Vandenberghe.
Mr. R.W. Spooner.

MMOA

Maj. J.M. Lynes.
Maj. R.A. Padilla.
Maj. M.J. Toal.

MMP

Lt. Col. G.R. Stewart.

MA

Lt. Col. R.L. Reece.

RAM

Maj. R.B. Harris.

THE LEGEND

First to Fight.
Most ready when the Nation is least ready.
The Nation's 9–1–1 Force.

THE REALITY

Infantry Battalions are staffed at 57% of ASR requirements for 0311 Sergeants.

The inventory of MPs/Corrections Marines exceeds that of Artillerymen.

We have more Utilities Specialists than Tankers and Amtrackers combined.

Less than 50% of Enlisted Marines remain with the same Infantry Battalion for two deployments.

OFFICER REALITY

88% of Majors are not in the FMF.
Nearly 15% in Northern Virginia.

Only 11% of 0302 Lieutenants & 29% of 0302 Captains make two deployments with the same Battalion.

Despite aviator shortage, nearly 52% of all aviators are not in the FMF.

REALITY FROM COMMANDERS

...We had to pull our boat platoon from the CAX before FINEX to get them to Little Creek to start the [MEU SOC] cycle.

Our training cycle is not in sync with the personnel cycle.

Without stabilizing our ranks, cohesion's benefits are lost and training is the equivalent of pouring water into a bottomless bucket...

If maneuver warfare seeks to shatter the enemy's cohesion, we must seek to strengthen our own as a matter of self-protection.

I have lance corporals as platoon sergeants and sergeants as platoon commanders.

Three weeks ago we went on a battalion run and fell out with 121.

The concept that numbers are more important than morale, cohesion etc., must be reconsidered.

We do have quality NCOs and SNCOs, but the best go off to other key billets (DI/Recruiting).

ENABLING PHILOSOPHY

In order to fulfill its role as the Nation's crisis response force, the Marine Corps will re-establish the primacy of the operating forces by creating manpower and training policies and programs that support cohesion and stability.

PRIORITIES (PILLAR 4)

The FMF will be manned at 90% of T/O—General C.E. Mundy, Jr., 1990.

Reality—enlisted 88%; officers 84%.

''Our system is geared to the success of individual careers vice the success of individual units''

PRINCIPLE

Since our heart and soul is our warfighting capability, service in the FMF must be our top priority.

Mr. GRASSLEY. I want to quote selectively from this paper.

The first slide has this title, ''The Legend,'' with bullets, ''First to Fight,'' ''Most Ready When the Nation Is Least Ready,'' ''The Nation's 9–1–1 Force.''

Who is going to argue with that about the Marines? They have that reputation. They live up to that reputation, and we ought to support that reputation.

Colonel Newbold is talking about the Marine Corps' mission. Then, of course, he gets down to the guts of his briefing, what he calls ''The Reality.'' Of course, this is what we ought to be concerned about. In fact, we ought to be disturbed about this.

The very first bullet is a blockbuster. I want to quote: ''Infantry Battalions Are Staffed at 57 Percent of ASR for O311 Sergeants.'' Of course, a O311 sergeant is an infantry noncom. He is a platoon sergeant. Every platoon must have a sergeant, and a platoon is in deep trouble without a good one.

So what does the Marine Corps do with 43 percent of its platoon sergeants missing, at the very same time when the command of the Marine Corps is asking for 12 additional generals?

Another slide is entitled ''Reality From Commanders.'' This provides an answer. The commander's answer:

I have lance corporals as platoon sergeants and [I have] sergeants as platoon commanders.

At a time when the Marines are asking for 12 additional generals, and they are using lance corporals as platoon sergeants and sergeants as platoon commanders. The commander, of course, has to make good with what he has, but that is not good enough.

Corporals are normally squad leaders, and lieutenants are platoon commanders. If corporals have to do the job of a sergeant, and sergeants are called upon to do the lieutenant's job, then why cannot colonels do a general's job?

I referred to that in the sense that every one of these so-called vacancies that is called for, the need for these new generals, all but one is filled with colonels who are getting the job done. If the colonels would take up some of the slack—and it is being done already, and the job is being done well—what is the need for 12 additional generals, when we need sergeants and lieutenants, when we had 70 generals here when it was 199,000, and we are down to 172,000 now, and we have 68 generals? Why do we need 80?

The briefing paper does indicate that the quality of the noncoms and the sergeants on hand is excellent. Unfortunately, the good ones are being shipped off to nonoperational, noncombat assignments.

This is what the briefing paper says: ''We do have quality NCO' and SNCO', but the best go off to other key billets,'' like drill instructors and recruiting duty.

This is Colonel Newbold in his task force report,''Making the Corps Fit to Fight.''

Mr. President, recruiting duty, that is where some of the new generals would go. We have been told that by this report. If recruiting duty is not a good place to send your best NCO's, then why is it a good place to put generals?

The briefing paper concludes with this piece of philosophy. I quote from the briefing paper.

In order to fulfill its role as the Nation's crisis response force, the Marine Corps will re-establish the primacy of the operating forces by creating manpower and training policies and programs that support cohesion and stability.

Those are very profound words by people in charge who are going to get the job done even though they do not seem to get the support of people higher up. Because I do not think they are getting the support when they need sergeants and lieutenants and we are putting the money into generals.

We are downsizing the Marine Corps and topsizing the administrative part of it. If the operating forces are the top priority, why are only 25 percent of the Marine Corps general officers command combat officers? Well, the paper draws a conclusion to that.

I want to quote from the paper again.

Our system is geared to the success of individual careers versus the success of individual units.

Mr. President, this is what my amendment is all about, promotions at the top versus the needs of the infantry battalions, sergeants versus generals. What does the Marine Corps need more, sergeants or generals? If we want the Marine Corps to be the 911 force, always ready to go, then we should make sure that the 27 infantry battalions are rock solid. We better make sure they have the essentials to be effective. We better make sure that they have a full complement of sergeants and lieutenants.

It would be irresponsible to give the Marine Corps more generals when its heart and soul is short of the stuff that it needs to do battle. The Marine Corps should not be topsizing while it downsizes. As the Marine Corps gets smaller, it seems to me it is legitimate to cut the brass at the top, as the other services have already done. I had a chart here to demonstrate that.

Of course, most importantly, the point was made by our Secretary of Defense of how important modernization is. Those at the top of the heap should have what they need to get the job done. By voting for my amendment, you will send the right message to the Marine Corps. I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I ask unanimous consent to yield, as in morning business, to the Senator from Indiana for such time—how much time would the Senator wish? Five minutes.

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

Mr. COATS. I want to thank the Senator from Alaska for yielding this time.

EDUCATION IN AMERICA

Mr. COATS. Mr. President, earlier this afternoon the Senator from Massachusetts, Senator KENNEDY, spoke on the floor indicating his concern and expressing his criticism of remarks that Senator Dole made today in Minneapolis. I want to take just a few moments to respond to those remarks. I thank the Senator for yielding the time for me to do that.

What Senator Dole said today in Minneapolis was that this country needs education reform, not education reform as defined by this administration and by some in this Congress, but real education reform. Education reform that ensures that parents have authority to be involved in their children's education, and in their curriculum, and in the formation of educational programs for their children. Education reform that would break up the monopoly that dominates public education. Education reform that gets money into the classroom instead of the bureaucracy. Education reform that rewards teachers, and rewards the Governors who run effective programs, and rewards mayors and school boards. Education reforms that try new approaches, and education reform that loosens Washington's grip on this country's schools.

For a decade or more now, the Congress and the public have been debating how we can improve our public education system, and a number of proposals have been made. But there is an entrenched bureaucracy that insists on making no real changes, on perpetuating the status quo. What Senator Dole was talking about was shaking up that status quo and bringing about reform that brings real results.

One of the issues that was discussed and was criticized earlier is the question of choice for low-income students. This is an issue that I have been involved with for some time. I have offered amendments, on a bipartisan basis with Senator LIEBERMAN, allow test programs, or pilot programs, for vouchers for low-income parents which would allow us to test the concept of school choice.

It seems hypocritical for those of us who have the means to afford school choice, whether by moving to another school district because we are unhappy with the public school where we currently are situated, or by enrolling our children in private schools or parochial schools, to deny that freedom of choice to those families who do not have the resources to send their children to a private school.

The voucher demonstration program is an attempt to understand the impact of enabling families choice over their children's educational opportunities. Many of these families have children who are consigned to some of the most violence-prone, educationally challenged schools in America. Mothers and fathers know that the only way to successfully give their children a chance to escape a lifetime of these difficult environments is to get a better education. Yet the Congress and this administration have repeatedly blocked attempts at even the most minor of reforms to allow low-income children to escape their poor-performing, violent schools.

The reform Senator LIEBERMAN and I proposed was a 3-year demonstration grant. We proposed trying it in 10–20 school districts around the country—costing a very modest amount of money—to see if it works. Even that small of a reform effort is rejected, time after time. My Project for American Renewal includes an expansion of that concept to provide experiments in up to 100 school districts. By trying a demonstration program, we'll be able to see if what the opponents of school choice say is right, but the only way to test their arguments is to get some objective evidence to evaluate school choice. I fear, Mr. President, that the opponents know that school choice would work: they know it would pose a challenge to the existing system.

I suggest that that is exactly what the existing system needs—a challenge, a challenge to improve its educational efforts. That challenge will come through competition. Public schools and private schools and parochial schools can exist side by side. The competition among the three of them provides better education for all students involved. This has been demonstrated in my hometown of Fort Wayne, IN, on a number of occasions. We ought to move in that direction.

To criticize Senator Dole for calling for education reform because he has failed to support the status quo initiatives provided by this administration that make no major change, efforts of the Clinton administration and the status quo that is perpetuated by Members of this body and call that educational reform—I think the American people know better. Call this what it is, and that is an attempt by a Presidential candidate to bring about some change in our educational system that will benefit the children—not the bureaucracy, not the unions, not the administration—the children that are actually receiving the education, or would like to receive the education. I commend Senator Dole for his remarks, for his initiative in this area. I hope he has the opportunity to carry it out.

I regret we cannot seem to get beyond the status quo of what in many cases is a failed education system, particularly in areas where children live in poverty, the District of Columbia being the prime example. We have struggled and struggled and struggled to try to give the young people opportunities that others of us have and they do not have. It is regrettable that we cannot discuss this on a rational basis and cannot support the efforts of someone trying to bring about this change.

I thank the Senator from Alaska for his patience and his time on this. I yield the floor.

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 4443, AS MODIFIED

(Purpose: To strike $2,000,000 available for environmental activities with respect to the Joint Readiness Training Center at Fort Polk, Louisiana)

Mr. STEVENS. I send to the desk an amendment numbered 4443, as modified, pertaining to the Joint Readiness Training Center in Fort Polk, LA, and ask to set aside the pending amendment.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MCCAIN, proposes an amendment numbered 4443, as modified.

The amendment (No. 4443), as modified, is as follows:

On page 8, line 3, before the period, add the following: ''*Provided*, That the amount made

available by this paragraph for Army operation and maintenance is reduced by $2,000,000.''

Mr. MCCAIN. Mr. President, this amendment would reduce Army operation and maintenance funding by $2 million to eliminate an add-on for Readiness Training Center at Fort Polk, LA.

During Senate consideration of the fiscal year 1997 Defense authorization bill, an amendment was adopted which would authorize the transfer of additional acreage from the Forest Service to the Army at Fort Polk. This transfer would increase the training area at Fort Polk to ensure adequate acreage to conduct realistic land forces training. I had no objection to this amendment and believe it will serve the needs of the Army and the other Services.

However, at the same time, it is unclear that an additional $2 million will be required in fiscal year 1997 to adequately protect the land and facilities in this additional area.

The report accompanying this bill describes the purposes for which this funding would be used, including hiring more foresters, environmental engineers, and natural resources support personnel, as well as maintaining the forest, roads, and public recreational areas, and protecting the red-cockaded woodpecker, long leaf pine, pitcher plant bogs, and archaeological resources. These are activities which certainly should be undertaken for this new property, but they are also activities which are underway on the current property utilized by the JRTC.

Mr. President, therefore, I suggest that, instead of setting aside $2 million for these purposes now, we instead encourage the Army to conduct the necessary land management and environmental maintenance activities for these additional acres in the most cost-effective way possible. However, if the funds currently available to Fort Polk are insufficient to ensure that the high standards of land and environmental management are maintained at the newly expanded Fort Polk, I believe the Congress would look favorably on a reprogramming request from the Army to make funding available. In addition, I expect the Army to make funding available. In addition, I expect the Army to include in the fiscal year 1998 budget any additional costs associated with expanding Fort Polk's Joint Readiness Training Center.

Mr. President, I understand that my colleagues from Louisiana may offer an amendment to retain $500,000 of these earmarked funds. While I would prefer that the Army proceed with this effort and request reprogramming authority if additional funds are required, I would have no objection if the managers preferred to retain $500,000 of these funds.

AMENDMENT NO. 4448, AS MODIFIED, TO AMENDMENT NO. 4443

(Purpose: To restore $500,000 for environmental activities with respect to the Joint Readiness Training Center at Fort Polk, Louisiana)

Mr. STEVENS. Mr. President, we have two amendments. One is in the first degree and one is the second degree.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. JOHNSTON, for himself and Mr. BREAUX, proposes an amendment numbered 4448, as modified, to amendment No. 4443.

The amendment (No. 4448), as modified, is as follows:

On page 1, line 7 strike out ''$2,000,000'' and insert in lieu thereof ''$1,500,000''.

Mr. JOHNSTON. Mr. President, I have identified $500,000 in one-time costs that need to be funded immediately to ensure that the natural resources and archeological sites at Fort Polk are protected. The Army's environmental record has clearly demonstrated how seriously they take their stewardship of the land with which they are entrusted. I believe the money requested will be used in a cost effective manner and will ensure that the resources are protected to the same high standards currently maintained by Fort Polk.

The red-cockaded woodpecker is an endangered species and is protected by Federal law. Woodpecker nesting trees are marked with a 1-meter thick white band. The nesting trees are protected by a 62-meter buffer zone that are marked by orange bands. Military training is restricted within this the buffer zone. Funding will allow for the red-cockaded woodpecker sites to be identified, cleared, marked, and 62-meter buffer zone established.

There are Indian, archeological sites, cemeteries, and other historical sites located on this land and we must ensure that these sites are adequately protected. The balance of the funding will provide sufficient resources to survey the land, identify cultural and archeological sites, and mark them accordingly.

I also encourage the Department of the Army to identify any incremental costs associated with managing this land and I would support any reprogramming requests they find necessary to submit. I further expect that their fiscal year 1998 budget submission will include any of these recurring costs.

Mr. President, I believe the amendment is acceptable to Senator MCCAIN and the managers of this bill.

Mr. BREAUX. Mr. President, I rise today in support of the second degree amendment I am offering with Senator JOHNSTON that would give $500,000 to the Department of the Army for environmental protection activities at Fort Polk, LA. Earlier this month my distinguished colleague and I were able to include a provision in the Department of Defense authorization bill that would transfer acreage in the Kisatchie National Forest to the Army at Fort Polk. That amendment will allow Fort Polk to expand its training exercises while continuing its unique mission of providing our troops the best training possible at the Joint Readiness Training Center [JRTC]. I am pleased we were able to work with the managers of the authorization bill to have the transfer provision included in the bill.

On this pending amendment, I would like to thank Senators MCCAIN, STEVENS, and INOUYE who have been very cooperative in working with Senator JOHNSTON and me to appropriate $500,000 for environmental protection at Fort Polk. This funding will ensure that the high standards of land and environmental management are maintained at the newly expanded JRTC. The Army can use this funding to continue surveying and marking trees that are inhabited by the red-cockaded woodpecker. In its current operations, the Army establishes a 62-meter buffer zone around these trees to alert military personnel and the public to stay clear of the area. The Army also posts signs to clearly mark archeological sites, such as cemeteries and Indian burial grounds, and other sensitive areas. This $500,000 will enable the Army to continue providing this and other important environmental programs at the JRTC.

I appreciate the help Senator MCCAIN and the managers of this bill have given Senator JOHNSTON and me on this amendment and I urge its adoption.

Mr. STEVENS. These are two amendments worked out with the Senators from Louisiana. They have combined their amendments. This is an amendment that has been on the list all day. It has been modified.

I ask unanimous consent the Breaux amendment to the McCain amendment be adopted and the McCain amendment be adopted. I yield to my friend from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to agree.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 4448), as modified, was agreed to.

The PRESIDING OFFICER. The question is now on the first-degree amendment, as modified, as amended.

The amendment (No. 4443), as modified, as amended, was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay it on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. STEVENS. Mr. President, I ask unanimous consent that the cloture vote scheduled to occur today with respect to the pending bill S. 1894 be vitiated and during the Senate's consideration of S. 1894, the following amendments be the only first-degree amendments in order, and limited to relevant

second-degree amendments, and following the disposition of the amendments, S. 1894 be read for a third time, the Senate proceed immediately to House companion bill H.R. 3610, all after the enacting clause be stricken, the text of S. 1894 be inserted, H.R. 3610 be read for a third time, and the Senate proceed to vote on the passage of H.R. 3610, all without further action or debate.

The list is a Grassley amendment we are about to vote upon; a Bumpers F/A–18C/D amendment, on which there is a 30-minute time agreement; two relevant Daschle amendments; a Dorgan amendment pertaining to funding reduction, on which there is a time agreement of 30 minutes equally divided; Senator FORD's amendment on chemical demilitarization; Senator HARKIN's amendment on defense merger, on which there is a 45-minute agreement, 30 minutes for Senator HARKIN and 15 minutes to the managers of the bill; a Heflin amendment on pump turbines; a relevant amendment for Senator INOUYE; a Levin amendment on counterterrorism; a relevant amendment for Senator NUNN; Senator SIMON, a labor related amendment; and one relevant amendment for myself as Senator managing. I add Senator FEINGOLD's amendment, on which there is a time limit of 30 minutes, if we do not work it out. He has two amendments.

I further ask that following the passage of H.R. 3610, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, and S. 1894 be returned to the calendar.

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

AMENDMENT NO. 4463

Mr. STEVENS. Mr. President, I regretfully disagree with the Senator from Iowa and state again that our act does not allocate funds to the entities of the Department of Defense by the roster, or in any way related to the force structure. If the Senator wishes to limit the funds so it cannot be used to support more than 68 general officers, that is an issue for the authorization committee.

At the request of the chairman of the Armed Services Committee, I move to table the amendment of the Senator from Iowa, 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 Grassley amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 79, nays 21, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—79

Abraham	Ford	Mack
Akaka	Frahm	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bond	Gramm	Murkowski
Bradley	Hatch	Murray
Breaux	Hatfield	Nickles
Bryan	Heflin	Nunn
Bumpers	Helms	Pell
Burns	Hollings	Reid
Byrd	Hutchison	Robb
Campbell	Inhofe	Rockefeller
Chafee	Inouye	Roth
Coats	Jeffords	Santorum
Cochran	Johnston	Sarbanes
Cohen	Kempthorne	Shelby
Coverdell	Kennedy	Simpson
Craig	Kerrey	Smith
D'Amato	Kerry	Snowe
Daschle	Kyl	Stevens
DeWine	Leahy	Thomas
Dodd	Levin	Thurmond
Domenici	Lieberman	Warner
Exon	Lott	
Feinstein	Lugar	

NAYS—21

Bingaman	Grams	Pressler
Boxer	Grassley	Pryor
Brown	Gregg	Simon
Conrad	Harkin	Specter
Dorgan	Kassebaum	Thompson
Faircloth	Kohl	Wellstone
Feingold	Lautenberg	Wyden

The motion to lay on the table the amendment (No. 4463) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, the Senator from Arkansas is seeking recognition.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Arkansas is recognized.

AMENDMENT NO. 4891

(Purpose: To reduce procurement of F/A–18C/D fighters to six aircraft)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Arkansas [Mr. BUMPERS], for himself, Mr. FEINGOLD, and Mr. KOHL, proposes an amendment numbered 4891.

The amendment is as follows:

On page 22, strike lines 3 through 4, and insert in lieu thereof the following: ''$7,005,704,000, to remain available for obligation until September 30, 1999: Provided that of the funds made available under this heading, no more than $255,000,000 shall be expended or obligated for F/A–18C/D aircraft.''

Mr. STEVENS. Mr. President will the Senator yield to me just a moment?

Mr. BUMPERS. I will be happy to yield.

Mr. STEVENS. Mr. President, it is the plan of the managers of the bill to have the debate on the Bumpers amendment. We feel that amendment will go to a vote sometime between 20 after and 25 after 6. After that, we will have the Harkin amendment, and it will be voted on sometime around 7 o'clock. After that time it will be my intent to ask that all further votes be stacked until tomorrow morning commencing at 9:30, and we will have final passage following that. There will be some few statements just before final passage. We do have a series of amendments to debate yet tonight, but we will have no more votes after the Harkin amendment.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I may yield to the Senator from Iowa for a unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa is recognized.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Kevin Ayelsworth, a congressional fellow on my staff, be permitted floor privileges during debate on the DOD appropriations bill.

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

Mr. BUMPERS. Mr. President, I wonder if we could enter into a time agreement on this amendment.

Mr. STEVENS. Mr. President, we entered into a time agreement, if I may respond to the Senator from Arkansas, based upon our conversation. There is at this time I believe 30 minutes equally divided.

Mr. BUMPERS. Parliamentary inquiry. Is that correct, Mr. President?

The PRESIDING OFFICER. That is correct, 30 minutes equally divided.

Mr. BUMPERS. Mr. President, I ask further unanimous consent that no second-degree amendments——

Mr. STEVENS. Could we have order?

The PRESIDING OFFICER. The Senate will be in order.

There is a request from the Senator from Arkansas that no second-degree amendments be in order. Is there objection?

Mr. STEVENS. There is no objection.

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

Mr. BUMPERS. Mr. President, this amendment is very simple.

While we have 30 minutes to debate it, I hope that we can yield back some of the time.

Let me start by explaining that Senator FEINGOLD has an amendment that deals with the Navy's plans to purchase the E and F models of the Navy's F–18 fighter, which is called the Super Hornet. Now, the existing C and D models of the F–18 Hornet are the Navy's premier carrier fighter interceptors. The General Accounting Office has just issued a report on the Navy's plans to purchase 640 of the advanced models which are now in development, namely the F–18E and F–18F. That report, which is the most powerful GAO report I have ever read, says that it is the height of foolishness to go forward with the purchase of that many F–18E/Fs.

The Navy originally wanted to buy 1,000 of them, 360 of which would go to the Marine Corps. And do you know what the Marine Corps said? ''We don't want them.''

''We don't want them.'' So that means the Navy is going to buy 640 at a cost of roughly $53 million each. And the GAO says the present C/D models that we are using and could continue to use through the year 2015 will do virtually everything the E/F will do. By buying C/D models, at a cost of $28 million, almost 50 percent less, the Navy would save $17 billion.

Now, I tell you those were prefacing remarks because my amendment does not try to eliminate the E/F purchases of the Hornet. I am not trying to eliminate the E/F because Senator FEINGOLD has an amendment he is working on trying to get accepted that would give the Pentagon the opportunity to reconsider its plans to spend $60 billion on the E/F models. It would fence the funds for the E/F until the Pentagon provides Congress with a better justification for its decision. I am a strong proponent of the Feingold amendment; I am a cosponsor. I would have liked to do something stronger, but I know that would not have a chance of winning a vote.

The Pentagon took the GAO study, which says you can save $17 billion by buying F–18C/Ds instead of E/Fs, and they tried to refute every single point the GAO said, and the GAO came back and refuted conclusively—conclusively—Mr. President, every single point the Pentagon made in favor of squandering $17 billion on the F–18E/F.

Here is my amendment. It is very simple. It cuts $234 million for six F–18C/D aircraft that were not requested by the Pentagon and that were not included in the Defense Authorization Bill.

There is, in this bill, one of the strangest things I have ever seen. There is an appropriation for 12 of the C/D models, which the Pentagon says they want to get rid of. What is even stranger is, of the 12, only 6 are authorized; the other 6 are not authorized. The Navy says they want this new, premier, advanced E/F model, not the C/D. So, No. 1, the Pentagon did not ask for them. No. 2, the Senate authorizing committee, chaired by the distinguished Senator from South Carolina, with the ranking member from Georgia, Mr. NUNN, did not authorize them. We just passed the authorizing bill, and there is no authorization for these six airplanes.

With the utmost respect to the chairman and ranking member of the Appropriations Committee on Defense, my dear friends, they just put six more airplanes in the bill. They cost only $234 million. If you say it real fast, it is just nothing.

So I say, if we are going to buy the E/F, why in the world are we going to keep buying C/Ds? And I know that we are going to buy the E/F despite the fact that between now and 2025 we will spend at least $500 million for fighter aircraft. I have been around here 22 years, and I can promise you I can get up on this floor and squeal like a pig under a gate every day and it will not change two votes.

You think about it. By the year 2030 we are going to spend $500 billion for the advanced model Hornet and for the Joint Strike Fighter, and for the F–22.

So, I wish I could stop the E/F. But I am certain in the knowledge, the certain knowledge, that I would not prevail if I sought to stop the Pentagon from going forward with the E/F. You know, the Senate has only killed one weapon system that I can remember, and I cannot think what that was. We only killed one weapons system since I have been in the Senate. The Pentagon occasionally kills one, and they say, ''We do not want it anymore.'' But a lot of times when they say ''we do not want it,'' we impose it on them anyway.

And here is the GAO, which we give hundreds of millions of dollars a year to tell us things, saying you are about to squander $17 billion for nothing, and here I am on the floor of the Senate saying, I know the Senate is going to ignore the advice of the GAO. So I am saying, if we are going to go ahead and buy 640 of these high-priced, $53-million-a-copy fighter planes, for God sakes let us not buy 6 more of the C/D models which are neither requested by the Pentagon nor authorized by the authorizing committee.

Mr. President, I hope Senator NUNN would come to the floor and say that he is going to support this amendment because it was not authorized. I have heard him talk a thousand times about how sick he gets of the Senate appropriating money for things that are not authorized. So here is a chance for the Senate to save a paltry $234 million.

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

The PRESIDING OFFICER. Who seeks recognition?

Mr. STEVENS. Does Senator FEINGOLD seek time on this amendment?

Mr. FEINGOLD. I do, Mr. President.

Mr. STEVENS. How much time is the Senator seeking?

Mr. FEINGOLD. Mr. President, 5 minutes.

Mr. BUMPERS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 6 minutes remaining; the Senator from Alaska, 14 minutes and 50 seconds.

Mr. STEVENS. I will not seek the floor if the Senator wishes to speak now.

Mr. BUMPERS. Mr. President, I would like not to use up all of my time at this point. I would like for the opponents of my amendment to use some time.

Mr. STEVENS. I will be happy to do that, but the Senator was on his feet. I will be glad to let him speak now if he wishes to speak.

Mr. FEINGOLD. I will be happy to defer to the Senator from Alaska.

Mr. STEVENS. Mr. President, it is true that the budget did not request any funds to buy more F–18C's for the Navy. The Armed Services bill included six F–18C's for the Navy. This is authorized. The committee, our subcommittee, added and the Appropriations Committee approved $234 million to buy six single-seat F–18C's for the Navy.

Before his untimely death, we asked Admiral Boorda to list the 10 highest priorities for the Navy this year, and Admiral Boorda listed as the sixth priority, as the CNO, buying six more F–18C's. These replace the less capable F–18A's that are still in the active inventory. The C model has substantial upgrades over the A model. It has better radar and carries more sophisticated weapons. It can fly at night and in adverse weather.

The Navy really needs at least 30 more F–18C's to upgrade its force and accomplish its war-fighting mission. The F–18C procurement was ended because of financial considerations in the past. We still have financial considerations, but these F–18C's we buy now in fiscal year 1997 will be in the inventory of the Navy through at least the year 2018.

I say to my friend from Arkansas, as a pilot, these C models give Navy pilots the ability to fly at night, in adverse weather, with more sophisticated weapons and the best radar in the world. I think it is a needed addition to our Navy.

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

The PRESIDING OFFICER. The Senator from Alaska has 12 minutes and 31 seconds; the Senator from Arkansas, 6 minutes.

Mr. BUMPERS. Mr. President, I yield the Senator from Wisconsin 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I would like to speak briefly in support of the efforts of the distinguished Senator from Arkansas, who is trying to focus attention on the cost implications of decisions that are being made regarding the purchase of tactical aircraft for our various services. As we all know, there is no Member of the Senate who has been a more consistent leader in this area than Senator BUMPERS, constantly pressing for the Senate to subject our military procurement decisionmaking to greater scrutiny.

I appreciate his support for my amendment. A modified version of it appears to have been accepted. Of course, the motivation for that was the GAO report that Senator BUMPERS mentioned. It is entitled ''F/A–18E/F Will Provide Marginal Operational Improvement at High Cost,'' and as the Senator indicated, that marginal improvement is a $17-billion difference, potentially.

We are pleased that process will go forward. The Department of Defense

will respond to the GAO report, and then the GAO will respond to that. I am very pleased and appreciative to the Senator from Alaska for being cooperative on this.

But on the issue of the amendment of Senator BUMPERS, in these times of fiscal constraint, every item in the Federal budget has to be subjected to intense review. The Senator from Arkansas and I and many others are deeply concerned that the Department of Defense is embarking on a range of military aircraft purchases that cannot be sustained in the outyears. The downpayments on these aircraft in the short term really represent only the tip of the iceberg, from the point of view of the cost.

A GAO report in 1996 notes the military services plan to spend more than $200 billion on aircraft and other interdiction weapons over the next 15 to 20 years to add to already extensive capabilities. GAO noted that the various services have overlapping programs, with each service proposing upgrades or new weapons that may offer little additional capability.

So, Mr. President, what the BUMPERS amendment is all about and our effort here is all about is the fact somewhere, somehow, there needs to be some overview of the range of these programs. In fact, the House defense authorization bill contains a requirement for a force structure analysis by the Institutes of Defense Analysis which examines the affordability, effectiveness, commonality, roles and missions and alternatives related to the wide range of aircraft. There are good arguments to be made that we should defer decisions on all these procurement plans pending such a review.

In the short term, the issues relating to the F/A–18 clearly need to be examined. On the one hand, the Navy is seeking to remove the C/D with the E/F. Yet this bill adds funding for 12 C/D's, planes which the Department of Defense has not requested. In fact, the DOD authorization bill just passed by the Senate only authorized six additional C/D's, and now the Appropriations Committee doubles that number.

Before we start adding these additional purchases, I think we ought to know where we are going. Is the Navy going to move toward the more expensive E/F or retain the C/D? My view is that we should rely upon the less expensive, but highly capable, C/D. But, Mr. President, one thing is clear, when it comes to the C/D versus the E/F, it is an either/or choice. We either buy the C/D's or the E/F's, one or the other. It is like going to buy a new washing machine. You find two slightly different and you decide, what the heck, we will buy both of them. We cannot afford to do that. We cannot afford dual purchases.

I support the amendment offered by the Senator from Arkansas which strikes the funding for the six additional C/D's. Whatever the ultimate decision is with regard to the future of the F–18, there is no justification for this increase in the C/D purchases in this appropriations bill.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield to the Senator from Hawaii such time as he may use.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, it is always difficult to speak against the GAO. After all, that organization is a child of the Congress. But in this case, I give great weight to the concerns and the professionalism of the United States Navy. I also note that in recent years, the United States Navy has suffered major aviation setbacks in the acquisition programs. For example, the Congress canceled the A–6F program, the Department of Defense canceled the A–12 program, the Navy canceled the Navy ATF and F–14D program and, as a result, what we have available for us is the F/A–18E and at the present time the C's.

If we are to maintain a production line for the F/A–18E at a reasonable rate, then it would make sense to continue the production even of six models of the C. It will come down to cost. The production line will continue.

Second, there are many who will argue that the millennium has arrived and, therefore, there is really no need for these fancy weapons systems. But I believe that we are being constantly reminded that this world is still very unstable, that there is a need for aircraft carriers, and if we are to have aircraft carriers, obviously there is a need to have planes flying off these carriers. These are carrier planes.

So, Mr. President, on this issue, I prefer to set my vote of confidence with the Navy. I think the Navy is correct in suggesting to us that if they are to carry out their mission, they need this aircraft.

Mr. BOND. Mr. President, the requirement for the additional procurement of F/A–18C/D aircraft does not come from the industrial community and is not a result of trying to string out a program which has come to the end of its viable life.

The requirement comes from the Department of the Navy and its own inventory requirements. According to the Director of Air Warfare for the Navy, a minimum of 436 F/A–18C/D aircraft are required to fill the 10 active carrier airwings. The Navy expects that without continued procurement, it will be 30 aircraft short of the CNO mandated and congressionally approved requirements. If we include the normal attrition factor into the equation, the gap grows even wider for even though the F/A–18 is the safest aircraft in tactical Naval aviation history, approximately eight aircraft per year are lost.

The night-strike capabilities of the C/D are critical to the fighting effectiveness of our carriers and allow for the use of the full range of the Navy's current weapons inventory. These aircraft improve pilot situational awareness and survivability over their A/B model counterparts. They are also fully compatible with shipboard maintenance and diagnostic equipment.

The F/A–18E/F aircraft is on schedule and cost and its performance exceeds expectations so far. So why do we need more C/D's? Because the procurement schedule of the E/F will not produce significant numbers of aircraft until 2009. As my colleagues know, I am a staunch supporter of the F/A–18 E/F, for it does bring so much more warfighting capabilities to the men and women defending us, but that does not relieve us of the responsibility to provide our fliers with these additional C/D's which will bridge the technological void until the E/F's hit the fleet.

Let me put it to my colleagues this way. Advances in aviation, military aviation in particular, are a little like those experienced in the computer world. The strategic mix of aircraft currently in our inventory and those projected to be in our inventory are representative steps in technological advances which will face threats from weapon systems that are advancing as well. Much like computer systems, we can project capabilities beyond our production abilities.

The F–18C/D represents the current cutting edge in tactical Naval aviation, the E/F the next, JAST hopefully the next. But, we cannot in good conscience ask our young men and women to put their lives on the line for us and not give them the best we know we have to offer in the hope of dramatic future improvements which are not yet developed. I urge my colleagues to support, and support fully, the strategic growth of Naval aviation, starting with the continued buy of the C/D's appropriated for in this bill.

Mr. BIDEN. Mr. President, I rise in support of the Bumpers amendment to the Defense appropriations bill. This amendment would save American taxpayers 234 million dollars by eliminating funding for six F/A–18C that the Pentagon has not requested.

Mr. President, the Defense appropriations bill allocates money for 12 more F–18's than the President requested. It appropriates funds for six more F–18C's than the Senate authorized. It commits us to spend 234 million dollars on six aircraft that the Navy does not want.

Mr. President, at a time when we need to cut Government spending, how can we justify throwing away 234 million dollars of the taxpayers' money on these soon-to-be outdated aircraft?

Within this bill is 1.8 billion dollars to purchase the first 12 new F–18E/F fighters for the Navy. The Navy has said that the F–18E/F will be the backbone of its carrier-based forces in the future. This aircraft is to replace the F–14 and older F–18's, so that by 2009, the F–18E/F will comprise a majority of the F–18's in the Navy's inventory. If we are worried about a future military threat, we should direct our procurement to systems of the future, not to

aircraft like the F–18C/D that will be obsolete soon after they are manufactured.

Mr. President, we cannot continue to squander our Nation's resources on aircraft that are not needed to defend this country. We must look for areas where we can cut spending while not jeopardizing our national security. The Bumpers amendment represents such an opportunity. I urge my colleagues to support it.

Mr. STEVENS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alaska has 9 minutes 53 seconds remaining. The Senator from Arkansas has 2 minutes 2 seconds.

Mr. BUMPERS. Mr. President, I wonder if the Senator will object to adding 3 minutes to my time.

Mr. STEVENS. I add 3 minutes to the time of the Senator from Arkansas and yield back the remainder of our time.

Mr. BUMPERS. Mr. President, I thank the Senator very much.

I made this point a while ago, but charts are always much more graphic. Here is where we are headed. For the people around here who are fiscally responsible and really care about the deficit, this is what is going to happen between now and about the year 2025 or 2030. We are going to spend $70 billion on the F–22 fighter for the Air Force; $66.9 billion for the fighter plane that we have been talking about here, the model E/F of the F–18 Hornet, a very, very fine airplane, indeed. But so are the C/D models that we now use. The Joint Strike Fighter will cost about $219 billion. And then sometime around the year 2010 we are going to start buying the replacement interdiction aircraft whose cost we do not know. The cost in today's 1996 dollars for those three fighter planes is $355.7 billion, according to the Congressional Budget Office. With inflation at 2.2 percent, that will come to about $500 billion between now and the year 2030, $500 billion.

Look at this chart. Here are the military budgets of the United States and our potential enemies. The United States, $269 billion; add NATO to it, $510 billion; Russia, $98 billion; China, $29 billion; and the rogue nations, such as Libya, North Korea, a total of $17 billion. We spend twice as much as all of the rogue nations, Russia and China combined. When you add NATO to it, almost four times as much.

This chart shows that today, we have 3,800 fighter aircraft, and they are all so-called fourth generation, the best there is. Look at poor Russia, China, North Korea—not even in the game. Not even in the game. The rogues have only 104 modern fighters divided among them. And we are getting ready to spend $17 billion we should not spend, so says GAO.

Here is another chart. In the year 2005, we will have 3,200 fighter planes. Look, 3,200 fighter planes that all of them will either be fourth or fifth generation aircraft. And the rogues will be no better off than they are today.

I agree with the Senator from Alaska on this point. He says the C/D fighter plane, the Hornet C/D models are very fine night fighters, they are excellent aircraft. I could not agree with him more. If it were left up to me, that is what we would be buying. But, no, we are going to go spend twice as much, $53 million a copy, on the E/F models which the GAO says is an outrageous waste of the taxpayers' money.

Back to my amendment. I am saying you cannot have it both ways. You cannot buy the E/F because it is going to be the hottest thing going and spend $67 billion on it but say we want a few more C/D's at the same time. As a matter of fact, the committee wants 12.

Mr. President, the Pentagon did not ask for 12, even the Navy did not ask for 12, and the committee, chaired by the Senator from South Carolina who is sitting on the floor, the Armed Services Committee of the Senate chaired by Senator THURMOND, authorized six, not 12. And the Subcommittee on Defense appropriations, on which I sit, said, ''No, we'll put another six in,'' even though they were not requested nor authorized. It is a paltry $234 million. It will be the only chance you will have of this entire bill to save one single dollar and do it sensibly.

Mr. President, I yield back the remainder of my time and 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. STEVENS. Mr. President, before the vote starts, I ask unanimous consent that the time on the Ford amendment be limited to 30 minutes equally divided. I have this agreement with the Senator from Kentucky.

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

The question is on agreeing to the Bumpers amendment No. 4891. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 44, nays 56, as follows:

The result was announced—yeas 44, nays 56, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—44

Akaka	Glenn	Lieberman
Baucus	Graham	Moseley-Braun
Biden	Grassley	Moynihan
Bingaman	Harkin	Murray
Bradley	Hatfield	Nunn
Brown	Hollings	Pell
Bryan	Jeffords	Pryor
Bumpers	Johnston	Reid
Byrd	Kassebaum	Robb
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Simon
Dodd	Kohl	Snowe
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feingold	Levin	

NAYS—56

Abraham	Burns	Coverdell
Ashcroft	Campbell	Craig
Bennett	Chafee	D'Amato
Bond	Coats	DeWine
Boxer	Cochran	Domenici
Breaux	Cohen	Faircloth
Feinstein	Inouye	Roth
Ford	Kempthorne	Santorum
Frahm	Kerry	Sarbanes
Frist	Kyl	Shelby
Gorton	Lott	Simpson
Gramm	Lugar	Smith
Grams	Mack	Specter
Gregg	McCain	Stevens
Hatch	McConnell	Thomas
Heflin	Mikulski	Thompson
Helms	Murkowski	Thurmond
Hutchison	Nickles	Warner
Inhofe	Pressler	

The amendment (No. 4891) was rejected.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, we are awaiting an agreement on the disposition of the final amendments of the bill.

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

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

Mr. STEVENS. While we are waiting for the final agreement on the amendments, I will offer an amendment on behalf of Senators FEINGOLD, KOHL, BUMPERS, and myself.

AMENDMENT NO. 4892

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself, Mr. FEINGOLD, Mr. KOHL, Mr. BUMPERS, and Mr. INOUYE, proposes an amendment numbered 4892.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. 8099. (a) Not more than 90 percent of the funds appropriated or otherwise made available by this Act for the procurement of F/A–18E/F aircraft may be obligated or expended for the procurement of such aircraft until 30 days after the Secretary of Defense has submitted to the Congressional defense committees a report on the F/A–18E/F aircraft program which contains the following:

(1) A review of the F/A–18E/F aircraft program.

(2) An analysis and estimate of the production costs of the program for the total number of aircraft realistically expected to be procured at each of four annual production rates as follows:

(a) 18 aircraft.

(b) 24 aircraft

(c) 36 aircraft.

(d) 48 aircraft.

(3) A comparison of the costs and benefits of the F/A–18E/F program with the costs and benefits of the F/A–18C/D aircraft program taking into account the operational combat effectiveness of the aircraft.

(b) Not later than 30 days after the Secretary of Defense has submitted the report required by subsection (a), the Comptroller General of the United States shall submit to the Congressional defense committees an analysis of the report submitted by the Secretary.

Mr. STEVENS. Mr. President, this amendment restricts the obligation of 10 percent of the funds appropriated for the procurement of the Navy F/A–18E/F fighters until the Secretary of Defense submits a report on the F/A–18E/F program.

The amendment is similar to an amendment adopted in the defense authorization bill, and I believe that this is acting in concert with our colleagues on that Armed Services Committee.

This amendment is now acceptable to us. I believe I speak for my friend from Hawaii, also. Does the Senator want to be listed as a cosponsor?

Mr. INOUYE. Yes.

Mr. STEVENS. Mr. President, I ask the Senator from Wisconsin if he has any comment to make.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, my amendment relates to funds appropriated under this bill for production of the F/A–18 E/F, or the Super Hornet as it is commonly called, which I understand will be accepted by the managers. I appreciate their willingness to work with us on this matter.

Mr. President, this amendment is very similar to an amendment that I offered which was adopted on the Defense authorization bill, S. 1745, when it was considered by the Senate on June 28.

Basically, this amendment seeks to limit obligation of funds for the production of this new aircraft until Congress has an opportunity to review carefully the recommendations made by the General Accounting Office in a report issued last month. The GAO report, entitled ''Navy Aviation: F/A–18E/F will Provide Marginal Operational Improvement at High Cost,'' outlines some very important questions that should be considered before we proceed further with procurement of this aircraft. The amendment directs the Department of Defense to submit a report responding to the GAO concerns, and provides an opportunity for GAO to comment on the DOD response. It fences 10 percent of the funds appropriated for procurement of the new aircraft until 30 days after this report is submitted.

At the time I offered a similar amendment to the DOD authorization bill, I discussed extensively the issues raised by GAO. Although I do not want to take the Senate's time today to repeat each of these arguments, I want to highlight some of GAO's concerns.

First, GAO noted that a projected total program cost of more than $89 billion, the Super Hornet Program is one of the most costly aviation programs in the Department of Defense.

Second, the Navy based the need for the development and procurement of the Super Hornet on the basis of existing or projected operational deficiencies of the current model of the F/A–18 in the following key areas: strike range, carrier recovery payload and survivability. In addition, the Navy noted limitations of the current C/D model of the F/A–18 with respect to avionics growth space and payload capacity.

In its report, however, GAO concluded that the operational deficiencies in the C/D that the Navy had cited in justifying the E/F either have not materialized as projected or such deficiencies can be corrected with nonstructural changes to the current C/D and additional upgrades which would further improve its capabilities.

Mr. President, let me stress here that the GAO did not conclude that the F/A–18 E/F is a bad plane. During the debate on this issue on the DOD authorization, several of the proponents of this aircraft spoke about this plane being a highly capable carrier-based tactical aircraft, as it was intended to be. I want to stress, again, that the issue here is whether the additional capabilities of this aircraft justify its additional cost, or whether the current C/D version of the F/A–18 can perform the mission at substantial cost-savings to the Federal taxpayer.

GAO found that the C/D's are performing at higher levels than originally contemplated. For example, the F/A–18C's operating in support of the current Bosnia operations are now routinely returning to carriers with operational loads of 7,166 pounds, which is substantially greater than the Navy projected for this aircraft. In fact, when initially procured in 1988, this aircraft had a total carrier recovery payload of 6,300 pounds. Today, it is significantly higher. In addition, GAO noted that while it is not necessary, upgrading F/A–18Cs with stronger landing gear could allow them to recover carrier payloads of more than 10,000 pounds—greater than that sought for the F/A–18E/F which would be 9,000 pounds.

GAO made similar findings with respect to the C/D's long-range mission capacity. GAO concluded that the Navy's F/A–18 strike range requirements can be met by either the Super Hornet or the C/D, using the 480-gallon external fuel tanks that are planned to be used on the E/F.

Mr. President, I will not detail any further today the areas where GAO noted that the differences in the capabilities of the two aircraft were either not as significant as anticipated or could be minimized by modifications of the C/Ds.

I do, however, want to stress the difference in the cost of these two planes. As I mentioned at the outset, the total program cost of the Super Hornet is projected to be over $89 billion assuming a procurement of 1,000 aircraft—660 by the Navy and 340 by the Marine Corps—at an annual production rate of 72 aircraft per year. However, as GAO noted, these figures are not accurate. The Marine Corps has made it clear that they do not intend to purchase any Super Hornets. Furthermore, an annual production rate of 72 aircraft is not feasible. The Navy has already been directed to calculate costs based upon a more realistic production rate, at 18, 36 and 54 aircraft per year.

Using the overstated assumptions, the Navy calculated the unit recurring flyaway cost of the Super Hornet at $44 million. However, using GAO's more realistic assumptions of the procurement of 660 aircraft, at a production rate of 36 aircraft per year, the cost of the E/F balloons to $53 million.

In comparison, the C/D's cost $28 million each at a production rate of 36 planes per year.

GAO concluded that the cost difference in unit recurring flyaway would result in a savings of almost $17 billion if the Navy were to procure 660 F/A–18 C/Ds rather than 660 F/A–18 E/Fs.

At a time of fiscal constraints on all aspects of the Federal budget, we need to look carefully at whether it is necessary to spend this additional $17 billion on an aircraft that may produce only marginal improvements over the current model.

Mr. President, this question is also important because there is also a far less costly program already being developed which may yield more significant returns in operational capability. This program is the joint advanced strike technology or JAST program which is currently developing technology for a family of affordable next generation joint strike fighter [JSF] aircraft for the Air Force, Marine Corps and the Navy.

The JSF is expected to be a stealthy strike aircraft built on a single production line with a high degree of parts and cost commonality. The Navy plans to procure 300 JSF's with a projected initial operational capability around 2007. The JSF will be designed to have superior or comparable capabilities in all Navy tactical aircraft mission areas, especially range and survivability, at far less cost than the Super Hornet.

The estimated unit recurring flyaway cost of the Navy's JSF is estimated in the range from $32 to 40 million, as compared to GAO's $53 million estimate for the Super Hornet.

Mr. President, given the high cost and marginal improvement in operational capabilities the Super Hornet would provide, it seems that its justification is no longer clear. Operational deficiencies in the C/D aircraft either have not materialized or can be corrected with nonstructural changes to the plane. As a result, proceeding with the E/F program may not be the most cost-effective approach to modernizing the Navy's tactical aircraft fleet. A strong argument can be made that the Navy can continue to procure the C/D aircraft while upgrading it to improve further its operational capabilities. For the long term, the Navy

can look toward the next generation strike fighter, the JSF, which will provide more operational capability at far less cost than the E/F.

As I have indicated previously, the Navy does need to procure aircraft that will bridge between the current force and the JSF which will be operational around 2007. The question is whether the F/A–18C/D can serve that function, or whether we should proceed with an expensive new plane for what appears to be a marginal level of improvement. The $17 billion difference in projected costs does not appear to provide a significant return on our investment.

For these reasons, I think it would be prudent to adopt a go-slow approach to the F/A–18 E/F program and allow Congress sufficient time to review GAO's findings, the Defense Department's response, and GAO's evaluation of that response.

Mr. President, there is one issue I want to specifically address regarding the obligation of funds under this appropriations bill for the F/A–18 E/F program. At the time the GAO report was submitted to Congress, the Navy responded that the GAO concerns were premature because the final procurement decision had not been made by DOD. DOD indicated that the final decision could not be made until the Defense Acquisition Board had made its low rate initial production [LRIP] milestone decision in the first quarter of calendar year 1997. At that time, DOD contended the Board would convene for a thorough program review. It is my understanding that although there may be some procurement funds obligated prior to the DAB decision, the bulk of the funds would not be committed until this milestone decision is made next year. DOD would, under this amendment, also be preparing its report in response to this amendment during the same period of time, and hopefully, answers to some of the questions raised by GAO would be thoroughly examined during this process prior to the final decisions for fiscal year 1997 funding. Congress will also have an opportunity to review this information and halt or slow down procurement if deemed appropriate.

Over the long term, it is important that we carefully consider all of the issues surrounding the planned procurement of some 1000 F/A–18 E/F's. I believe that this amendment will assist in getting the relevant information, and I appreciate the cooperation of the managers in moving us in that direction.

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

The amendment (No. 4892) was agreed to.

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

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

The motion to lay on the table was agreed to.

ALUMINUM METAL MATRIX COMPOSITES

Mr. D'AMATO. Mr. President, I am concerned with a project under the Defense Production Act which is currently caught up in the Department of Defense. On October 5, 1995, the President notified Congress that DOD intended to utilize title III of the Defense Production Act (DPA) to address industrial resource shortfalls for the production of Aluminum Metal Matrix Composites (AL MMC). Funding in the amount of $15,000,000 was to be made available for this effort. It is my understanding that staff in the Under Secretary of Defense (Acquisition & Technology) office are attempting to divert these funds to other title III programs.

According to Assistant Secretary of the Army (Research, Development and Acquisition) Gilbert F. Decker, ''the Army has valid requirements for components manufactured with Al MMC to support its armored combat vehicle fleet.'' In fact, Mr. Decker wrote to Under Secretary Kaminski asking that he continue to reserve the funding for its original purpose, adding that ''use of Al MMC material will result in both a significant weight reduction and increase in the durability of manufactured parts. It also promises a significant weight reduction and increase in the durability of manufactured parts. It also promises a significant cost savings over current materials.''

Under Secretary of Defense Kaminski approved the project as well stating that ''Aluminum Metal Matrix Composites (Al MMC) is an enabling technology that will increase combat performance and reduce life cycle costs for a variety of defense systems, e.g., missiles, where reduced weight will reduce time to kill and/or increase range.''

The funds necessary for this project are already appropriated monies and need no further authorization or appropriation to be spent. Based upon my understanding, it is the desire of the Army to proceed expeditiously on the procurement of Aluminum Metal Matrix Composites with title III funds. Unfortunately, DOD personnel on the staff level have decided to step in the way of this project, Mr. Chairman, that is unacceptable.

Mr. STEVENS. I thank the distinguished Senator from New York for bringing this problem to the attention of the Committee. I can assure the Senator that we will look into this matter and further discuss it with our colleagues in the House when we go to Conference.

DOD NATURAL RESOURCES ASSESSMENT

Mr. WARNER. Mr. President, as you and Senator STEVENS know, the Defense authorization bill is currently in conference and I am a conferee on that legislation. Section 248 of that bill as passed by the House contains a provision which authorizes a natural resources assessment and training delivery system improvement program to enhance the Department of Defense's capabilities for complying with its own requirements to protect and conserve the natural ecosystems on military installations. This provision was sponsored by Representative HANSEN of Utah. I am hopeful that the Senate conferees will accept the Hansen amendment in conference.

The purpose of this colloquy is to urge the prospective Senate conferees on the Defense Appropriations bill to give consideration to providing a means of funding the Hansen amendment. Specifically, it is my understanding that $3,400,000 would be required to allow a consortium of environmental experts, including institutions of higher education in my State of Virginia and others, to assist the Department of Defense to monitor natural resources in training and weapons testing areas, to address the highest priority DOD environmental conservation requirements as identified by the Pentagon last year. It is my understanding that this program will help save funds in carrying out these important military requirements.

I ask that Senator STEVENS and the Senate conferees on the Defense appropriations bill do whatever is possible to identify funding to carry out this important military environmental initiative in fiscal year 1997. Can the distinguished Chairman address this matter?

Mr. STEVENS. I want to thank the distinguished Senator from Virginia for bringing this important matter to my personal attention. I am somewhat familiar with the proposal contained in the House-passed Defense authorization bill and it sounds reasonable. I will assure the Senator from Virginia that I will work between now and the conclusion of conference on this appropriations bill to find a way to provide funding for the natural resources assessment and training delivery system improvement program that has been identified by my colleague. One possible avenue that will be explored is the Defense Legacy Program.

Mr. WARNER. I thank my friend and colleague for his consideration of this project.

DOD TRANSIT PROGRAM

Mr. WARNER. Mr. President, I would like to bring to your attention the fact that none of the Department of Defense organizations currently participates in a transit benefit program available to all Federal civilian and military personnel. This is particularly significant given the Metro facilities at the Pentagon. The program, offered by the Washington Metropolitan Area Transit Authority (WMATA), and authorized under the Federal Employees Clean Air Incentives Act, Public Law 103–172, enacted in 1993, allows Federal agencies to provide a tax free benefit of up to $65 per month in employer-provided transit passes to help defray the costs of daily commutes by public transportation. The Federal Government is also permitted to provide up to $165 per month for parking costs, similarly excluded from an employee's taxable income. These benefits are identical to

those enjoyed by private sector employees under the Energy Policy Act of 1992.

This incentive program for Federal employees has been an unqualified success. The 100 Federal agencies in this area, including the United States Senate, that participate in the WMATA Program, called Metrochek, have reduced parking costs, decreased employee absenteeism rates and improved employee morale and productivity. The program also results in significant energy conservation and environmental benefits and serves to reduce traffic congestion, by encouraging Federal employees to take public transit, rather than driving alone in their automobiles.

Mr. STEVENS. This certainly appears to be a worthwhile program. I would like to join the distinguished gentleman in encouraging Department of Defense organizations to participate. In your opinion, what would be the most efficient method for gaining their participation?

Mr. WARNER. First, Mr. President, the Department of Defense should instruct its organizations to survey the area's Department of Defense employees to accurately estimate how many employees might benefit from this program. Additionally, I request the Chairman's support in directing some of DOD's largest organizations to conduct a demonstration program to test the effectiveness of this program. For example, there are over 40,000 civilian and military Army employees in the Washington area. WMATA estimates that approximately 6,400 employees could utilize the Metrochek Program. Similarly, the Navy and Marines have 58,000 employees in this area, of which 8,700 may be able to utilize the program; and the Air Force has over 21,000 employees, of which 3,300 could benefit.

Mr. STEVENS. I would be pleased to join the distinguished Senator in strongly encouraging these DOD organizations to establish demonstration programs in order to more closely examine the potential of this program.

Mr. WARNER. I want to thank the Chairman. It seems to me that given the substantial Federal investment made in Metrorail, we have an obligation to utilize this extraordinary asset. More than half of the Metro stations serve Federal installations. The Metrorail System was built with the full partnership of the Federal Government, dating back to the Eisenhower Administration. I appreciate the Chairman's willingness to promote this important program which benefits Federal employees, while reducing congestion and improving air quality in this region.

ADVANCED MATERIALS INTELLIGENT PROCESSING CENTER

Ms. MOSELEY-BRAUN. Mr. President, I would like to express my appreciation to my colleagues, the senior Senator from Alaska, TED STEVENS, and the Senior Senator from Hawaii, DAN INOUYE, for the funding provided for the Advanced Materials Intelligent Processing Center in the fiscal year 1997 Defense Appropriations legislation. I believe the Center will provide returns to the American taxpayers by enhancing the affordability of military hardware and defense readiness.

At present, the affordability of military hardware is determined in part by the cost of fabricating components and the stockpiling of weapons for future use. Advanced materials, which are increasingly used in military hardware because they provide important performance benefits, can be difficult and expensive to process. Weapons are presently manufactured and stockpiled at great cost in part because technologies are not yet in place that would allow a mothballed plant to be reactivated quickly, or a commercial manufacturing plant to be converted rapidly to military production.

The Advanced Materials Intelligent Processing Center can address both of these cost factors by providing an integrated approach for the fabrication of military hardware containing advanced materials. The Center will develop processing techniques that can help to lower the cost of fabricating military components from advanced materials, and help to lower the cost and the need for stockpiling.

Numerous studies have shown that inadequate processing technology can contribute to the high cost of advanced materials. In addition, the Federal Government spends far more on product development (95 percent of Federal research and development) than on process development, in contrast to Japan where the breakdown of research and development funding is exactly opposite, and where affordable advanced materials are being developed far more rapidly than in the United States.

The Center is the culmination of more than two years of discussion and planning with organizations such as the Army Materials Laboratory polymer composites group, the Air Force Material Laboratory controls group and ceramic-matrix composites group, Argonne National Laboratory, the NIST polymer composites group and the Office of Intelligent Processing of Materials, the IHPTET Fiber Development Consortium, and the Navy's Center of Excellence in Composites Manufacturing Technology.

Northwestern University is uniquely qualified to establish and operate the Center because of its international reputation in materials science, its nationally recognized effectiveness in interdisciplinary R&D, industrial collaboration, technology transfer, and its experience in operating R&D consortia related to the production of advanced military hardware. Northwestern's Department of Materials Science and Engineering is consistently ranked among the top five such departments in the Nation, and Northwestern's Material Science Center was among the first of such laboratories funded by the Federal Government.

In addition, Northwestern's Institute of Learning Sciences is nationally recognized in using artificial intelligence for adaptive learning systems. Finally, Northwestern's industrial research laboratory, BIRL, has successfully worked with many commercial and military suppliers to develop and transfer new advanced materials and processing technologies.

With the end of the cold war, the Nation's industrial capacity to provide defense hardware has declined dramatically through the closure or conversion to commercial use of defense manufacturing facilities. Many U.S. defense firms may be unable to convert their operations rapidly to large-scale military production. The funding recommended in this year's legislation would allow for development of a center that can help address the defense readiness of our industrial base.

In closing, Mr. President, I would like to again commend my colleagues on the subcommittee for their efforts on behalf of this center.

Mr. STEVENS. I appreciate the kind words of the distinguished Senator From Illinois. I am aware that Northwestern University in Evanston, IL would be well qualified to operate the Advanced Materials Intelligent Processing Center and will give this program every consideration for funding during conference of this bill.

COMPUTER EMERGENCY RESPONSE SYSTEM

Mr. SPECTER. Mr. President, I have sought recognition for the purpose of engaging my good friend, the distinguished chairman of the Defense Appropriations Subcommittee, in a colloquy regarding support for the Computer Emergency Response Team Coordination Center [CERT/CC], located at Carnegie Mellon University's Software Engineering Institute in Pittsburgh, PA. CERT/CC has operated since 1988 under the sponsorship of the Defense Advanced Research Projects Agency [DARPA]. Its mission is to respond to computer security emergencies and intrusions on the Internet, to serve as a central point for identifying vulnerabilities, and to conduct research to improve the security of existing systems.

The number of computer emergencies handled by CERT/CC has grown from 132 in 1989 to nearly 2,500 in 1995. The severity of these incidents has also increased dramatically. Finance and banking, medicine and transportation rely heavily on computer networks. But as terrorists, ordinary criminals, and rogue states grow more technologically sophisticated, our vulnerability to attacks on our computer networks has grown. In light of these vulnerabilities, it is critical for the United States to develop networks capable of surviving attacks while protecting sensitive data. In my view, CERT/CC can play a critical role in ensuring the security of our computer systems.

The Defense Department had planned to reduce funding for this critically important activity. However, an amendment offered by Senators NUNN, SANTORUM and KYL, and included in the fiscal year 1997 Defense Authorization bill, authorizes $2 million to the Software Engineering Institute to continue this effort. This important provision will enable CERT's incident-handling activity to continue through fiscal year 1997. It is my hope that an appropriate long-term source of funding for CERT will be identified during the coming fiscal year.

Mr. STEVENS. Mr. President, I thank my colleague from Pennsylvania for his comments. I agree that the CERT provides a critical function for the Defense Department at a time when our computer systems and networks are being attacked by computer hackers. I will work to provide an appropriate level of funding for CERT activities.

Mr. GRAMM. Mr. President. I would like to discuss with the distinguished Chairman and ranking member of the Defense Subcommittee an important matter that I and a number of our colleagues have been working on. As I am sure they are aware, the Senate adopted an amendment I offered to the fiscal year 1997 Senate Defense Authorization bill that would require the Defense Department and the Department of Health and Human Services to jointly submit to the Congress no later than September 6, 1996 a detailed military retiree Medicare subvention demonstration program implementation plan. That amendment also authorized funds to pay for the demonstration program. Currently, however, the fiscal year 1997 Defense Appropriations bill does not include funding for this important effort. I would like to bring this matter to the attention of my colleagues, and to propose expediting a reprogramming request in fiscal year 1997 to fund the demonstration program should the Congress authorize it for fiscal year 1997.

Mr. STEVENS. Mr. President, I am aware of the efforts of my colleague, and understand that if the Congress authorizes the demonstration program in fiscal year 1997 some funds may need to be appropriated. Since we do not yet know how much funding could be required, it is impossible for the subcommittee to act at this time. I assure my colleague that the subcommittee supports Medicare subvention and we would be willing to work with my colleague from Texas and the administration to expedite the reprogramming of 1997 funds if the Congress authorizes a Medicare subvention demonstration program in fiscal year 1997.

Mr. INOUYE. Mr. President, I too am well aware of this issue. I am pleased to have been a cosponsor of the amendment to the fiscal year 1997 Defense authorization bill to which my colleague from Texas referred, as well as being an original cosponsor of his demonstration legislation, S. 1487. I strongly support the Senate's efforts to attempt to authorize a Medicare subvention demonstration program in fiscal year 1997 and look forward to reviewing the joint report when it is submitted on September 6. I assure my colleague from Texas that I will be pleased to work with him and the administration to try to expedite the reprogramming of fiscal year 1997 funds if the Congress is able to authorize the demonstration in fiscal year 1997.

Mr. GRASSLEY. Mr. President, I would like to thank the chairman of the committee, my friend from Alaska, Senator STEVENS, and my friend the ranking minority member, Senator INOUYE, for doing the good work again this year on the Defense Department's problem disbursements.

The bill includes a provision—section 8089—that makes the Department match disbursements with obligations before payments are made.

This measure helps to sustain the momentum we started back in 1994, continued in 1995, and re-energized this year.

Section 8089 ratchets down payment thresholds even more as recommended in audit reports just issued by the inspector general and General Accounting Office.

This piece of legislation and the accompanying report language send the right message to the Department.

We intend to keep the pressure on until this problem is fixed.

That's the message the bill sends.

I thank Senator STEVENS and Senator INOUYE for their willingness to follow through on this important issue.

Mr. DOMENICI. Mr. President, this Defense Appropriations bill, S. 1894, provides $244.8 billion in new discretionary budget authority and $243.2 in total discretionary outlays for the Department of Defense. There are some major elements to this bill that are important for Senators to know.

The bill, as reported, is within the Defense Subcommittee's Section 602(b) allocation and, thus, complies with the requirements of the Budget Act.

The bill fully funds certain important initiatives that were requested by the President, including a three percent pay raise for all military personnel and the end strengths for all of the active and reserve military services.

More importantly, the bill also funds needed increases in each of the major accounts of the defense budget. Each of these accounts was left with major underfunding problems by the administration's budget request. The administration would have us believe that these increases are uncalled for an excessive; following that advice would have the following consequences:

Programmed medical care for military beneficiaries would be underfunded by $475 million, and that care would be reduced.

The average age of military barracks that is now over 30 years would increase.

The average age of tactical aircraft would increase to over 20 years, and some Air Force fighters would be as old as 40 years.

Flight training for Air Force fighter pilots would decrease from 20 hours per month to an unacceptable 16 hours.

The size of Air National Guard squadrons would shrink to 12 aircraft each from a level that was 18 to 24 just a few years ago.

In short, while the administration would have people believe that the increases we are funding in this bill are excessive and unnecessary, the facts are that these increases will only help to slow—not prevent, let alone reverse—some serious deterioration in our Armed Forces.

In fact, in terms of constant—inflation adjusted—dollars, this bill is a real-dollar decrease from last year's appropriations, and, despite its apparent increases, it constitutes the twelfth straight year of decline in real-dollar defense spending.

The chairman of the Defense Subcommittee, Senator STEVENS, and the Subcommittee staff deserve the thanks of the Senate for their extremely skillful crafting of this bill. It makes the best possible use of the limited funds available; in many respects, it does more—with less—than other defense bills before Congress, and, most importantly, it helps to stem the aging and shrinking in our weapons inventory and the reduced training and readiness that the administration's anemic defense budget would impose on our Armed Forces.

Finally, Mr. President, I ask unanimous consent that a table showing the relationship of the reported bill to the Defense Subcommittee's 602(b) allocation be printed in the RECORD.

I urge the adoption of this bill.

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

DEFENSE SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1997, in millions of dollars]

	Budget authority	Outlays
Defense Discretionary:		
Outlays from prior-year BA and other actions completed	.....	80,733
S. 1894, as reported to the Senate	244,561	162,247
Scorekeeping adjustment	.....	.....
Subtotal defense discretionary	244,561	242,980
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	.....	12
S. 1894, as reported to the Senate	.....	.....
Scorekeeping adjustment	.....	.....
Subtotal nondefense discretionary	.....	.....
Mandatory:		
Outlays from prior-year BA and other actions completed	.....	.....
S. 1894, as reported to the Senate	184	184
Adjustment to conform mandatory programs with budget resolution assumptions	12	12
Subtotal mandatory	196	196
Adjusted bill total	244,757	243,188
Senate subcommittee 602(b) allocation:		
Defense discretionary	244,565	242,985
Nondefense discretionary	.....	12
Violent crime reduction trust fund	.....	.....
Mandatory	196	196
Total allocation	244,761	243,193

DEFENSE SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL—Continued

[Fiscal year 1997, in millions of dollars]

	Budget authority	Outlays
Adjusted bill total compared to Senate subcommittee 602(b) allocation:		
Defense discretionary	−4	−5
Nondefense discretionary	.....	.....
Violent crime reduction trust fund	NA	NA
Mandatory	.....	.....
Total allocation	−4	−5

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. STEVENS. Mr. President, I yield to the majority leader.

Mr. LOTT. Mr. President, again, I want to thank the managers of the bill for the good work they have done. They have done an incredible job in working through a long list of amendments and making sure that all the Senators' interests are protected.

It looks to me like they have reached a point here where we can bring the DOD appropriations bill to a conclusion, with votes in the morning. We are waiting for one final clearance. We hope to get that, and there are calls being made now.

I thank the Democratic leader publicly for his help in working through these amendments and on a number of other issues we are working on.

I will not ask unanimous consent right now, but I thought I might outline what the two managers have come up with, and that would be this: All remaining amendments to the Department of Defense bill be offered and all debate occur tonight, and that any rollcall votes ordered with respect to these amendments begin at 9:30 in the morning, with the first vote limited to the standard time, and all remaining stacked votes be reduced to 10 minutes in length, with 2 minutes equally divided on each before the votes so that there will be an explanation; following the disposition of all of those amendments and all other provisions of the bill, we would go to third reading, and Senator DORGAN would be recognized for 5 minutes for closing debate, and there would be 5 minutes equally divided between the two managers, and following that, final passage.

If sounds to me like all of this could probably be done within an hour or so, and then we would go right after that into the consideration of S. 1956, which is the reconciliation bill. If we can get a final clearance on that, then we would be able to officially announce that there would be no further votes tonight. We have not gotten that finally agreed to at this point. But I think it would be very good if we could get that completed and go to reconciliation. Of course, we would have to have it. The bill would have to be available, and we believe it will be available by 10:30 in the morning.

Let me do this while we are waiting. I thought maybe we could go the agreement at any moment now. Would the Senator from Iowa like to go ahead and proceed? Then would he be willing to yield to me to put this unanimous consent as soon as we get final clearance?

Mr. HARKIN. Any time.

Will the majority leader yield on the unanimous-consent request?

Mr. LOTT. Certainly.

Mr. HARKIN. Again, maybe my ears did not pick it up. Any time we have debate in the evening and we stack votes in the morning, this Senator feels that it is appropriate to give at least a couple of minutes in the morning before the votes.

Mr. LOTT. That would be included in the unanimous-consent request.

Mr. STEVENS. A minute on each side.

Mr. LOTT. I yield the floor, and hopefully we can get the final word momentarily.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

AMENDMENT NO. 4492

(Purpose: Relating to payments by the Department of Defense of restructuring costs associated with business combinations)

Mr. HARKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, and Mr. SIMON, proposes an amendment numbered 4492.

Mr. HARKIN. 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 88, between lines 7 and 8, insert the following:

SEC. 8099. (a)(1) Not later than February 1, 1997, the Comptroller General shall, in consultation with the Inspector General of the Department of Defense and the Director of the Office of Management and Budget, submit to Congress a report which shall set forth recommendations regarding the revisions of statute or regulation necessary—

(A) to assure that the amount paid by the Department of Defense for restructuring costs associated with a business combination does not exceed the expected net financial benefit to the Federal Government of the business combination;

(B) to assure that such expected net financial benefit accrues to the Federal Government; and

(C) in the event that the amount paid exceeds the actual net financial benefit, to permit the Federal Government to recoup the difference between the amount paid and the actual net financial benefit.

(2) For purposes of determining the net financial benefit to the Federal Government of a business combination under this subsection, the Comptroller General shall utilize a 5-year time period and take into account all costs anticipated to be incurred by the Federal Government as a result of the business combination, including costs associated with the payment of unemployment compensation and costs associated with the retraining of workers.

(b) No funds appropriated or otherwise made available for the Department of Defense by this Act may be obligated or expended to process or pay any claim for restructuring costs associated with a business combination under the following:

(1) Any contract, advance agreement, or novation agreement entered into on or after July 12, 1996.

(2) Any contract, advance agreement, or novation agreement entered into before that date unless the contract or agreement specifies that payment for costs associated with a business combination shall be made under the contract using funds appropriated or otherwise made available for the Department by this Act.

Mr. HARKIN. Mr. President, I ask unanimous consent that Senator SIMON's name be added as a cosponsor of the amendment.

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

Mr. LOTT. Mr. President, if the Senator will yield, I believe we have this agreement.

UNANIMOUS-CONSENT AGREEMENT

Mr. President, I ask unanimous consent that all remaining amendments to the Department of Defense appropriations bill be offered, that all debate occur today, and that the rollcall votes ordered with respect to these amendments begin at 9:30 a.m., on Thursday, July 18, with the first vote limited to the standard time, and all remaining stacked votes reduced to 10 minutes in length with 2 minutes equally divided prior to each vote for explanation.

I further ask unanimous consent that, following disposition of the amendments, all other provisions of this consent agreement apply; and, following third reading of H.R. 3610, that Senator DORGAN be recognized to be followed by 5 minutes equally divided between the two managers; and, following the conclusion or yielding back of time, the Senate proceed to vote on final passage of H.R. 3610, as amended, without further action or debate; and following disposition and passage of H.R. 3610, the Senate turn to consideration of S. 1956, the reconciliation bill.

Mr. DASCHLE. Reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Mr. President, for the information of all Senators, there will be no further votes this evening. However, Members who have amendments will have to remain to offer and debate their amendments. Those votes, including passage, will occur beginning at 9:30 a.m. Also, following passage of the DOD appropriations bill, the Senate will begin reconciliation.

Therefore, a number of votes will occur during Thursday's session of the Senate.

Again, I thank Senator DASCHLE, Senator STEVENS, and Senator INOUYE

for the great work they have done here, and all Senators because it takes a lot of cooperation to get a unanimous-consent agreement.

We will continue to try to move bills that we get agreement on, and judges that we have agreement on, so that we can continue to work together and do the business of the Senate.

I thank Senator HARKIN for yielding this time.

AMENDMENT NO. 4492

The PRESIDING OFFICER. By previous agreement, the proponents of the Harkin amendment have 30 minutes under the control of the Senator from Iowa, and the opponents have 15 minutes.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, this is a very simple amendment. Let me try to explain it by beginning this way. If you remember the $600 toilet seats, and the $500 hammers in the Department of Defense, well, what is going on right now is going to make those look like a real bargain. What has happened since 1993, due to a policy change that was never debated on the Senate floor, never published in the Federal Register, is that taxpayers are now paying for mergers and acquisition costs of defense contractors.

Yes. You heard me right. Any defense contractor that merges—acquires other companies—the taxpayers get to pick up the bill. I know it is hard to believe. But it is actually happening.

The cost estimated so far of doing this just since 1993 is over $300 million. There is somewhere in the neighborhood of about $2 billion in costs pending that the taxpayers will have to pick up unless we do something about it and stop this nonsense—this egregious attack on the taxpayer dollars.

In 1993 the DOD, at the request of defense contractors, changed its policy on reimbursing companies for corporate mergers without adequately notifying Congress. This change in the interpretation of the Federal acquisition rules is far reaching. Every department and agency of the Government is affected. Yet, the Senate has not had one hearing nor significant floor debate on this issue.

Mr. President, this amendment simply seeks to assure that what proponents of this form of corporate welfare claim—that it will lead to rational downsizing of the defense industry and result in net savings to the taxpayer—is actually realized. As of now both of those claims do not seem to be supported by the facts.

Let me read a couple of passages from a recent DOD inspector general report dated June 28, 1996, on page 9. ''Contractors''—meaning defense contractors—''are submitting cost proposals for activities called concentration, transition, economic planning, and other terms that do not immediately suggest restructuring and make the cost issues difficult for the Government to review, administer, and resolve.''

On page 10 of the same IG report,

One contractor's restructuring proposal projected savings over 10 years. The contractor's projections are highly speculative since the volume of Government business is not guaranteed. The same contractor also proposed savings based on ''synergies in the work force'' [how about that one?] a term that is not defined in the existing procurement regulations, and is difficult at best to monetize and evaluate.''

Another contractor proposed keeping subcontract profits [listen to this one] in its prime contract price, although it now owned the subcontractor and would be receiving a profit on top of a profit.

Another example:

A contractor voluntarily deleted costs to win a competitive program and subsequently identified those costs as restructuring.

And billed the taxpayers for it.

On page 16, the same IG report, which just came out about 3 weeks ago:

Amortization based on the projection of extended savings can almost make a marginal acquisition appear attractive by spreading costs over a long period, and comparing them to the projected savings to determine savings. In all cases, amortization periods were selected for arbitrary reasons, such as the length of time needed to achieve restructuring savings, or to meet available funding otherwise not supported by generally accepted accounting principles.

There is more, but I will leave that for right now.

As I said earlier, Mr. President, proponents also say the policy is going to save taxpayers' money. How many times have we heard that old song? The record is spotty at best.

According to a GAO study of one business combination, ''The net cost reduction certified by DOD represents less than 15 percent of the savings projected to the DOD 2 years earlier when they sought support for the proposed partnership.''

Less than 15 percent of the projected savings were actually being achieved. That alone proves the need for my amendment.

Clearly, projected savings are not being realized. Yet, there is absolutely no mechanism for DOD to recoup actual losses to the Government. As a result, the American taxpayer is being asked to pick up the tab.

In addition, the current practice is to measure only cost to the Department of Defense when contractors merge and lay off thousands of hard-working Americans. The costs associated with Government-subsidized social services like worker retraining are not tallied. Neither are the costs associated with lost payroll tax revenue. My amendment would fix that by requiring the Comptroller to include all costs to the Government in his recommendations.

Although I believe this practice must stop, maybe this is too much to do right now, but that is why I am offering this very modest amendment. What this amendment does is it merely puts a 1-year moratorium on these payments so the Comptroller General can give us the tools we need to take a close look at the policy and to ensure that taxpayers recoup any payments in excess of realized benefits. It will also allow us to have hearings on this far-reaching policy change.

Mr. President, this amendment is very similar to one adopted in the House on June 13. On June 13—get this—the House of Representatives, by voice vote, adopted an amendment even more stringent than mine. It would be retroactive. It would go back even on the contracts that are held right now.

When I first proposed my amendment on the defense authorization bill, some of the Members came to me and said, ''Oh, my gosh. This is going to open up the Government to all kind of lawsuits—breach of contract.'' Well, all right, I took that into account. This amendment that I offer is not like that amendment. This amendment is only prospective. It allows the Government to pay the costs for which it is currently obligated, but it prevents any further obligation.

Let me be very clear about this, especially to the managers of the bill. This amendment allows the Government to pay costs for which it is currently obligated but prevents any further obligation.

Let me just discuss this policy in more detail. Lawrence Korb, the Under Secretary of Defense under President Reagan, supports this amendment. According to an article by him in the summer 1996 issue of the Brookings Review, this wasteful practice was initiated by the Pentagon in July 1993. The Pentagon claims that this was not a change of policy but merely a clarification of existing policy. However, no one can come up with examples of such corporate welfare before the 1993 decision. And there are several examples of such requests being denied. So it was a policy change, a serious and costly one.

If this was not a policy change and merely a clarification of existing policy, then you better look out, because we have got mergers and acquisitions going back to the late 1970's, and they are all going to be marching up here and saying, well, it was existing policy.

I hope the managers of the bill and their staffs will think about this and respond to this. You cannot have it both ways. If this is a change in policy, then it was not published in the Federal Register. It did not follow the rules, Federal rules. There were no hearings held in the Senate. We never debated it. If, however, as the Pentagon claims, this was not a change in policy but only a clarification of existing policy, then the taxpayers of this country ought to have to pay for every merger and acquisition going all the way back, and so the ones that were denied in the past will now come back to haunt us because they will come back and say, by your own words, this was existing policy.

That is why even the $2 billion we are looking at that is pending now is going to mushroom to $3 billion, $4 billion, $5 billion. Who knows when it will all end?

Let me read a little bit from Mr. Korb's article. First of all, from his letter to me dated July 11.

As I testified in July 1994 before the House Armed Services Committee, and as I have written in Foreign Affairs, the Brookings Review and the Baltimore Sun, I do not believe that such payments are necessary to promote the rational downsizing of defense industry. Moreover, by its policy of subsidizing defense mergers and acquisitions, the Clinton administration has already created mega-companies that will stifle competition and wield tremendous political power.

The conditions that the amendment places on paying the subsidy will ensure that Federal money will not go towards mergers that would have occurred without the subsidy or before the policy change. In addition, your amendment—

Talking about my amendment—

Will guarantee that there will be real savings to the taxpayer and that these savings are documented.

In the article that he had in the Brookings Review in the summer issue, Mr. Korb pointed out how this happened. He said:

To date, the Pentagon has received 30 requests for reimbursement for restructuring. Lockheed Martin alone expects to receive at least $1 billion to complete its merger.

How did it happen? In July 1993, John Deutch, then the undersecretary of defense for acquisition, responded to pressure on his boss, William Perry, from the chief executive officers of Martin Marietta, Lockheed, Loral and Hughes by deciding to allow defense companies to bill the Pentagon for the costs of mergers and acquisitions.

According to Deutch . . . the move was not a policy change but a clarification of existing policy.

Deutch is wrong . . . This is a major policy change. It is not necessary. And it will not save money.

Mr. Korb goes on in his article. He says:

Indeed, during the Bush administration, the Defense Contract Management Agency rejected a request by the Hughes Aircraft Corporation to be reimbursed for $112 million in costs resulting from its acquisition of General Dynamics' missile division.

But on July 21, 1993, Deutch wrote a memorandum stating that restructuring costs are indeed allowable and thus reimbursable under Federal procurement law.

Deutch's position that he was merely clarifying rather than making policy is not supported by anyone, even those who favor the change. The procurement experts in his own department disagreed vehemently. On June 17, 1993, the career professionals at DCMA told him that the history of the FAR argues against making the nonrecurring organization costs associated with restructuring costs allowable and noted that they had disallowed these costs in the past.

The DCMA position was also supported by Don Yockey, the undersecretary of defense for acquisition in the Bush administration, the Aerospace Industries Association, the American Bar Association's Section on Public Contract Law, and the American Law Division of the Congressional Research Service. * * *

In Luckey's opinion, Deutch's position is based on semantics, not legality.

Mr. President, I ask unanimous consent the cover letter to this Senator and the article that appeared in the Brookings Review, summer 1996, be printed in the RECORD.

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

THE BROOKINGS INSTITUTION,
CENTER FOR PUBLIC POLICY EDUCATION,
Washington, DC, July 11, 1996.

Hon. TOM HARKIN,
U.S. Senator,
Washington, DC.

DEAR SENATOR HARKIN: As you requested, I am writing to give you my opinion on your amendment to S. 1894, that would prohibit the secretary of defense from paying the restructuring costs resulting from a merger or acquisition in the defense industry after July 11, 1996, and permits the Federal government to recoup funds from those companies that merged prior to this date if the net federal benefit does not exceed the amount paid to the companies.

As I testified in July 1994 before the House Armed Services Committee, and as I have written in Foreign Affairs, the Brookings Review, and the Baltimore Sun, I do not believe that such payments are necessary to promote the rational downsizing of defense industry. Moreover, by its policy of subsidizing defense mergers and acquisitions, the Clinton administration has already created mega-companies that will stifle competition and wield tremendous political power.

The conditions that the amendment places on paying the subsidy will ensure that federal money will not go toward mergers that would have occurred without the subsidy or before the policy change. In addition, your amendment will guarantee that there will be real savings to the taxpayer and that these savings are documented.

I appreciate your asking for my opinion on this matter and would be happy to answer any questions you might have.

Sincerely,

LAWRENCE J. KORB,
Director.

[From the Brookings Review, Summer 1996]

MERGER MANIA

(By Lawrence J. Korb)

McDonnell Douglas, Martin Marietta, Ling-Temco-Vaught (LTV). As the telltale compound names signal, mergers and acquisitions have long been a staple of the U.S. defense industry. But since the Clinton administration took office in 1992, the number of mergers has increased dramatically.

In 1991, military mergers were valued at some $300 million. by 1993, the value had climbed to $14.2 billion. It will top $20 billion in 1996. In 1993 Martin Marietta purchased General Electric's defense division and General Dynamics' space division. At about the same time Lockheed purchased General Dynamics' aircraft division, while Loral purchased LTV, Ford Aerospace, and Unisys. Then in 1994 Lockheed merged with Martin to become Lockheed Martin, and a year later Lockheed Martin purchased Loral to produce a $30 billion giant known as Lockheed Martin Loral, which now controls 40 percent of the Pentagon's procurement budget.

During this same period. Northrop outbid Martin for the Grumman aircraft company, and the new company in turn bought the defense division of Westinghouse. On a somewhat smaller scale, Hughes bought General Dynamics' missile division and Raytheon purchased E-Systems. Among the true defense giants, only McDonnel Douglas has not yet made a major purchase.

Spokesmen for the defense industry cite two reasons for this sudden rush of mergers. First, merger mania is sweeping U.S. industry generally. Second, with the end of the Cold War, defense spending has fallen so dramatically that excess capacity in the defense industry can be eliminated only through consolidation. As Norman Augustine of Lockheed Martin has observed, for the defense industry this is 1929.

Superficially these reasons seem quite plausible. Merger mania has certainly hit many areas of American industry, such as banking and communications. In 1992 Chemical Bank merged with Manufacturers Hanover, and in 1995 they combined with Chase Manhattan to form a single company. In the past year, Time, which had merged with Warner Communications in 1990, purchased Turner Broadcasting; Capital Cities/ABC merged with Pacific Telesis; and Bell Atlantic merged with NYNEX.

And defense spending has indeed fallen since the end of the Cold War. In current dollars, projected defense spending for fiscal year 1997 is about 40 percent below that of a decade ago, and procurement spending is about one-third what it was at its peak in the 1980s.

But what industry spokesmen fail to note is that the decline in defense expenditures has been greatly exaggerated and that, unlike the private-sector restructuring, the government is subsidizing defense mergers.

Remember the $600 toilet seats and the $500 hammers that had taxpayers up in arms during the mid-1980s? Today's subsidized mergers are going to make them look like bargains. The outrageously priced toilet seats and hammers were the result of defense companies taking advantage of a loophole in acquisition regulations. This time, the taxpayers are being fleeced at the hands of the Pentagon's civilian leadership, whose secret reinterpretation of the regulations has rained hundreds of millions of dollars upon the defense industry. To date the Pentagon has received 30 requests for reimbursements for restructuring. Lockheed Martin along expects to receive at least $1 billion to complete its merger.

HOW DID IT HAPPEN?

In July 1993, John M. Deutch, then the undersecretary of defense for acquisition, responded to pressure on his boss, William Perry, from the chief executive officers of Martin Marietta, Lockheed, Loral, and Hughes by deciding to allow defense companies to bill the Pentagon for the costs of mergers and acquisitions. According to Deutch, who has since been promoted to deputy secretary of defense and then to director of Central Intelligence, the move was not a policy change but a clarification of existing policy. In Deutch's view, not only was the clarification necessary to promote the rational downsizing of the defense industry, it would also save taxpayers billions in the long run.

Deutch is wrong on all three counts. This is a major policy change. It is not necessary. And it will not save money.

A commonsense reading of the Federal Acquisition Regulations (FAR) would lead a reasonable person to conclude that organization costs are not allowable. The regulations state that since the government is not concerned with the form of the contractor's organization, such expenditures are not necessary for or allowable to government contracts. Indeed, during the Bush administration, the Defense Contract Management Agency (DCMA) rejected a request by the Hughes Aircraft Corporation to be reimbursed for $112 million in costs resulting from its acquisition of General Dynamics' missile division. As far back as the Nixon administration, during the post-Vietnam drawdown of defense spending, which was as severe as the current drawdown, the Defense Department rejected a similar request from General Dynamics.

But on July 21, 1993, Deutch wrote a memorandum stating that restructuring costs are

indeed allowable and thus reimbursable under federal procurement law. Because Deutch regarded the memo as merely a clarification of existing policy, he saw no need for a public announcement. Indeed, he did not discuss his ''clarification'' with the military services or Congress or even inform them of it. Congress found out about it accidentally nine months after the memo was written when Martin Marietta tried to recoup from the Pentagon about $60 million of the $208 million it paid for General Dynamics' space division. A somewhat astonished Senator Sam Nunn (D-GA), then chairman of the Senate Armed Services Committee, remarked, ''Why pay Martin Marietta [60] million?''

Deutch's position that he was merely clarifying rather than making policy is not supported by anyone, even those who favor the change. The procurement experts in his own department disagreed vehemently. On June 17, 1993, the career professionals at DCMA told him that the history of the FAR argues against making the nonrecurring organization costs associated with restructuring costs allowable and noted that they had disallowed these costs in the past.

The DCMA position was also supported by Don Yockey, the undersecretary of defense for acquisition in the Bush administration; the Aerospace Industries Association (AIA), the trade association for aerospace companies; the American Bar Association's Section on Public Contract Law; and the American Law Division of the Congressional Research Service.

Yockey, who was Deutch's immediate predecessor as procurement czar and who is both a retired military officer and former defense industry executive, argued in a July 13, 1994, letter to the professional staff of the House Armed Services Committee that by definition, structure means organization, and that the FAR does not allow the reimbursement of organization costs. Indeed, it was Yockey himself who told DCMA to reject Hughes' request for reimbursement for its purchase of General Dynamics' missile division.

In a September 28, 1993, letter to Eleanor Spector, the director of defense procurement, Leroy Haugh, vice president of procurement and finance of AIA, stated that the Deutch memo constituted a significant policy decision and an important policy change. Therefore, Haugh asked Spector to promptly publish notice of this policy change in the Federal Register and to consider amending the regulations. In a May 3, 1994, letter to Deutch, Donald J. Kinlin, the chair of the ABA Section on Public Contract Law, urged Deutch to modify the FAR since at that time it did not reflect the changes made in Deutch's July 1993 memorandum. What is significant about the AIA and ABA positions is that both groups support Deutch's change.

Finally in a June 8, 1994, memorandum John R. Luckey, legislative attorney for the Congressional Research Service, stated that while formal amendment of the FAR could make restructuring costs allowable, the argument that they are allowable under the current regulations appears to contradict their plain meaning. In Luckey's opinion, Deutch's position is based on semantics, not legality.

In short, the political leadership of the Clinton defense department made a significant policy change that as a minimum should have been published in the Federal Register and, as Secretary Perry later admitted, cleared in advance with Congress.

THE SUBSTANCE OF THE ISSUE

This end run around the administrative and legislative processes by the Pentagon is unprecedented, but even more important is whether the Defense Department and the Taxpayers should be giving the defense industry a windfall by allowing a write-off of substantial parts of restructuring costs. For four reasons, the answer to that question should be an emphatic ''No.''

First, like Mark Twain's death, the decline of the defense industry in this country has been greatly exaggerated. As Pentagon and industry officials endlessly point out, defense spending in general, and procurement spending in particular, have declined over the past decade. They note that between fiscal year 1985 and fiscal year 1995, the defense budget declined 30 percent in real terms and procurement spending fell 60 percent. But that comparison ignores the fact that between fiscal year 1980 and fiscal year 1985, the defense budget grew 55 percent and the procurement budget grew a whopping 116 percent. Defense spending in real terms is still at about its Cold War average, and the defense budget for fiscal year 1996 was higher than it was for fiscal year 1980. In inflation-adjusted dollars, Bill Clinton spent about $30 billion more on defense in 1995 than Richard Nixon did in 1975 to confront Soviet Communist expansionism. Using fiscal year 1985, the height of the Reagan buildup, as a base year distorts the picture. It would be like comparing spending in the Korean and Vietnam wars to the level of World War II and concluding we did not spend enough in Korea and Vietnam. Moreover, procurement spending will rise 40 percent over the next five years, and the pentagon is now soliciting bids for the $750 billion joint strike fighter program.

Similarly, while defense employment has fallen 25 percent over the past eight years, it grew 30 percent in the five years before that. More people work in the defense sector now than at any time in the decade of the 1970s. Moreover, much of the decline in the defense industry is attributable to the reengineering or slimming down that is sweeping all American industries, even those with an increasing customer base.

Finally, if one adds the $266 billion worth of U.S. arms sold around the world since 1990 (a scandal in itself) to the $300 billion in purchases by the Defense Department, American defense industry sales are still at historic highs. Defense is still a profitable business—which explains why defense stocks are still quite high despite the jeremiads of industry spokesmen. Over the past year Lockheed Martin stock has increased 48 percent in value. Northrop Grumman is up 50 percent and McDonnell Douglas a whopping 80 percent.

Second, taxpayer subsidization is no more necessary today to promote acquisitions and mergers than it has ever been. Just about every major defense company today is the product of a merger, some of them decades old. For example, General Dynamics acquired Chrysler's tank division in the early 1980s, and McDonnell acquired the Douglas Aircraft Company in the late 1960s. Even today in the supposed ''bull market,'' plenty of bidders vie for the available companies. Three years ago, several companies engaged in a fierce bidding war for LTV. And Northrop outbid Martin Marietta for Grumman. It is hard to believe that if taxpayer subsidies were not available, companies would not buy available assets if it made good business sense. If they paid a little less for their acquisitions, the taxpayers rather than the stockholders would benefit. In the bidding war for Grumman, both Martin and Northrop offered significantly more than market value, thus giving Grumman's shareholders a financial bonanza of $22 a share (a bonus of nearly 40 percent). Raytheon paid a similar premium to acquire E-Systems in April 1995. Should the government allow Northrop's and Raytheon's stockholders to reap a similar bonanza by subsidizing those sales?

Over the past five years, William Anders, the former CEO of General Dynamics, made himself and his stockholders a fortune by selling parts of his company to Hughes, Martin, and Lockheed. Since 1991 General Dynamics' stock increased 550 percent and the company has stashed away $1 billion. Should we also help the stockholders and executives of the buying companies? Did defense companies offer the taxpayers a rebate during the boom years of the 1980s when their profits reached unprecedented levels?

Third, the Defense Department has no business encouraging or shaping the restructuring of defense industry, or as Deutch puts it, ''promoting the rational downsizing of the defense industry.'' Who is to determine what is rational? A government bureaucrat or the market? While government shouldn't discourage restructuring, it should stay at arm's length. If the deal does not make good business sense, the company will not proceed, As Martin did not when the price for Grumman became too high. Moreover, might not these mergers create megacompanies that will reduce competition and may be very difficult for the political system to control? The Lockheed Martin Loral giants, for example, is larger than the Marine Corps. With facilities in nearly every state and 200,000 people on its payroll, its political clout is enormous. And it presents problems over and above its sheer size. For example, Loral sells high-tech components to McDonnell Douglas for its plane, which is competing with Lockheed Martin for the $750 billion joint strike fighter program. How can Loral be a partner in promoting the McDonnel Douglas plane against the Lockheed Martin entry?

Fourth, past history indicates that these mergers end up costing rather than saving the government money. Both the General Accounting Office and the Department of Defense Inspector General have found no evidence to support contentions by Deutch and defense industry officials that previous mergers had saved the government money. Indeed, on May 24, 1994, the Inspector General found that the claim of Hughes Aircraft that its 1992 purchase of General Dynamics' missile division saved the Pentagon $600 million was unverifiable. Moreover, under the Deutch clarification, contractors can be reimbursed now for savings that are only projected to occur in the distant future. And if these savings do not occur as projected, how will the Pentagon get its (our) money back?

BRING BACK THE MERGER WATCHDOGS

Mergers always have been and always will be a feature of the U.S. defense industry. And the government has a role in those mergers. But that role—as exemplified by the successful 1992 Bush administration challenge of Alliant Techsystem's proposed acquisition of Olin Corporation's ammunition division—is to ensure that they preserve sufficient competition to enable the Pentagon to get the best price for the taxpayer. It is definitely not to increase company profits and limit competition by subsidizing the merger. Not only should the Defense Department abolish the new merger subsidy, it should follow the lead of its predecessors and scrutinize the anticompetitive aspects of all future mergers.

Mr. HARKIN. So this practice is clearly an abuse of taxpayers' money. If these companies are compelled to merge for business reasons, why do they need a handout from the taxpayer? If the business deals are good, the mergers will happen anyway and the taxpayers will receive any savings without paying anything out. If the deals are bad, then we should not gamble taxpayer funds on them.

You would think we would have learned from the savings and loan debacle. You would think we would have learned from the $600 toilet seats and $500 hammers, too. I just do not think it is right to make taxpayers absorb the business costs of an industry capable of paying its own merger expenses.

Mr. Korb points out defense is still a profitable business. Over the past year, Lockheed Martin stock increased 48 percent in value, Northrop Grumman is up 50 percent, McDonnell Douglas, a whopping 80 percent.

Anyway, right now we have a situation where we give an up-front payment, hopefully for some savings that come down the line. But we do not know whether those savings are going to accrue. One analysis we have shows that only about 15 percent of the savings actually accrued. Here is what other groups have to say on the subject.

The Cato Institute: ''The costs associated with mergers should not be absorbed by federal taxpayers. This is an egregious example of unwarranted corporate welfare in our budget.''

Taxpayers for Common Sense: ''It is time for the Pentagon to drop this ridiculous 'Money for nothing' policy.''

The Project on Government Oversight: ''The new policy is unneeded, establishes inappropriate government intervention in the economy, promotes layoffs of high-wage jobs, pays for excessive CEO salaries, and is likely to cost the government billions of dollars.''

Mr. President, I ask unanimous consent these letters from Taxpayers for Common Sense and the Project on Government Oversight be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TAXPAYERS FOR COMMON $ENSE,
July 15, 1996.

Senator TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: Taxpayers for Common $ense supports your amendments to the Defense Appropriations Bill that would place a moratorium on payments by the Department of Defense to defense contractors for restructuring costs associated with corporate mergers. Your amendment would also require proof for the taxpayers, in the form of a report to Congress, that there is a net savings when defense contractors merge. As you know, a similar amendment recently passed the House during consideration of the Defense Appropriations.

Under existing policy, the Pentagon can spend appropriated funds to reimburse defense contractors for expenses related to corporate mergers. Proponents will argue that in the end these mergers could save U.S. taxpayers money. However, the recent merger of the Lockheed company and Martin Marietta for form Lockheed-Martin provides disturbing evidence of the cost to the taxpayer. Lockheed-Martin may be eligible for up to $1.6 billion in reimbursements. Until there is proof that mergers by defense contractors save taxpayer money, we should no longer be blindly handing out ''several billions of dollars'' as estimated by GAO (GAO/T–NSIAD–94–247).

Taxpayers for Common $ense believes no tax dollars should be spent subsidizing a business cost of a mature industry. We support your amendment as a step in the right direction toward common sense spending by the Pentagon and urge all members of the Senate to support your amendment.

Sincerely,

JILL LANCELOT,
Legislative Director.

PROJECT ON GOVERNMENT OVERSIGHT,
Washington, DC, July 11, 1996.

Attn: Kevin Aylesworth.
Senator TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: The Project on Government Oversight strongly endorses the Harkin Amendment to the Fiscal Year 1997 Defense Appropriations bill, S. 1894, to ban payments to defense corporations for post-merger ''restructuring'' costs, and to improve assurances that past agreements on mergers do in fact lead to actual savings for the public treasury.

The government should not be in the business of promoting and subsidizing defense mergers, which are already happening at a record pace. The defense industry is already dangerously concentrated—the newly-formed Lockheed Martin Loral accounts for an astounding 40% of the defense procurement budget. The subsidy payments thrust the government inappropriately into free market decision making, and will serve to further reduce the economic competition that is the ultimate basis for low-cost production.

The payments are also exacerbating two highly disturbing trends in U.S. industry—widespread layoffs in high-wage jobs, and the parallel explosion of outrageously high CEO salaries. By subsidizing the costs of restructuring, which usually means laying off tens of thousands of workers, and reimbursing corporations for lavish executive salaries, this unfortunate policy accelerates rather than restrains these trends.

The defense industry continues to be awash in profits, ''pork'' contracts, and federal subsidies. At a time when government resources are severely constrained, this wasteful corporate welfare program subsidizing mergers should be halted immediately.

We applaud your efforts to reverse the damage caused by the Defense Department's misguided policy on merger payments, and appreciate the leadership you have shown in exposing and correcting this waste, which will otherwise end up costing the government billions of dollars.

Sincerely,

DANIELLE BRIAN,
Director.

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Iowa has 12 minutes 15 seconds.

Mr. HARKIN. I would like to address some issues that may be bothering some of my colleagues. I know some representatives of defense contractors have visited with my colleagues. They have told them my amendment will hurt workers because the companies are relying on the taxpayer money to help them. This is completely and totally untrue.

According to the rules of this subsidy, DOD cannot reimburse companies for helping fired workers unless the companies were already obligated to do that. Understand, under the subsidy rules, Government money cannot go to a company to help fired workers unless the companies were already obligated to do that under existing contracts with the workers. In other words, the taxpayers' subsidies will never reach the laid-off workers.

Mr. President, if you do not believe me, let me read a letter from James Carroll, directing business representative of the International Association of Machinists, Lodge 709, Marietta, GA. He says:

I am the Directing Business Representative and President of . . . Local Lodge 709, based in Marietta, Georgia. Our Local represents workers at Lockheed Martin's assembly plant. Over the past five years, many thousands of our members have been laid off because of these cutbacks in defense and cost cutting measures by Lockheed Martin. Contrary to the facts of an increasing stock value and skyrocketing executive compensation, our members did not receive any compensation or retraining assistance from the Lockheed Martin Corporation.

Mr. President, I want to make it very clear that, under the present subsidy arrangement, these workers will not get any Government money regardless of what representatives of the defense industry may have told my colleagues. ''Our Members did not receive any compensation from Lockheed Martin Corporation.''

If they did not under the company's agreement, they will not get any from the Government. They will only get the money from the Government if the company already helped them.

Mr. President, I ask unanimous consent the letter from James Carroll of the International Association of Machinists be printed in the RECORD.

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

AERONAUTICAL MACHINISTS
LODGE NO. 709, IAMAW—AFL–CIO,
Marietta, GA, June 13, 1996.

Hon. BERNIE SANDERS,
House of Representatives,
Washington, DC.

DEAR MR. SANDERS: Following up on the letter sent by our International President George Kourpias on May 15, I would like to bring to your attention the urgent need of defense industry workers who have been and continue to be displaced during this time of reduced defense spending and cost cutting by America's private defense companies.

I am the Directing Business Representative and President of the International Association of Machinists and Aerospace Workers Local Lodge 709 based in Marietta, Georgia. Our Local represents workers at Lockheed Martin's assembly plant. Over the past five years, many thousands of our members have been laid off because of these cutbacks in defense and cost cutting measures by Lockheed Martin. Contrary to the facts of an increasing stock value and skyrocketing executive compensation, our members did not receive any compensation or retraining assistance from the Lockheed Martin Corporation. In fact, during this last round of negotiations which concluded only two months ago, we proposed several innovative ideas to Lockheed Martin which would provide for retraining assistance to displaced aerospace workers. However, we were unable to reach agreement on any of these innovative ideas.

We certainly hope that you are successful in your attempts to bring some fairness and

equity to these workers and workers in the future who have dedicated years of service to building America's defense products.

With best regards,

JAMES M. CARROLL,
Directing Business Representative,
IAM Local Lodge 709.

Mr. HARKIN. Some colleagues have said the contractors are going to sue the Government for breach of contract. I do not know what they are talking about. If a company has a contract with the DOD that specifies that payment must be made from fiscal year 1997 funds, it will be paid under my amendment. If there is no such clause in the contracts, then they will not be paid from 1997 funds. There is no breach of contract here. What my amendment is, is simply a 1-year moratorium on payments we are not obligated to pay in 1997.

I know there was an amendment adopted earlier today of Mr. BRADLEY. It called for a study. That amendment makes the best case for my amendment. It is a clear recognition we do not know how to assure that any payments for merger claims are purely waste. What my amendment does is it says we are going to have a moratorium for 1 year. If you had in your contract you would be paid out of fiscal year 1997 funds, you will be paid. If there is no such existing agreement, then there is a 1-year moratorium until we can get the study done that I call for.

I might add, that is a study done by GAO in concert with OMB and the inspector general, not some internal study done by the Department of Defense. So we can get the study back early next year, we can take a look at it and we can address this a year from now.

But mind you, if we do not put in a 1-year moratorium, you mark my words, they are going to rush in and they are going to sign these things in the next few months and they are going to lock it in. Then the arguments will be true that if we attempt to stop it, they will sue for breach of contract. Now is the time to put the 1-year moratorium on. Now is the time to stop this nonsense.

I know, I remember when the $600 toilet seats and $500 hammers came up, people scoffed. The people of this country understood it. The taxpayers of this country understand this, too. They understand it is not right for them to pay compensation for executives, board members getting $200,000-and-some a year bonuses when they merge, and the workers being fired and not getting any retraining or compensation whatsoever. This money will not help the workers one bit.

It is egregious. I cannot think of anything in my 22 years here in the Congress that I have seen to be this egregious. All I can say is those in the defense industry—and not all of them—but those who have propounded this, those who came to Secretary Perry and Under Secretary Deutch and got this changed, all I can say is: Don't you have any shame at all? None whatsoever? It is time to end this practice.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Alaska is recognized. The Senator has 15 minutes. The Senator from Iowa has 6 minutes 45 seconds.

Mr. STEVENS. Mr. President, we have faced a dilemma. As we have reduced defense procurement by more than 60 percent in the last 10 years, that has led to significant overcapacity in the defense industry. But at the same time, we have had the difficulty of trying to ensure the preservation of an industrial base capable of maintaining the strongest military power in the world. Now, without restructuring this industry, that overcapacity would have led to higher overhead costs that would have increased the price of defense goods and services and continued the downward spiral, really, of the amount actually available for acquisition of systems that we need to assure our men and women of the armed services that they have the best in the world to be prepared to defend us with.

Restructuring of this defense industry, in my judgment, has reduced the unit prices. We have lower unit prices, and we now have long-term savings for the Department of Defense and the taxpayers as a result of the restructuring. Our committee has urged and fostered that restructuring.

A contractor must negotiate restructuring costs with the Department. Not all costs of restructuring are paid by the Department. The Department of Defense policy that has been laid down by the Congress and the Department is such that if the restructuring plan, and its allowable costs, do not save the taxpayers money, the Department of Defense will not agree to pay any of the restructuring costs.

In the past 3 years, the Department of Defense has reimbursed contractors $300 million in these restructuring costs, and we estimate that will save $1.4 billion in defense costs. That is a 450 percent return on the contribution of the Department of Defense to the restructuring plans.

I might add that if there are plans that are approved, restructuring costs that benefit employees would not be allowed if the amendment of the Senator from Iowa is adopted. It would not allow severance pay for employees. It would not allow early retirement incentive payments for employees. It would not allow employee retraining costs. It would not allow relocation expenses for retained employees, and many times they are moved to different locations. I know several significant examples of very long movements for those who have retained. Those clearly ought to be a cost to be repaid by the Department when it results in a lower cost to the Government.

The amendment of the Senator from Iowa would not allow the repayment of outplacement services for employees helping them find new jobs. Above all, it would not allow continued medical, dental, life insurance coverage for terminated employees for the period of time involved.

We believe the amendment of the Senator from Iowa goes in the wrong direction. We have adopted now by consent the Bradley amendment, which the Senator from Iowa mentioned. It does require the comptroller general to give us a study by early next year—I believe it is by April 1—on the analysis of these restructuring costs.

Under current procedure, the costs that are not allowed are incorporation fees of the new entity, the merged entity; attorney, accountant, broker, promoter, organizer, management consultant, investment banker, or investment counselor fees cannot be paid, and those are the substantial costs of restructuring; interests or other costs of borrowing to finance an acquisition or merger are not recoverable from the Department of Defense; any payment to employees of special compensation in excess of the contractor's normal severance pay practice are not recoverable; any payment to employees of special compensation which is contingent upon the employee remaining with the contractor for a specified period of time following a change in management control are not payable by the Department of Defense; and any cost deemed unreasonable or excessive by the Department are not repayable.

Mr. President, as I said, in my judgment, we face a very difficult task. We look forward to the report that we will get from the Bradley amendment. But in other areas, we are actually paying money to maintain industrial base. We had the President, contrary to my judgment, decided to buy the *Seawolf*. Why? Because we had to maintain the industrial base to build submarines. We have had other instances where we actually paid industries to keep going in order to maintain the industrial base for the future.

The restructuring process brings together and merges industrial parts so that the successor entity is capable of producing for the Government at a lower cost under the circumstances that we are buying smaller amounts and we are buying different types of equipment.

I really do believe restructuring is in the best interest of the taxpayers of this country. I look forward to the study, but I oppose the Senator's amendment. This is not a question of a hammer or toilet seat or coffee pot. This is a question of maintaining the industrial base of the United States so that we can continue to be the leader of the world.

We are exporting, as we said this morning, some 14 billion dollars' worth of industrial products that are made by these industries. They are sold overseas. The fact that they are constructed by these industries and produced by these industries and sold overseas yields us a lower unit price for the taxpayers of this country to allow

us to continue to replace, I do not care what it is, tanks or ships or aircraft. We need to maintain those to maintain the defense of this island Nation.

I say to the Senator from Iowa, with all good will to him and what he is trying to do, it is wrong to put this concept of restructuring costs in the same category as those fees which we all condemned which were wasteful. These are not wasteful costs, Mr. President. They are the costs of downsizing the production units that we built up during the cold war in order to maintain our freedom. Now we are downsizing those units so that we can continue to be able to defend our freedom in the future.

I spent a lot of my personal time going over some of these plans to try to assure that they are, in fact, in the public interest. We have had conversations with the Department of Justice on them and with other entities, industry and Government, to make sure it is on the right course, because of the fact that we know there are going to be increased costs down the line in the future because we are, in fact, going to acquire fewer units for our own use. Our policy should be to assure the survival of an industrial base that is capable of meeting demands throughout the world in order that we, too, may continue to have the advantage of prices based upon substantial production and not the limited production to meet our own needs.

Does the Senator from Hawaii have any comments? I yield the remainder of my time to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, it is always very difficult to speak in opposition to my friend, Senator HARKIN, but I am certain all of us will agree that corporate restructuring and corporate mergers are part of the daily business world. It is not the exception, it is the rule.

These mergers are carried out for a very simple reason, and that is to reduce the cost of operations. In recognition of this, the Department of Defense has adopted a policy that not only allows but encourages defense contractors to enter into restructuring or corporate mergers in order to save money for our Department and, in turn, save money for our taxpayers.

These costs, Mr. President, have to be certified by auditors of the Department of Defense.

And these auditors will have to determine that the cost to be offset must be lower than the savings accrued to the Government through efficiencies.

As a result, having encouraged industry to consolidate and to have lower costs, obviously industry responded. Based upon that anticipation, many companies have entered into restructuring. This amendment, though it may appear to be meritorious, would not allow defense contractors to charge the restructuring costs as legitimate overhead costs on DOD contracts.

I believe logic will lead us to conclude that if industry cannot consolidate, if industry cannot merge, if it cannot restructure, it will not become more efficient and thereby lower overall costs. This will simply mean that the taxpayers of the United States will have to pay additional sums to support an inefficient industrial base.

So, Mr. President, I concur with the current policy of the Department of Defense that encourages contractors to restructure and merge, and that this amendment would be contrary to that policy. So I join my chairman in opposing the Harkin amendment. I yield back the balance of my time.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized. The Senator has 6 minutes, 43 seconds. The Senator from Alaska has 2 minutes, 22 seconds.

Mr. HARKIN. Mr. President, I listened to my two good friends—and they are just that—responding to my remarks. I am wondering if they are talking about my amendment. My friend from Hawaii says that this amendment would not allow them to restructure and reorganize. There is nothing in my amendment that says that, not one thing in my amendment, I say to my friend from Hawaii.

My amendment simply says, No. 1, we get a report by next spring, the inspector general and OMB and GAO to submit a report to set out just what is happening here and what kind of savings.

It says then that no funds appropriated in this bill can be used this year. This is this year's bill, fiscal year 1997. No funds in this bill can be used to pay for a merger acquisition unless it has already been contracted to do so. So if there is an existing contract right now, that specifies that we are to pay merger and acquisition costs out of this bill. That is OK.

What we say in this amendment is that we are going to put a 1-year moratorium on signing any new ones, just signing any new ones. As I said, Mr. President, mark my word, if we do not adopt this amendment, in the next few months you will have a rush by these companies to sign them, lock themselves in, and then they will raise the specter of, uh-oh, it is a breach of a Government contract if you do not ante up and pay it. That is why we need the 1-year moratorium. That is all it is.

I say to my friend from Alaska, my amendment does not say that we cannot pay all of these attendant costs that he mentioned. He mentioned housing costs. He mentioned all these kinds of things, severance pay, retraining, relocation.

He said my amendment would not allow for that. My amendment does not mention that. My amendment says a 1-year moratorium. That is all, a 1-year moratorium. But if they have gotten contracts that say they should be paid this year, they will be paid.

Further, I again reply to my friend from Alaska with the letter from the head of the Machinists Union at Martin Marietta, who said that over the last 5 years members have been laid off because of cutbacks. ''* * * our members did not receive any compensation or retraining assistance from the Lockheed Martin Corporation.''

The way the subsidy is now structured, I say to my friends, under the Department of Defense, they still will not get anything. They will only get it if, in fact, there was an agreement by those companies to provide it in the first place. So, again, I hope that they would look at my amendment and read it for what it is.

Let me just say one other thing. We talked about two other things. The industrial base—we have heard about, well, we are going to erode the industrial base. I say to my friend from Alaska, profits are at an all-time high in the defense industry. I do not think we have to worry about eroding the industrial base of this country.

Again, I refer to the article by Lawrence Korb that appeared in the Brookings review where he pointed out that they are making record profits, that Grumman shareholders got a bonanza of $22 a share, a bonus of 40 percent when they merged. Since 1991, General Dynamics' stock increased 550 percent, and the company has stashed away $1 billion. We are not eroding the industrial base of this country. If it is good business practice, they are going to merge.

That brings me to my final point, I say to my two good friends. We asked representatives of the defense industry, I say to my friend from Hawaii, we asked them—you know, these industries do not just deal with the Government. They have private industries that they deal with and that they contract with. We asked them, in any of your contracts with the private sector, do you have a clause like this in your contract that they will help pay? Not a one. Not a one. Just for the Government. So I say to my friends, this is not an overburdensome amendment.

I know the first amendment I offered—maybe the managers of the bill think this is the first amendment I offered back under the authorization bill. It is not. I recognized that there might be a problem with breach of contract. That is why we put a clause in there that said if they have an existing contract, that they are to be paid those out of this bill—we are only talking about fiscal year 1997—they must be paid. I am only talking about those who did not have that kind of an agreement. Then there is a 1-year moratorium. We get the report back. We find out what we are talking about. That gives us some time.

I say to my friends from Alaska and Hawaii, please do not put us in a position where, over the next several months, companies will come in, lock in their contracts, and there is not a darn thing we will be able to do about

it because then it will be a breach of a Government contract. Let us stop it right now, put a moratorium for 1 year, get the report, and then figure out what we want to do. Let us figure out—maybe the defense authorizing committee or the Appropriations Committee might want to spell out in more detail what it is that will be reimbursable, what is the period of time that we will take into account, and should we have a recoupment clause.

Mr. President, what if they project all these savings, the taxpayers rush in, give them hundreds of millions of dollars for mergers and acquisitions, and then the savings are not realized? What do we do? Nothing. Perhaps we need a policy of recoupment that if, in fact, those savings are not realized over, say, 5 years, that we should have a policy of recoupment so that we can recoup back to the taxpayers the money that was spent out if, indeed, the savings do not accrue.

So I think it is a logical and a reasonable amendment with just a 1-year moratorium. I think the facts are on our side. I think the people are on our side on this issue, too. This does not go as far as the House bill. The House bill was retroactive, and there may be some—

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

Mr. HARKIN. Mr. President, I ask unanimous consent for 2 minutes.

The PRESIDING OFFICER. Is there objection for an additional 2 minutes? Without objection, it is so ordered.

Mr. HARKIN. I think there may be some problems with that House bill in terms of breach of contract, so that is why we took it out of here.

I hope the managers will take another look at this amendment and how it is written and hopefully be able to support and include it in this bill, because I think it will go a long way towards, again, letting companies restructure, if in the marketplace—if in the marketplace—that is the best thing for them to do. Let it happen. But the Government should not be an active player in it one way or the other. That is all this amendment seeks to do.

Mr. President, I ask unanimous consent that a document by the Congressional Research Service, the Library of Congress, be printed in the RECORD.

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

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, June 8, 1994.

From: American Law Division.

Subject: The allowability of restructuring costs in Federal procurement.

This memorandum is furnished in response to your request of June 2, 1994, for a legal analysis of the position of the Department of Defense (DOD) stated in the memorandum of July 21, 1993[1]* and supported in subsequent DOD documents that restructuring costs are allowable costs and thus reimbursable under Federal procurement law. Specifically you have requested an opinion as to whether this represents a change in policy from that set out in the Federal Acquisition Regulations (FAR) so as to call for amendment of the FAR and the accompanying administrative procedures or is merely a clarification of existing practice.

The FAR does not use the term restructuring costs. Therefore, while it is quite correct to say, as DOD does, that there are no cases or regulations which make restructuring costs unallowable,[2] it is equally true that there are no cases or regulations which do allow their reimbursement. ''Restructuring cost'' is not a term which has been used in this area, and therefore, it is misleading to draw a conclusion from this lack of mention.

DOD would define restructuring costs as: ''Restructuring costs result from changes to a contractor's organization in an effort to address a declining base or to enhance business efficiencies. Restructuring represents events driven by internal change such as downsizing or external changes such as acquisitions, mergers divestitures, etc. This implementing guidance addresses restructuring costs which result from nonroutine nonrecurring, or extraordinary events. Restructuring efforts are expected to result in a current or future economic benefit for the Government.''[3] These costs would include such costs as ''facilities consolidation, facilities shut down, severance pay, relocation, equipment write-off, and information system conversion.''[4]

To find restructuring cost to be allowable, DOD has attempted to distinguish or exempt these costs from two types of costs which the FAR states are unallowable. First, the FAR does not allow reimbursement of organization costs. Part 31 of the FAR states:

''(a) Except as provided in paragraph (b) of this section,[5] expenditures in connection with (1) planning or executing the organization or reorganization of the corporate structure of a business, including mergers and acquisitions, (2) resisting or planning to resist the reorganization of the corporate structure of a business or a change in controlling interest in the ownership of a business, and (3) raising capital (net worth plus long-term liabilities), are unallowable. Such expenditures include but are not limited to incorporation fees and costs of attorneys, accountants, brokers, promoters and organizers, management consultants and investment counselors, whether or not employees of the contractor. Unallowable reorganization costs include the cost of any change in the contractor's financial structure, excluding administrative costs of short term borrowings for working capital, resulting in alterations in the rights and interests of security holders, whether or not additional capital is raised.''[6]

The guiding principle behind this regulation appears to be that the Government is not concerned with the form of the contractor's organization and so therefore such expenditures are not necessary for (or allocable to) Government contracts.[7]

The history of this regulation as set out in the DCAA memo of June 17, 1993 seems to argue against, not for, the use of the non-recurring nature of these costs or the potential savings to the Government as reasons for allowing reimbursement. The memo states that ''the intent of the subject cost principle was to make non-recurring organization costs unallowable'' and quotes the subcommittee responsible for the section as stating: ''The subcommittee does not believe that the allowability of organization and reorganization costs, including merger and acquisition costs, should depend on benefits. . . . the benefits to the government are normally too remote to form a valid basis for the allowability of costs.''[8]

DOD has attempted to avoid the unallowability described in §31.205–27 in two ways. First, it has stated that restructuring costs are not organization costs even though by their own definition restructuring costs are costs resulting from changes in the contractor's organization such as acquisitions mergers and divestitures.[9] This appears to be less a legal argument than a semantic one, i.e. an unallowable cost is allowable because it is given a new name.

Second, DOD argues that these costs are not costs of the organization or reorganization event, but rather costs which arise subsequent to the organization or reorganization event, and while they would not have arisen ''but for'' the event, the costs, are not part of that event.[10] This argument might be persuasive especially for some of the restructuring costs more removed from the actual reorganization, merger, or acquisition, but it does appear to severely limit any purpose for the words ''in connection with'' or ''executing the organization or reorganization'' of §31.205–27.[11]

The second type of unallowable cost which DOD has tried to distinguish in order to find restructuring costs allowable are those which are unallowable under a novation agreement. A novation agreement is often required in the situation which would give rise to what DOD calls restructuring costs. The Government may, when it is in the best interests of the Government, agree to recognize a successor in interest to a contract (a novation agreement) but the agreement must include the following clause:

''The Transferor and the Transferee agree that the Government is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer of this agreement, other than those that the Government in absence of this transfer or Agreement would have been obligated to pay or reimburse under the terms of the contracts.[12]''

DOD appears to have accepted that reimbursement of restructuring costs would be prohibited by this provision of the novation agreement. The solution is provided by the memorandum in the form of an exception to the provision which states:

''The Government recognizes that restructuring by the Transferee incidental to the acquisition/merger may be in the best interests of the Government. Restructuring costs that are allowable under part 31 of the Federal Acquisition Regulation[13] may be reimbursed under flexibly-priced novated contracts, provided that the Transferee demonstrates that the restructuring will (1) reduce overall costs to DOD and/or NASA, or (2) preserve a critical capability that might otherwise be lost to DOD.[14]''

It can be argued that DOD has attempted to alter the policy embodied in these two FAR provisions without going through the administrative formalities and requirements, such as notice and comment periods and notification of Congress, necessary to amend these regulations. While formal amendment of the FAR could make these restructuring costs allowable, the argument that they are allowable under the current regulations appears to contradict their plain meaning.

JOHN R. LUCKEY,
Legislative Attorney.

FOOTNOTES

[1] This memorandum was issued by John M. Deutch, Under Secretary of Defense Acquisition.

[2] See, Defense Contract Audit Agency (DCAA), Memorandum for Director, Defense Procurement, Analysis Paper on the Allowability of Restructuring Costs Under FAR 31.205–27, Organization Costs, dated June 17, 1993.

*Footnotes are at the end of the letter.

[3]DCAA, Memorandum for District Commanders, Guidance Paper on Restructuring Costs, dated January 14, 1994.

[4]DCAA Memorandum of June 17, 1993.

[5]Paragraph (b) exempts the cost of certain activities primarily intended to provide compensation such as employee stack option plans. FAR §31.205–27(b).

[6]FAR §31–205–27(a).

[7] L.K. Anderson, Accounting for Government Contracts, §5.06[10] (1989).

[8]DCAA Memorandum of June 17, 1993, See, discussion of DAR Case 68–153. See also, Dyanalectron Corp., 77–2 B.C.A. ¶ 12,835 (Oct. 26, 1977).

[9]DCAA Memorandum of January 14, 1994. See, sections entitled Definition of Restructuring Costs and Allowability of Restructuring Costs.

[10]Id. at 4.

[11]See, Dyanalectron Corp., 77–2 B.C.A. ¶ 12,835 (Oct. 26, 1977).

[12]FAR §42.1204(e), novation agreement paragraph (b)(7).

[13]Therefore, the cost may not be an organizational cost under FAR §31.205–27 for this new provision to be effective.

[14]DCAA Memorandum of Jan. 14, 1994, Novation Agreement Language.

Mr. HARKIN. Mr. President, I yield my time, and I thank the managers.

The PRESIDING OFFICER. The Senator yields back his time. The Senator from Alaska has 2 minutes, 22 seconds.

Mr. STEVENS. Mr. President, I regret the disagreement with the Senator from Iowa. It appears to me the process we are following is one that has been worked out by the authorization committees, by the Appropriations Committees, and by the administration. It is really a nonpartisan area we are dealing with of trying to assure the survival of the defense industrial base and maintain that at the lowest possible cost to the taxpayers.

I do believe they have had some profits and there are profits that are coming back, primarily because they are writing off a lot of losses. They are abandoning a lot of buildings, selling buildings at a lot less than they paid for them. I expect we will see a period of time where there is some recouping of losses through tax advantages. That is another subject. I do think that is one of the incentives toward the restructuring, to try and take the losses and take advantage of them while there is still income from existing contracts.

I can reassure the Senate when we are paying 60 percent less than we were 10 years ago for procurement, we are not expanding the industrial base. This restructuring is reducing it. It is downsizing it. I hope we will end up by maintaining what we need.

I move to table the amendment of the Senator from Iowa, 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. A vote will take place at 9:30 tomorrow morning.

Under the previous agreement, further amendments to the bill were to be offered this evening. Are there additional amendments?

Mr. STEVENS. Mr. President, I believe there are still some amendments.

The PRESIDING OFFICER. The Chair will mention under the previous agreement, if Members do not appear to offer their amendments their right to offer additional amendments will be extinguished.

Mr. LEVIN. Mr. President, I will offer an amendment which is a fairly straightforward amendment to transfer funds for two F–16's which the Air Force did not request either in its original budget request or in the so-called wish list, and to transfer that to antiterrorism initiatives of the Defense Department and specifically to a fund which was added this morning by an amendment authored by Senator MCCAIN and myself.

We have a pressing need in the antiterrorism area. The number of F–16's which were funded by the appropriations bill exceeds the request of the Air Force, again, both in its original budget request and in its supplemental request, the so-called wish list.

Here is the way this is actually working, Mr. President. The appropriations bill would add four F–16's to the Air Force's budget request of four. That is a total, then, of eight aircraft. Now, what happened during the Armed Services Committee consideration of the defense authorization bill was that each of the armed services was asked to provide a list of items that they would like to have funded by Congress if more money became available. These have been described in many ways and titled in many ways, but the service wish list is one of the ways they have been entitled it, and perhaps they are known best by that.

The Air Force, in its wish list, the list of items that it would like to have if it was given more money than was in the original budget request, asked for two extra F–16's. That is in the wish list above the budget request, but the bill before us provided four extra F–16's. So there is no urgent requirement for these two extra F–16's. The Air Force fighter force structure is fully protected. Even if we do not add any of the four extra F–16's, the Air Force needs roughly 1,250 F–16's to protect its fighter force structure.

We currently own more than 1,800 F-16 aircraft, including over 260 F–16's that are parked in long-term storage in the desert. Now, while these stored aircraft are not as modern as the brand new aircraft that we would buy in this year's budget, they would prevent the Air Force from needing to retire any squadrons in the near term because not enough aircraft would be available.

AMENDMENT NO. 4893

(Purpose: To strike out funding for new production of F–16 aircraft in excess of six aircraft, and to transfer the funding to increase funding for antiterrorism support)

Mr. LEVIN. 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 Michigan [Mr. LEVIN] proposes an amendment numbered 4893.

Mr. LEVIN. 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 26, line 10, strike out ''$6,630,370,000'' and insert in lieu thereof ''$6,582,370,000''.

SEC. 8100. None of the funds appropriated under title III of this Act may be obligated or expended for more than six new production F–16 aircraft.

SEC. . The $48,000,000 reduction of funds for F–16 aircraft in excess of six new production aircraft shall be made available for funding for the emergency anti-terrorism program element established in Sec. 8099 of this Act.

Mr. LEVIN. Mr. President, the Air Force budget continues to buy F–16's because the service feels that they need to buy more F–16's to prevent a force structure reduction sometime around the turn of the century. But I do not see that anyone could really argue that having a couple more modern F–16's in a force structure of more than 1,200 aircraft is nearly as important as taking an immediate step to reduce our vulnerability to terrorist activities.

What this amendment would do would be to shift $48 million from aircraft that we do not need now, that was in neither the Air Force budget request nor in its wish list, and instead of spending that $48 million on the additional two F–16's not requested, would fund higher priority antiterrorist activities. We are familiar with a recent report of the Joint Chiefs that show that antiterrorism funding in this budget reflects a reduction over the past several fiscal years. We have heard that referred to today in an amendment that was offered by Senator MCCAIN and myself.

These antiterrorist efforts have fallen short by some $56 million over this period. There were mitigating circumstances that may have led the Defense Department to make these reductions, such as changes in the number of bases, completion of construction projects, or other changes. But, surely, this recent attack in Saudi Arabia makes it abundantly clear that there is much more that we should be doing in our effort to address the terrorism problem. And those of us that were able to be at breakfast with Secretary Perry and General Shalikashvili this morning, I think, were given a very detailed list of the kind of efforts that we have to make if we are going to truly carry the war against terrorism to the terrorists. Spending $48 million more for antiterrorism instead of spending it on aircraft that we do not need right now surely makes good sense to me, and I hope it does to my colleagues, as well.

The amendment that I am offering tonight is an amendment that I said I would be offering during the authorization bill debate. At that time, I indicated an interest in trying to remove from the authorization bill these additional two F–16's above the original

budget request in the supplemental wish list of the Air Force. I did not do it at that time. We were in a great hurry to address the issues in that bill at that time, and I did not do it.

But given the fact that this is now really the last chance that we will have to address this issue, and given the current need to put some resources into our antiterrorist activity, I thought that this would be an opportune moment to offer an amendment to transfer the money from the two F–16's not requested by the Air Force into the antiterrorism efforts that the Defense Department must engage in.

So I offer this amendment in that spirit and hope that it commands broad support in the Senate.

Mr. STEVENS. Mr. President, I must express some surprise at the Senator, in view of his position on the Armed Services Committee, and in view of the fact that today we have already, at the request of Senator MCCAIN and Senator LEVIN, transferred, subject to authorization, $14 million to the Department of Defense for the purpose of antiterrorism activities. Now, that is subject to authorization.

The effect of Senator LEVIN's amendment now would be to transfer money that is authorized for F–16's to more money for the antiterrorism activities, and it is not authorized either. They have not received authorization for the first $14 million we put up for this antiterrorism program. That is not even defined yet. It is not defined by the authorization committee or by the Department.

Now, we did that in the spirit of bipartisanship and cooperation with the Armed Services Committee members. I find it very difficult to understand this amendment now, when the Chief of Staff of the Air Force came to see me, General Fogleman. He listed to me personally, as one of his highest priorities, getting these F–16's. The F–16's—all four of them, not just two—really are our weapons system for cooperation between the Air Force and the Army now, which is the close air support fighter that works in conjunction with ground troops in combat.

I say to my friend from Michigan that nowhere in the world can you see that so vividly as in the joint training exercises in my State of Alaska. We use the F–16's along with our Army forces there, and army forces from throughout the world come to participate in the training in my State in order to develop the ability to really use these new close air support fighter and ground troop accommodations. This is really one of the great things about our Defense Department now. This is a team. The Air Force and Army are now a team because of the F–16. I think this is the message General Fogleman brought to us.

These F–16's are needed. As a matter of fact, we have gone from the concept of trying to meet the Soviets anywhere in the world—a worldwide concept of defense to a concept of two major regional contingencies being what we will plan for. We plan for our ability to meet two major regional contingencies. If we carried out the plans that were previously approved by the authorization committee to do so, to meet two major regional contingencies, the Air Force would need 114 more F–16's. The Air Force is not fully supplied with aircraft to meet the plans to carry out their missions in the event of two major regional contingencies. Now, we are trying to move along in this way as best we can.

The Senate passed an authorization bill that included eight F–16's. Our committee has funded that request from the Armed Services Committee. We have not added funds for unauthorized F–16's. As a matter of fact, if you want to talk to the budget, we have $10 billion more money in this bill than was requested in the budget, and that is a battle we are going to have to face later with the administration to see whether they really want to maintain that figure.

Our bill, I point out once again, is $1.2 billion over last year's bill, but in terms of actual items covered, last year we did not fund the contingencies. This year we did fund the contingencies.

So, if you look at our bill fairly, we are below the level of 1996. This bill, despite the fact we have increased more than $10 billion over the budget, is less than we are spending now for defense. I think the recent events in Saudi Arabia, the fact that we have troops in Bosnia, and we have the crises that we are facing in the Pacific, God knows. I hope we are right. We believe we can get by with what we have in this bill. But I fear for the future of this country if we are wrong.

The Department budgets approximately $1 billion for military security forces. Antiterrorism is their primary mission. We have added $14 million to the $1 billion already budgeted, and the Senator wants to add more before there is even a plan to spend what we have budgeted now.

I say, with all good grace, to my friend that I am just surprised at this, after we have already agreed to the amendment that he and Senator MCCAIN already delivered to us on the subject of antiterrorism. I can just state categorically that I oppose the amendment of the Senator from Michigan.

I yield the remainder of my time to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, Chairman STEVENS has most adequately articulated the position of the subcommittee, and I join my chairman in opposing the Levin amendment.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I will make two brief points.

First, to buy more F–16's now, we are going to be parking F–16's in desert storage. We already have more F–16's than the force structure needs. They need 1,250 F–16's to support the current fighter force structure. There are 1,370 currently available.

But the main point that I want to make here this evening is that the Air Force in its budget request asks for four more—for four F–16's this year.

Then the Armed Services Committee submitted to the Air Force, as well as to the other services, a request. ''If you had more money, how would you spend it?'' The Air Force came up with almost a $3 billion wish list. How many F–16's are on that wish list? Two. How many are on the appropriations bill extra? Four. At the same time that there has been criticism of a shortage of antiterrorism funds, and at the same time that we know we are going to have to invest more in antiterrorism, we are providing the Air Force in this appropriations bill with eight F–16's when the budget request of the Air Force is for four and the wish list would add two to that.

I think we have a greater priority than to be doing that. I hope that the Senate will support the transfer of this money from F–16's that have not been requested in either request of the Air Force, and to put it into an area where we know there is going to be a growing and critical need.

I, at this point, ask unanimous consent that a letter from Secretary Perry to Senator DASCHLE describing the money which is going into the antiterrorist effort be printed in the RECORD.

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

THE SECRETARY OF DEFENSE,
Washington, DC, July 17, 1996.

Hon. TOM DASCHLE,
Minority Leader,
U.S. Senate,
Washington, DC.

DEAR SENATOR DASCHLE: As you know, last week the Department was sharply criticized for cutting its budget for anti-terrorism. Citing a report by the Joint Staff, critics claimed that we cut anti-terrorism funding by as much as 82% and implied that this contributed to the tragic bombing in Saudi Arabia. I think it is critical to correct this misperception, put this study in context, and explain the Department's funding for anti-terrorism.

The JCS report was commissioned by myself and CJCS Shalikashvili following the Riyadh bombing. Its purpose was to identify and assess all of the anti-terrorism programs, actions and preparedness of the DoD and possible areas for additional action. A portion of the report did describe some program funding reductions, specifically the cut in an Air Force program from $10.6 million in FY 1994 down to $1.9 million in FY 1996—the 82% cut seized upon by some as evidence on lack of attention to anti-terrorism. The report notes, however, that these cuts resulted from personnel reductions, domestic base closings, completed construction projects or program completions, and the programs themselves were just a minor portion of the overall DoD expenditures on anti-terrorism.

The reality is that the Department of Defense spends billions annually on anti-terrorism efforts. There are two categories normally associated with Defense activities to

combat terrorism: anti-terrorism and counter-terrorism.

Anti-terrorism activities deal with traditional defensive measures such as barriers, fences, detection devices and Defense personnel who have as part of their mission protecting DoD personnel and facilities against the threat of terrorism. The Defense Department spends nearly $2 billion annually on such anti-terrorism activity overall. Traditionally we have not budgeted anti-terrorism activities in a single program because force protection is part of each individual commander's responsibility and is therefore budgeted by every installation in, for example, their operation and maintenance accounts.

In the area of counter-terrorism, DoD has many programs and activities which are more often associated with proactive activities undertaken to neutralize the terrorist threat or respond to terrorist acts. All combatant forces in Defense potentially have as part of their mission a counter-terrorism function; however, these activities are more commonly associated with special operations forces, which have annual budgets in excess of $3 billion. Further, that amount is in addition to the considerable sums spent from our intelligence portion of the budget to counter terrorism.

The JCS report did fault DoD procedures for funding unanticipated contingencies, and urged the establishment of a special annual contingency fund for anti-terrorism emergencies. Currently, when a crisis emerges, we have to put together a special team and borrow funds from other accounts. The JCS report argued that we needed a separate contingency account, controlled centrally by OSD. I accepted that recommendation and directed the Comptroller to proceed accordingly.

It is unfortunate that a minuscule portion of the JCS review is now being used to draw wider, and inappropriate, conclusions in light of the Dhahran bombing. I have concluded, however, that the Department does need more systematic insight and control over its widely-dispersed anti-terrorism and counter-terrorism efforts. That could very well mean a reassignment of priorities and additional funding to reflect that reassignment. To this end, the Defense appropriations floor amendment proposed by Senators McCain and Levin providing targeted anti-terrorism spending can help facilitate this effort. Further, I have specifically directed that Deputy Secretary John White head up a comprehensive effort for systematic programming and budgeting in this area. I will keep you and all members of Congress informed of our plans as they unfold.

Sincerely,

WILLIAM J. PERRY.

Mr. STEVENS. Mr. President, is there a time limit?

The PRESIDING OFFICER. There is a time limit on this amendment.

Mr. STEVENS. Mr. President, I am constrained to say that if the Senator's amendment were to be adopted, our bill would be subject to a point of order. I hope that will not happen. So I move to table the Senator's amendment, 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 vote will follow the Harkin amendment.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

COLONEL ROBERT L. SMOLEN, U.S. AIR FORCE

Mr. DASCHLE. Mr. President, as we debate the fiscal year 1997 Department of Defense Appropriations bill, I hope my colleagues will take a moment to reflect on the enormous assistance we receive from the legislative liaison offices for the various branches of the Armed Forces.

The men and women who serve in the Air Force, Army, Navy and Marine Corps legislative liaison offices are a valuable link between Members of Congress and the Pentagon. These offices give us with the Pentagon's views on defense bills and specific amendments being considered on the Senate and House floors. They also provide timely answers to our questions and help educate us on a variety of defense issues. Moreover, they are instrumental in notifying us about actions affecting military installations or activities in our States or districts.

South Dakota is the proud home to Ellsworth Air Force Base and the B–1B bomber. As I have worked to promote Ellsworth and the B–1 over the years, I have had the opportunity to get to know many of the fine men and women who serve in the Air Force's Legislative Liaison offices. I must say that Maj. Gen. Normand E. Lezy, the Director of the Air Force's Legislative Liaison Office and Brig. Gen. Lansford E. Trapp, Jr., the Deputy Director, and their staff at the Pentagon, have been understanding, responsive and fair.

The Air Force Legislative Liaison staff located in the Russell Building has also been very helpful to me on a number of matters that my staff and I have brought to their attention. They, too, perform a tremendous service for the Air Force and the U.S. Senate. Although we may at times take their assistance for granted, I know all my colleagues truly appreciate their hard work and dedication.

I have been particularly impressed by Col. Robert L. Smolen, the Chief of the Air Force's Senate Liaison Office. Colonel Smolen is an extraordinarily gifted and dedicated officer whose military experiences in the United States and the Republic of Korea have made him an enormous asset to the Air Force's Legislative Liaison Office. During the past year, I have had the opportunity to work with and get to know Colonel Smolen. He has been very helpful to me and to many of my colleagues in the Senate.

Earlier this year, for instance, he devoted a great deal of time to arranging a congressional delegation trip for me, Senator HATCH and Senator REID. General Trapp and Colonel Smolen graciously accompanied us on our trip to the former Yugoslavia. Despite difficult circumstances, it was a very successful and informative trip due in large part to their excellent preparation and assistance.

Unfortunately for all of us in the Senate, Colonel Smolen is departing Washington for Oklahoma where he will be the new Air Base Wing Commander at Tinker Air Force Base. I have a great deal of respect and admiration for Colonel Smolen. I know he is scheduled to leave this week, and before he does, I would like to review some of the highlights of his distinguished career in the U.S. Air Force.

Bob Smolen began his career in the Air Force in 1974 as a graduate of the Air Force Reserve Officers' Training Program at Allegheny College in Meadville, PA. In what I would argue may have been his best assignment, he served at Ellsworth Air Force Base as an Airborne Missile Operations Officer in the 4th Airborne Command Control Squadron's 28th Bomber Wing from January 1977 to March 1979.

Since then, Bob Smolen has served in a number of capacities for the Air Force in the United States and around the world. He served as an aide to the Commander in Chief of the North American Aerospace Defense Command in Colorado Springs, CO. He also served in Washington before as a Congressional Liaison Officer and Special Assistant to the Director of the Legislative Liaison Division in the Office of the Secretary in the early 1980's.

Bob Smolen has also been a squadron and deputy air base commander. He served as the Deputy Commander for the 12th Air Base Group in Randolph Air Force Base in Texas from October 1989 to August 1991. He also served as the Commander of the 750th Support Squadron at Onizuka Air Force Base in California. In addition, he was the commander of the 51st Support Group at Osan Air Base in the Republic of Korea from May 1993 to June 1995.

After returning to the United States, Colonel Smolen served as the Chief of the Inquiry Division of the Air Force Office of Legislative Liaison from July 1995 to September 1995. Since then, he has been the Chief of the Air Force's Senate Liaison Office.

Knowing of Colonel Smolen's previous assignments here and abroad, I am confident the Air Force made the right decision in selecting him to be the new 72nd Air Base Wing Commander at Tinker Air Force Base. I congratulate him on his new assignment and wish him, his wife Adriane, and their three children the very best.

S. 1936—THE NUCLEAR WASTE POLICY ACT

Mr. KYL. Mr. President, I appreciate the opportunity to discuss an issue of great importance to the State of Arizona and the Nation. As you may know, Arizona is home to the Palo Verde Nuclear Generating Station, the Nation's largest nuclear power plant. Palo Verde's three 1,270 megawatt pressurized water reactors serve more than

4 million customers in Arizona, California, New Mexico, and Texas. This facility is not only effective and efficient for customers in those States; it serves as an example for other plants across the country. In 1987, Palo Verde was selected to receive the Outstanding Engineering Achievement Award, the Nation's highest engineering honor from the National Society of Professional Engineers and in 1995, received an INPO 1 rating—the highest rating for excellence by the Institute of Nuclear Power Operations. I am also pleased to announce that just last week, the Nuclear Regulatory Commission issued its ''Systematic Assessment of Licensee Performance,'' or SALP report, for Palo Verde. In three categories—operations, maintenance and engineering—Palo Verde received a Category 1 rating, reflecting superior safety performance. Let me quote the NRC in a July 5 letter to Arizona Public Service, Palo Verde's operator: ''It is clear that Arizona Public Service has established the programs and processes necessary to achieve and sustain superior performance. Management attention is evident at all levels.'' I commend Palo Verde for its outstanding performance. These are achievements to be proud of.

Palo Verde also deserves awards for its low impact on the environment. Because it uses uranium as fuel, Palo Verde has saved the earth 51 million tons of coal; 12 million barrels of oil; and 272 billion cubic feet of natural gas. By avoiding fossil fuels, Palo Verde avoided disseminating 2 million tons of sulfur oxide, also known as acid rain, 40 million tons of carbon dioxide, and 700 thousand tons of nitrogen oxides. In addition, Palo Verde contributes to the local environment in Phoenix by recycling 40,000 gallons of municipal effluent per minute.

All of these benefits do not come without some cost, of course. Palo Verde, like nuclear plants all over the world, produces high-level radioactive waste, in the form of spent fuel rods, that must be disposed of in an environmentally sound manner. Currently, these rods are stored on-site, in cooling ponds. This storage, as is the case at so many other plants, was designed to be temporary. Palo Verde cannot accommodate all the spent fuel that it will produce in its lifetime. Palo Verde, and other nuclear plants across the country, relied on the commitment by the United States Government to begin taking spent fuel by 1998. By that year, 26 U.S. reactors will exhaust existing spent fuel storage capacity. Fuel managers at Palo Verde estimate that the three reactors will lose the ability to discharge the entirety of their cores in 2004.

For years, we have debated what to do with the spent fuel rods from commercial reactors as well as high-level defense waste. In 1982, Congress made a commitment to the American people to take the waste. The Nuclear Waste Policy Act laid the groundwork to develop storage and disposal facilities for commercial and defense waste. Under this legislation, the Department of Energy has an obligation to provide safe, centralized storage for the Nation's spent fuel. In return, electricity consumers would finance this program by paying a few additional cents on their monthly electric bills, the so-called 1 mill per kilowatt charge. Since 1982, electricity consumers have paid billions of dollars into the nuclear waste fund. Including interest, their contributions come to over $11 billion. Consumers in the southwestern states served by Palo Verde have paid in over $175 million.

Unfortunately, significant progress toward long-term storage has not been made. Although characterization and viability assessments are underway at Yucca Mountain, NV, the proposed site of the permanent repository, the Federal Government is not now ready to accept high level waste. And absent extraordinary actions by DOE, it will not be ready any time soon—certainly not by the 1998 deadline. DOE has already conceded that the permanent repository could not possibly be ready before 2010. Compounding the problem, DOE has not even begun the basic planning required for an interim facility.

Failing to meet the deadline in 1998 is deplorable but it seems it is unavoidable. The consequences for some utilities could be devastating. Some could be forced to shut down. If those 23 plants that run out of storage space in 3 years were to shut down, America would lose enough power for nearly 11 million people—power that doesn't result in air pollution.

Another option for plants would be for these utilities to build additional on-site storage. This would cost tens of millions of dollars—money that would come from the pocketbooks of electricity customers. Those same consumers who have already paid so many billions of dollars to the Government for spent fuel storage would be forced to pay twice for the same service. Officials at Palo Verde estimate that their initial capital costs and licensing for new on-site storage would be in the neighborhood of $20 million with annual monitoring expenditures of about $10 million.

To remedy this inequity, along with several other Senators, including Senators CRAIG and MURKOWSKI, I introduced S. 1271, the Nuclear Waste Policy Act of 1995. This bill proposes an interim storage facility at the Nevada Test Site near Yucca Mountain and would enable the Government to meet its obligation to begin accepting spent fuel and defense waste in 1998. This bill passed out of the Energy Committee in March of this year. Just last week, Senators CRAIG and MURKOWSKI introduced S. 1936, the Nuclear Waste Policy Act of 1996, in an attempt to address a number of concerns that had been expressed with respect to S. 1271. The new bill was also drafted to broaden the bipartisan support for this important legislation. I am pleased to co-sponsor this new legislation.

The bill has been successful in gaining bipartisan support, as evidenced by the cloture vote of 65 to 34 on July 16. I believe that the changes made are reasonable and will go a long way toward reaching agreement with the House bill. Just as important, Senator BENNETT JOHNSTON, the ranking member on the Energy Committee, has agreed to cosponsor S. 1936 and has sent a letter to the White House, urging the President to reconsider his previous veto statement. As Senator JOHNSTON points out in his July 11 letter to President Clinton:

> Nuclear waste has never been a partisan issue. While the current law was signed by a Republican president, it has its roots in the Carter administration. It was passed by a Democratic House and a Republican Senate and amended by a Democratic House and a Democratic Senate, with broad bipartisan support. It would be a terrible, terrible mistake to make it a partisan issue now.

Continuing in this bipartisan tradition is S. 1936, which amends the Nuclear Waste Policy Act of 1982. Introduced July 9 by Senators LARRY CRAIG and FRANK MURKOWSKI, it retains the fundamental principles of S. 1271, which passed Energy Committee in March. S. 1936 would develop an integrated management system for used nuclear fuel from commercial nuclear power plants and for high-level radioactive materials from defense activities, all of which is now stored in 41 States.

CENTRAL INTERIM STORAGE

Under S. 1936, construction of an interim facility could begin December 31, 1998. If the President determines by that date that Yucca Mountain is not a suitable site for a permanent repository, an alternate interim storage site may be chosen. An alternate storage site must be selected by the President by June 30, 2000, and Congress must approve construction at that alternate site by December 31, 2000. If those milestones are not met, an interim storage facility will be built at the Nevada Test Site. This provision is significant because it ensures that the construction of an interim storage facility at the Yucca Mountain site will not occur before the President and Congress have had an ample opportunity to review the technical assessment of the suitability of the Yucca Mountain site for a permanent repository and to designate an alternative site for interim storage based upon that technical information. This provision of S. 1936, in effect, de-links permanent and interim storage. This linkage was a criticism of S. 1271 which would have allowed construction of an interim storage facility on October 1, 1998. S. 1936 provides time to determine if Yucca Mountain is a viable site for a permanent repository before building an interim site in Nevada. If it is not, S. 1936, again, provides the option for finding an alternate interim storage site.

RATEPAYER FUNDING OF THE WASTE DISPOSAL PROGRAM

S. 1936 ensures that funds are available for the program when needed. The

bill continues electricity customers' payments into the Waste Fund at the rate of 1 mill per kilowatt-hour, or about $600 million per year, until September 30, 2020. After that date, the program will be funded by a user fee, which will be capped at 1 mill. The bill also requires that all one-time fees owed by utilities for spent fuel generated before 1983 be paid by September 30, 2020 and imposes a penalty on utilities that fail to pay the one-time fee. In S. 1271, the 1 mill fee would have continued indefinitely. One-time fees would have been paid when DOE fulfilled its contractual obligation to begin taking waste in 1998.

S. 1936 ensures that electricity customers' deposits of about $12 billion to the Federal Nuclear Waste Fund are made available as needed for the nuclear waste management program, and that the monies are spent for their intended purpose.

Both bills assure continued funding for the nuclear waste management program. S. 1936 resolves budget issues relating to ''PAY-GO'' and assures that funds are made available to the program, and not used to offset the budget deficit.

INTERIM STORAGE CAPACITY

Both bills establish a two phase approach for acceptance of waste at the central facility to encourage timely completion of the permanent repository, without burdening nuclear power plants, many of which are rapidly running out of on-site storage capacity. Under S. 1936, spent fuel acceptance in Phase I would begin November 30, 1999, and the facility capacity would be capped at 15,000 metric tons. Phase I under S. 1271 would have begun on the same date, with a 20,000 MTU capacity. Under S. 1936, Phase II begins by December 2, 2002. The storage capacity would increase to 40,000 MTU. However, a provision in S. 1936 would increase the capacity cap to 60,000 MTU if DOE fails to complete the Yucca Mountain viability assessment by June 30, 1998, or if it fails to submit a repository license application by February 1, 2002, or it fails to begin repository operation by January 17, 2010. Phase II in S. 1271 would have also begun by December 31, 2002, but with a 100,000 MTU capacity. S. 1936 provides storage capacity through 2019 and maintains pressure to complete construction of a repository by 2010.

TRANSPORTATION

Like S. 1271, S. 1936 designated Caliente, NV, as an intermodal transfer point and provides for heavy haul truck transfer to the Nevada Test Site. S. 1936 clarifies that transporting spent nuclear fuel will be governed by all Federal, State, and local requirements to the same extent as anyone engaging in interstate transportation. S. 1936 also contains more stringent requirements for promulgating employee safety rules, provides greater detail in transportation requirements, and provides training for workers in all phases of the integrated waste management system and emergency response personnel.

NATIONAL ENVIRONMENTAL POLICY ACT AND PREEMPTION

S. 1936 requires that DOE conduct an environmental impact statement for licensing both the interim spent fuel storage facility and the permanent repository. Environmental reviews are also required for the intermodal transfer facility. S. 1936, far from overriding all State and local laws, actually expands jurisdiction of all applicable Federal, State, and local and tribal laws. The only time Federal law would override, or preempt, State or local law is when these are patently unreasonable as would be the case if a State passed a law declaring illegal the passage of nuclear waste through it. Such laws as this, which would be an insuperable obstacle to carrying our S. 1936, would be preempted. This is in contrast to S. 1271, which said the storage facility would be governed solely by the Nuclear Waste Policy Act, Atomic Energy Act, and the Hazardous Material Transportation Act, to the exclusion of all laws below the Federal level. S. 1936 takes into account an expanded universe of Federal, State, and local and tribal laws, while ensuring that the program is not obstructed.

LOCAL RELATIONS

S. 1936 restores financial assistance to Nevada's local governments and to tribes, and it provides land transfers to Nye and Lincoln Counties, and the city of Caliente. The bill's affected areas see the land transfer provision as attractive, since the vast majority of Nevada land is government owned. S. 1936 provides equitable treatment for Nevada's local governments and tribes.

TRANSPORTATION

The Federal Government must plan today to ensure its ability to transport spent nuclear fuel from commercial nuclear power plants to a central storage facility beginning in 1999. The Energy Department is responsible for transporting spent nuclear fuel to a central storage facility and repository. S. 1936 instructs DOE to use private contractors to the fullest extent possible in each aspect of the transportation network. Spent fuel must be transported from nuclear power plants to an interim storage facility in containers certified by the Nuclear Regulatory Commission. DOE selects transportation routes for spent fuel shipments to Nevada, and the agency must notify States along the transportation routes in advance of spent fuel shipments. As mentioned, the containers would be transferred at an intermodal facility at Caliente, NV and shipped by heavy haul truck over the final 120 miles to the central storage facility.

The bill also provides technical assistance to States, local governments and Indian tribes for training in procedures required for routine transportation and in emergency response. The transportation provisions in S. 1936 are consistent with preemption authority found in the Hazardous Materials Transportation Act.

AMOUNTS TO BE SHIPPED

Radioactive materials currently account for about 3 percent of the 100 million packages of hazardous materials shipped each year in the United States. Of those 3 million radioactive packages, fewer than 100 contain high-level radioactive waste. The number of spent fuel shipments will increase to about 300 to 500 per year by the turn of the century, when the DOE is expected to begin accepting high-level radioactive waste at a central storage facility. Even then, high-level radioactive waste will comprise a small percentage of all hazardous material shipments.

During the past 30 years, the commercial nuclear industry has built a solid safety record during more than 2,400 shipments of spent fuel over U.S. highways and railroads. During this time, no fatalities, injuries or environmental damage have been caused by the radioactive nature of the cargo. Spent nuclear fuel is placed in dry, rugged containers for shipment. These specially designed containers—certified by the NRC—use heavy steel-walled technology to safely confine radioactive materials.

Because of the strict controls by DOE, NRC and other State and Federal agencies, utilities and other U.S. companies have a long history of safe spent fuel transportation. Spent fuel has been shipped from temporary storage facilities at West Valley, NY and Morris, IL, back to utilities; from the Three Mile Island plant to the Idaho National Engineering Laboratory; and from the Hope Creek nuclear power plant in New Jersey to a General Electric facility in California.

DESIGNATION OF TRANSPORTATION ROUTES

Spent fuel can be shipped only along specified rail and highway routes. The routes will be selected by the DOE, but States participate in the designation process. Eleven States have registered preferred routes for transportation of high-level radioactive materials. S. 1936 requires DOE to adhere to NRC regulations requiring advance notification of State and local governments prior to transportation of spent fuel.

For those shipments that will be transported by truck, most of the designated routes travel along interstate highways and bypasses—not through major cities and towns. However, States may propose alternatives to the interstate highway system. Potentially affected States must be consulted in the designation of alternative routes. Shippers must file a written route plan with the NRC, including the origin-destination of the shipment, routes, planned stops, estimated arrival times at each stop, and emergency telephone numbers in each State the shipment will enter.

PROTECTION OF PUBLIC HEALTH AND SAFETY DURING SHIPMENTS

Federal regulations for transporting radioactive material ensure that the

public and the environment are protected from dangerous releases of radioactivity. Three Federal agencies each play a key role in the safe transfer of radioactive materials from nuclear power plants to a central storage facility. The DOE is responsible for accepting, transporting, storing and disposing of spent fuel from nuclear power plants. The DOT regulates highway routing, packaging, labeling, shipping papers, personnel training, loading and unloading, handling and storage, as well as transportation vehicle requirements. The NRC regulates container design and manufacturing to ensure that containers maintain their integrity under routine transportation conditions and during severe accidents. S. 1936 requires that containers for nuclear fuel transport be licensed by the NRC. The agency also examines shipping routes to ensure the security of spent fuel shipments.

According to NRC regulations, the radiation level of containers during shipment cannot exceed 10 millirem per hour at a distance of 6 feet from the truck. At this level, a person who spends 30 minutes standing 6 feet away from the vehicle carrying radioactive materials would receive 5 millirem of radiation. By comparison, the average person receives about 300 millirem each year from natural background radiation.

ACCIDENTS

Between 1971 and 1989, seven accidents occurred involving transportation of spent nuclear fuel. None caused any release of radioactivity. The most severe of these accidents occurred in 1971 in Tennessee. A tractor-trailer carrying a 25-ton spent fuel shipping container swerved to avoid a head-on collision, went out of control and overturned. The trailer, with the container still attached, broke free of the tractor and skidded into a rain-filled ditch. The container suffered minor damage, but did not release any radioactive material.

LOCAL RESPONSE-TRAINING

The Federal Government provides training and other assistance to the States so they may adequately respond in the event of an accident. Under existing law and S. 1936, DOE provides funding from the Federal Nuclear Waste Fund to train State and local officials and tribal emergency rescue workers and to develop emergency response and preparedness plans. S. 1936 also required the Secretary of Transportation to establish training standards applicable to workers directly involved in the removal, transportation, interim storage, and disposal of high-level radioactive waste.

The DOE operates a Radiological Assistance Program, with eight regional offices staffed with experts available for immediate assistance. If necessary, police will summon those experts to handle the transportation package and remove any radioactive material that may have been released.

TERRORISM

Terrorism has been given considerable attention in the planning, procedures and regulation of spent fuel transportation. It is highly unlikely that a terrorist would have the opportunity, the equipment, or the required expertise to sufficiently damage a spent nuclear fuel container to cause a radiation release.

Points of origin, schedule, route, and mode of transportation are known only by a core group of Federal and State government officials. Special devices on vehicles, sophisticated satellite tracking, and armed security through populated areas will be employed to deter terrorist threats.

Tests by Sandia National Laboratories evaluated the possibility of a terrorist attack. For security reasons, much of this information is classified; however, we do know that, for testing purposes, a container was subjected to a device 30 times more powerful than a typical anti-tank weapon. This test was conducted in a carefully controlled environment and resulted in a one-fourth of an inch in diameter hole through the primary containment wall. The NRC estimates that even a device this powerful would have caused a release of less than 10 grams of spent fuel.

THE 100 MILLIREM STANDARD

S. 1936 establishes a 100 millirem standard for release of radioactivity from the repository as a maximum annual dose to an average member of the general population in the vicinity of Yucca Mountain. This standard is consistent with current national and international standards designed to protect the public health and safety and the environment. S. 1936 also would allow the NRC to establish another standard if it finds that the 100 millirem level would pose an unreasonable risk to the health and safety of Nevadans.

CONCLUSION

In sum, I believe that S. 1936 is an effective short-term solution to our nuclear waste disposal, for both commercial and defense waste. A central interim storage facility is both environmentally and economically sound. To me, the choice seems clear. Why leave nuclear waste scattered throughout the country in various sites when it can be safely transferred and stored in one central site? A single storage site is clearly the pro-environmental option. Interim storage at a central Federal site enhances safety and efficiency in the management of spent fuel. In addition to the environmental benefits, central storage is significantly more cost-effective for electricity customers. Storing used fuel at a central interim storage facility would save consumers $4.3 billion if the facility is operating by 2000 and a repository begins accepting spent fuel in 2010.

America's 110 nuclear power plants are this Nation's second largest source of electricity, constituting about 20 percent of our electric power. Nuclear energy supplies over 40 percent of all the new electricity required by the American people since 1973. Our nuclear power plants will also make the largest contribution of any technology toward meeting the Administration's year 2000 goals for reducing greenhouse gas emissions.

Whether we build new nuclear power plants in the future or not, we must deal responsibly with the nuclear fuel produced by our currently operating plants. We must also deal with the defense waste that this Nation has produced. S. 1936 is good policy and represents a safe, responsible solution that enjoys strong bipartisan support.

TRIBUTE TO LTG ROBERT L. ORD III

Mr. INOUYE. Mr. President, today I wish to congratulate and pay tribute to a great American leader, statesman and soldier. Lt. Gen. Robert L. Ord, III, Commanding General of the U.S. Army, Pacific (USARPAC) will retire on July 31, 1996 after more than 34 years of dedicated service to our nation and our Army.

A native of Medford Lakes, NJ, Lieutenant General Ord graduated from the U.S. Military Academy at West Point in 1962 and was commissioned as a second lieutenant of Infantry. Over the course of the next three decades, he served our country honorably and faithfully in a variety of exceptionally challenging troop and staff assignments in the United States, Vietnam, and Korea.

A leader in both peace and war, he has commanded at every level from platoon to division and Army major command. Lieutenant General Ord commanded a rifle company in Vietnam and the 2d Battalion, 1st Infantry Training Brigade at Fort Benning, Ga. Following graduation from the Army War College in 1980, he served as the Operations Officer, Chief of Staff, and Commander of the 9th Infantry Regiment, 7th Infantry Division (Light) at Ford Ord, CA. He then served in the Pentagon as the Executive Officer to the Army's Deputy Chief of Staff for Personnel followed by promotion to brigadier general and assignment in Korea as Chief of Staff of the United States-Korea Combined Field Army. Subsequently, he returned to Fort Ord as Assistant Division Commander of the 7th Infantry Division (Light), where he participated in Operation Just Cause in Panama, followed by Command of the U.S. Total Army Personnel Command in Washington, DC.

From February 1992 until September 1993, Lieutenant General Ord served as the commanding general of the 25th Infantry Division (Light) and the United States Army, Hawaii where his relentless pursuit of excellence and focus on mission training placed the 25th Infantry Division (Light) on the cutting edge of combat readiness. Through his innovative, aggressive and creative

leadership, the 25th Infantry Division (Light) and United States Army, Hawaii became fully integrated, modernized, manned and equipped forces capable of exceptional tactical mobility, lethality and versatility.

As Commanding General, United States Army, Pacific, Fort Shafter, HA, from November 1993 to June 1996, Lieutenant General Ord has been the consummate statesman and ambassador for the United States throughout the Pacific. He has utilized his vast diplomatic skills with senior leaders from over 37 countries of the Asia-Pacific region to win friends and influence foreign governments; thereby, broadening the prestige of the U.S. Army and deterring hostile action from potential adversaries. Through his insightful guidance and visionary leadership, he has redefined the future of the Army in the Pacific and made dramatic progress toward its ''end-state'' with alignment and restructuring of apportioned Army forces.

Throughout his career, Lieutenant General Ord has demonstrated a deep and personal concern for soldiers, Army civilians, retirees, and their families that has earned him a reputation as a commander who would spare no effort to ensure that their needs were met. His extraordinary leadership and brilliant statesmanship have significantly enhanced the vital national security interests of the United States and were the driving force behind preparing America's Army in the Pacific for the 21st Century. With resolute commitment and dedication, he has accomplished the Army's most challenging tasks of downsizing, reorganizing and streamlining while maintaining exceptional combat readiness and quality of life in his forces.

Lieutenant General Ord's career has been the epitome of selfless service to our nation and the quintessential example of all we could hope our military leaders to be. And through the decades of service and sacrifice, he has been supported by a loving family. The Nation shares Lieutenant General Ord with his wife Gail, their daughters Traci and Ginger, and grandchildren Mariah and Zachary. They too have served our country, supporting in countless ways the career of this dedicated soldier and statesman.

Lieutenant General Ord, a consummate professional, a loyal servant of the Constitution, a leader of demonstrated moral and physical vigor and courage—on behalf of the Congress of the United States and the people we represent, I offer our heartfelt appreciation and sincere thanks to you and your family for your selfless and dedicated service. Mahalo, aloha and best wishes for a bright and happy future.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, I think so often of that November evening long ago in 1972 when the television networks reported that I had been elected as a U.S. Senator from North Carolina. I remember well the exact time that the announcement was made and how stunned I was.

It had never really occurred to me that I would be the first Republican in history to be elected by the people of North Carolina to the U.S. Senate. When I got over my astonishment, I thought about a lot of things. And I made some commitments to myself one of which was that I would never fail to see a young person, or a group of young people, who wanted to see me.

I have kept that commitment and it has proved enormously meaningful to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the 23 years I have been in the Senate.

A large percentage of them are greatly concerned about the total Federal debt which back in February exceeded $5 trillion for the first time in history. Congress created this monstrous debt which coming generations will have to pay.

Mr. President, the young people who visit with me almost always are inclined to discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 25, 1992. I decided that it was important that a daily record be made of the precise size of the Federal debt which, at the close of business yesterday, Tuesday, July 16, 1996, stood at $5,158,429,724,926.15. On a per capita basis, the existing Federal debt amounts to $19,442.95 for every man, woman, and child in America on a per capita basis.

The increase in the national debt in the 24 hours since my report yesterday—which identified the total Federal debt as of close of business on Monday, July 15, 1996—shows an increase of more than $2 billion—$2,116,065,511.60, to be exact. That 1-day increase alone is enough to match the total amount needed to pay the college tuitions for each of the 313,770 students for 4 years.

FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S THE WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending July 12, the United States imported 7,300,000 barrels of oil each day, 800,000 barrels less than the 8,100,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 53 percent of their needs last week, and there are no signs that this upward spiral will abate. Before the Persian Gulf War, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,300,000 barrels a day.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE PRESIDENT'S ADVISORY BOARD ON ARMS PROLIFERATION POLICY—MESSAGE FROM THE PRESIDENT—PM 160

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Armed Services.

To the Congress of the United States:

As required by section 1601(d) of Public Law 103–160 (the ''Act''), I transmit herewith the report of the President's Advisory Board on Arms Proliferation Policy. The Board was established by Executive Order 12946 (January 20, 1995), pursuant to section 1601(c) of the Act.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 17, 1996*.

REPORT CONCERNING THE EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT—PM 161

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

On June 3, 1993, I determined and reported to the Congress that Bulgaria is in full compliance with the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. This action allowed for the continuation of most-favored-nation (MFN) status for Bulgaria and certain other activities without the requirement of a waiver.

As required by law, I am submitting an updated report to the Congress concerning emigration laws and policies of

the Republic of Bulgaria. The report indicates continued Bulgarian compliance with U.S. and international standards in the area of emigration policy.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 17, 1996*.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:07 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 248. An act to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, and for other purposes.

The message also announced that the House has passed the following bills, without amendment:

S. 966. An act for the relief of Nathan C. Vance, and for other purposes.

S. 1899. An act entitled the ''Mollie Beattie Wilderness Area Act.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1975. An act to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes.

H.R. 2001. An act for the relief of Norton R. Girault.

H.R. 3249. An act to authorize appropriations for a mining institute or institutes to develop domestic technological capabilities for the recovery of minerals from the Nation's seabed, and for other purposes.

H.R. 3458. An act to increase, effective as of December 1, 1996, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

H.R. 3643. An act to amend title 38, United States Code, to extend through December 31, 1998, the period during which the Secretary of Veterans Affairs is authorized to provide priority health care to certain veterans who were exposed to Agent Orange or who served in the Persian Gulf War and to make such authority permanent in the case of certain veterans exposed to ionizing radiation, and for other purposes.

H.R. 3673. An act to amend title 38, United States Code, to revise and improve certain veterans programs and benefits, to authorize the American Battle Monuments Commission to enter into arrangements for the repair and long-term maintenance of war memorials for which the Commission assumes responsibility, and for other purposes.

H.R. 3674. An act to amend title 38, United States Code, to clarify the causal relationship required between a veteran's service-connected disability and employment handicap for purposes of determining eligibility for training and rehabilitation assistance entitlements from the Post-Vietnam Era Educational Assistance Program to the Montgomery GI Bill, and for other purposes.

At 3:58 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the terms of the Senate:

H.R. 361. An act to provide authority to control exports, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2001. An act for the relief of Norton R. Girault; to the Committee on the Judiciary.

H.R. 3458. An act to increase, effective as of December 1, 1996, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans Affairs.

H.R. 3643. An act to amend title 38, United States Code, to extend through December 31, 1998, the period during which the Secretary of Veterans Affairs is authorized to provide priority health care to certain veterans who were exposed to Agent Orange or who served in the Persian Gulf War and to make such authority permanent in the case of certain veterans exposed to ionizing radiation, and for other purposes; to the Committee on Veterans Affairs.

H.R. 3673. An act to amend title 38, United States Code, to revise and improve certain veterans programs and benefits, to authorize the American Battle Monuments Commission to enter into arrangements for the repair and long-term maintenance of war memorials for which the Commission assumes responsibility, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3674. An act to amend title 38, United States Code, to clarify the causal relationship required between a veteran's service-connected disability and employment handicap for purposes of determining eligibility for training and rehabilitation assistance entitlements from the Post-Vietnam Era Educational Assistance Program to the Montgomery GI Bill, and for other purposes; to the Committee on Veterans Affairs.

MEASURES PLACED ON THE CALENDAR

The following measures were read the second time and placed on the calendar:

S. 1954. A bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment.

H.R. 3396. An act to define and protect the institution of marriage.

The following measures were read the first and second times and placed on the calendar:

H.R. 1975. An act to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes.

H.R. 3249. An act to authorize appropriations for a mining institute or institutes to develop domestic technological capabilities for the recovery of minerals from the Nation's seabed, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3411. A communication from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Allocation of Assets in Single-Employer Plans,'' received on July 11, 1996; to the Committee on Labor and Human Resources.

EC–3412. A communication from the Acting Deputy Executive Director, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Reorganization, Renumbering, and Reinvention of Regulations,'' (RIN1212–AA75) received on July 9, 1996; to the Committee on Labor and Human Resources.

EC–3413. A communication from the General Counsel of the Navy, transmitting, a draft of proposed legislation to amend section 329 of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–3414. A communication from the Assistant Secretary for Employment and Training, Department of Labor, transmitting, pursuant to law, the rule entitled ''Attestations by Employers Using Alien Crewmember for Longshore Work in U.S. Ports,'' (RIN1205–AB03) received on July 8, 1996; to the Committee on the Judiciary.

EC–3415. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Sport Commission Conflict of Interest Amendment Act of 1996; to the Committee on Government Affairs.

EC–3416. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Mutual Holding Company Act of 1996; to the Committee on Governmental Affairs.

EC–3417. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Automobile Insurance Amendment Act of 1996; to the Commission on Governmental Affairs.

EC–3418. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Department of Corrections Employee Mandatory Drug and Alcohol Testing Act of 1996; to the Committee on Governmental Affairs.

EC–3419. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Interference with Medical Facilities and Health Professionals Amendment Act of 1996; to the Committee on Governmental Affairs.

EC–3420. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Excepted Service Positions Designation Temporary Amendment Act of 1996; to the Committee on Governmental Affairs.

EC–3421. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report relative to the Noise Control Amendment Act of 1996; to the Committee on Governmental Affairs.

EC–3422. A communication from the Acting Director, Office of Management and Budget, transmitting, pursuant to law, a report relative to the Statement of Federal Financial Accounting Standards; to the Committee on Governmental Affairs.

EC–3423. A communication from the Chairman, PCA Retirement Committee, First South Production Credit Association, transmitting, pursuant to law, a report relative to the annual pension plan; to the Committee on Governmental Affairs.

EC–3424. A communication from the Comptroller General, transmitting, pursuant to law, the under the Chief Financial Officers Act for fiscal years 1995 and 1994; to the Committee on Governmental Affairs.

EC–3425. A communication from the Secretary of Defense, transmitting, pursuant to law, the report under the Inspector General Act from the period October 1, 1995 through March 31, 1996; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–656. A resolution adopted by the Senate of the Legislature of the Commonwealth of Massachusetts; to the Committee on Governmental Affairs.

''RESOLUTION

''Whereas, at the end of the Korean war in nineteen hundred and fifty-three over eight thousand American troops were unaccounted for; and

''Whereas, historically, the position of the United States Government has been that there were no longer any surviving prisoners of war from the Korean war in North Korea; and

''Whereas, a recent Department of Defense report acknowledges that between ten and fifteen prisoners of war from the Korean war have been sighted, still alive and being held in North Korea; and

''Whereas, many more of the eight thousand troops still unaccounted for may still be alive and held in North Korea; and

''Whereas, recent evidence indicates that these prisoners of the war wish to return to the United States; and

''Whereas, the Korean war has been over for more than forty years and the prisoners are now becoming elderly, making swift action imperative: Now therefore be it

''*Resolved,* That the Massachusetts senate respectfully urges the Congress of the United States to take immediate action to determine the presence of American prisoners of war in North Korea and to ensure the prompt return of any such prisoners to the United States; and be it further

''*Resolved*, That a copy of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, to the Presiding Officer of each branch of Congress and to each Member thereof from the Commonwealth.''

POM–657. A concurrent resolution adopted by the Legislature of the State of Delaware; to the Committee on Labor and Human Resources.

HOUSE CONCURRENT RESOLUTION NO. 38

''Whereas improving patient access to quality health care is a paramount national goal; and

''Whereas the key to improved health care, especially for persons with serious unmet medical needs, is the rapid approval of safe and effective new drugs, biological products, and medical devices; and

''Whereas minimizing the delay between discovery and eventual approval of a new drug, biological product, or medical device derived from research conducted by innovative pharmaceutical and biotechnology companies could improve the lives of millions of Americans; and

''Whereas current limitations on the dissemination of information about pharmaceutical products reduce the availability of information to physicians, other health care professionals, and patients, and unfairly limit the right of free speech guaranteed by the First Amendment to the United States Constitution; and

''Whereas the current rules and practices governing the review of new drugs, biological products, and medical devices by the United States Food and Drug Administration can delay approvals and are unnecessary expensive: Now, therefore be it

Resolved by the house of representatives of the 138th General Assembly of the State of Delaware (the senate concurring therein), That the State Legislature respectfully urges the Congress of the United States to address this important issue by enacting comprehensive legislation to facilitate the rapid review and approval of innovative new drugs, biological products, and medical devices, without compromising patient safety or product effectiveness; and be it further,

''*Resolved*, That copies of this Resolution be transmitted forthwith by the Clerk of the House or Secretary of the Senate to the President of the United States, the Speaker of the United States House of Representatives, and President of the United States Senate, and to each member of the United States Senate and the United States House of Representative.''

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. ROCKEFELLER (for himself and Mr. MACK):

S. 1963. A bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mr. HOLLINGS):

S. 1964. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services of registered dietitians and nutrition professionals; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. BIDEN, Mrs. FEINSTEIN, Mr. GRASSLEY, Mr. SPECTER, Mr. WYDEN, Mr. DEWINE, Mr. HARKIN, Mr. D'AMATO, Mr. KYL, Mr. REID, and Mr. ASHCROFT):

S. 1965. A bill to prevent the illegal manufacturing and use of methamphetamine; ordered held at the desk.

By Mr. CAMPBELL (for himself, Mr. CHAFEE, and Ms. MOSELEY-BRAUN):

S. 1966. A bill to extend the legislative authority for the Black Revolutionary War Patriots Foundation to establish a commemorative work; to the Committee on Energy and Natural Resources.

By Mr. BROWN:

S. 1967. A bill to provide that members of the Armed Forces who performed services for the peacekeeping efforts in Somalia shall be entitled to tax benefits in the same manner as if such services were performed in a combat zone, and for other purposes; to the Committee on Finance.

By Mr. FAIRCLOTH:

S. 1968. A bill to reorder United States budget priorities with respect to United States assistance to foreign countries and international organizations; to the Committee on Foreign Relations.

By Mr. JEFFORDS (for himself, Mr. BRADLEY, Mrs. KASSEBAUM, Mr. KERREY, Mr. COHEN, Mr. BINGAMAN, Mr. CHAFEE, and Mr. WYDEN):

S. 1969. A bill to establish a Commission on Retirement Income Policy; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER (for himself and Mr. MACK):

S. 1963. A bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program; to the Committee on Finance.

THE MEDICARE CANCER CLINICAL TRIAL COVERAGE ACT OF 1996

Mr. ROCKEFELLER. Mr. President, today, I am introducing legislation to continue the effort to expand treatment options for older Americans who happen to have cancer. I am especially pleased my colleague from Florida, Senator MACK, is joining me as an original cosponsor. Senator MACK is a vigorous and persistent advocate for cancer research and improvements in patient care for those with cancer. He has been fighting this battle for a long time.

Our bipartisan sponsorship, which is just a nice thing to happen around here anyway, is intended to say to the American people, especially to the millions of Medicare beneficiaries with cancer, that we in the Congress are, in fact, very, very serious about trying to be helpful.

Over 1.3 million people will be diagnosed with cancer this year. Over 11,000 of those people, newly diagnosed with cancer, will be people I represent, that is West Virginians. Cancer is, in fact, the second leading cause of death in West Virginia, second only to heart disease. This legislation is aimed at improving Medicare coverage, since Medicare beneficiaries account for more than half of all cancer diagnoses, and 60 percent of all cancer deaths.

Our bill deals with the very specific problem faced by Medicare beneficiaries who are currently prevented from receiving care that may extend or save their lives. To put it very simply and very bluntly, Americans over the age of 65 who are struck with cancer believe they should get the best shot in fighting their disease. The Medicare Cancer Clinical Trial Coverage Act of 1996, which is the bill I am introducing, is a bill to do something very targeted to give older Americans their best shot at fighting cancer. With this bill we want to tackle the frustrating, often anguishing problem faced by older Americans who are unable to participate in cancer clinical trials. Let me explain.

Consider the story of a West Virginian who was treated with an experimental drug for lung cancer, under a research trial approved by the National Cancer Institute. Because Medicare would not cover the cost of hospitalization required to administer the anticancer treatment, he decided he could only pay for one more treatment out of the money from his own pocket. This West Virginian could not bring himself to bankrupt his family, yet getting the additional treatments

might bring the gift of a longer life for him and, obviously, much more stability and happiness for his family. This is a terrible choice that should not have to be made by anybody in this country.

While we still have a long way to go in discovering a cure for cancer, there are constantly popping up reports of exciting new advances in the treatment of cancer. The bad news is that millions of people with cancer cannot take advantage of these path-breaking treatments because they are provided in a setup which is called clinical trials. To insurers, including the Medicare Program, that labels them experimental. In other words, clinical trials are labeled experimental and, therefore, the basis for turning down coverage with no ifs, ands, or buts.

Critics of coverage for clinical trials argue that care provided in trials is purely investigational and too costly. In fact, these trials can provide essential information about which treatments are effective and which ones are not. This is one of the best ways for the health care system to learn about the various advantages and disadvantages of treatment options, including what costs are involved before a certain course is expanded widely or prematurely.

The bill I am introducing today with Senator CONNIE MACK is very careful in pursuing a solution. We lay out a framework for a major demonstration project to come up with the information and the experience needed to then modify Medicare's policy toward clinical trials. With this demonstration we want the Medicare Program to find out more about the costs of covering high-quality clinical trials for its beneficiaries with cancer, and then compare them to the benefits and other results learned through the demonstration. There is truly an urgent need to get on with this study, and then where the findings should take us in changing Medicare's policy toward clinical trials. With new cancer therapies rapidly unfolding, dealing with a disease that its victims are desperately trying to battle, peer-reviewed clinical trials may be the best and only available care.

Cancer researchers themselves—and there is a long list of associations and organizations who support this legislation—are eager to have more older Americans involved in these trials. More needs to be learned about the biological responses to various treatments within different age groups, and this bill can help fill that particular gap.

In our bill we confine the demonstration to covering a select group of high-quality clinical trials. Our criteria say the trials covered under this demonstration have to be the result of top-notch peer review procedures.

This legislation does not write any new policies for Medicare into stone, but it does lay the foundation for a Medicare policy toward cancer treatments that factors in what clinical trials now have to offer. We give the program 5 years to conduct the demonstration, and then we call on the Secretary of HHS to tell Congress how Medicare should or perhaps should not be changed in its policy toward cancer and other kinds of clinical trials.

Many researchers, physicians, patients, and many of us in Congress have already been pushing for more coverage for clinical trials by Medicare and other insurers. In its 1994 report to Congress, a very long-named advisory group—something called the National Cancer Advisory Board's Subcommittee to Evaluate the National Cancer Program—emphasized the need for private insurance and Medicare coverage for approved clinical trials. And we use that report in our bill to create the criteria for what kinds of trials should be covered in the Medicare demonstration that Senator MACK and I are proposing.

I continue to believe that all Americans should be guaranteed access to quality health care. I would love to see Congress acting immediately to ensure that any American struck by cancer, whether age 21 or age 71, could get coverage for treatment in a clinical trial if that is judged the best option for them. Those are highly ambitious goals, and today Senator MACK and I offer this bill as one more incremental step in their direction.

I actually started some years ago with legislation to improve cancer care for Medicare patients. That legislation ended up being enacted in 1993. It was really sort of embarrassingly simple. My legislation required Medicare coverage of oral anticancer drugs if those drugs would otherwise have been covered by Medicare if administered intravenously in a doctor's office. Obviously, the result being cost savings and almost simple beyond belief. But, nevertheless, it was not allowed prior to my legislation.

We changed the law, and now it is allowed. A lot of money is being saved, and people are being helped because they can take an oral drug at home rather than having an injection in a doctor's office. As a result, many Medicare beneficiaries with cancer can take advantage of drugs that they were, in a sense, walled off from before.

The other part of my bill set an uniform standard for Medicare coverage of anticancer drugs. Prior to the enactment of my legislation, there was significant variation in Medicare coverage of anticancer drugs because individual Medicare carriers made their own decisions on coverage. A GAO report found that Medicare's unreliable and inconsistent coverage of accepted off-label uses of cancer drugs forced oncologists to alter their preferred treatment. Now there is clear and consistent Medicare policy regarding coverage of anticancer drugs.

In conclusion, I think it is time again for Congress to take another small, yet crucial, step in improving coverage for elderly cancer patients who deserve every chance they have to battle this horrible disease.

I hope to get the help of colleagues on both sides of the aisle—and I am sure Senator MACK shares this wish with me—to get more supporters to recognize that this urgent need has to be attended to as soon as possible.

Mr. President, I ask unanimous consent that a copy of our bill and a summary of the legislation, along with a list of its supporters, be printed in the RECORD.

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

S. 1963

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 ''Medicare Cancer Clinical Trial Coverage Act of 1996''.

SEC. 2. MEDICARE CANCER PATIENT DEMONSTRATION PROJECT.

(a) ESTABLISHMENT.—Not later than January 1, 1997, the Secretary of Health and Human Services (in this Act referred to as the ''Secretary'') shall establish a demonstration project which provides for payment under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) of routine patient care costs—

(1) which are provided to an individual diagnosed with cancer and enrolled in the medicare program under such title as part of the individual's participation in an approved clinical trial program; and

(2) which are not otherwise eligible for payment under such title for individuals who are entitled to benefits under such title.

(b) APPLICATION.—The beneficiary cost sharing provisions under the medicare program, such as deductibles, coinsurance, and copayment amounts, shall apply to any individual participating in a demonstration project conducted under this Act.

(c) APPROVED CLINICAL TRIAL PROGRAM.—For purposes of this Act, the term ''approved clinical trial program'' means a clinical trial program which is approved by—

(1) the National Institutes of Health;

(2) a National Institutes of Health cooperative group or a National Institutes of Health center;

(3) the Food and Drug Administration (in the form of an investigational new drug or device exemption);

(4) the Department of Veterans Affairs;

(5) the Department of Defense; or

(6) a qualified nongovernmental research entity identified in the guidelines issued by the National Institutes of Health for center support grants.

(d) ROUTINE PATIENT CARE COSTS.—

(1) IN GENERAL.—For purposes of this Act, ''routine patient care costs'' shall include the costs associated with the provision of items and services that—

(A) would otherwise be covered under the medicare program if such items and services were not provided in connection with an approved clinical trial program; and

(B) are furnished according to the design of an approved clinical trial program.

(2) EXCLUSION.—For purposes of this Act, ''routine patient care costs'' shall not include the costs associated with the provision of—

(A) an investigational drug or device, unless the Secretary has authorized the manufacturer of such drug or device to charge for such drug or device; or

(B) any item or service supplied without charge by the sponsor of the approved clinical trial program.

SEC. 3. STUDY, REPORT, AND TERMINATION.

(a) STUDY.—The Secretary shall study the impact on the medicare program under title XVIII of the Social Security Act of covering routine patient care costs for individuals with a diagnosis of cancer and other diagnoses, who are entitled to benefits under such title and who are enrolled in an approved clinical trial program.

(b) REPORT TO CONGRESS.—Not later than January 1, 2001, the Secretary shall submit a report to Congress that contains a statement regarding—

(1) any incremental cost to the medicare program under title XVIII of the Social Security Act resulting from the provisions of this Act; and

(2) a projection of expenditures under the medicare program if coverage of routine patient care costs in an approved clinical trial program were extended to individuals entitled to benefits under the medicare program who have a diagnosis other than cancer.

(c) TERMINATION.—The provisions of this Act shall not apply after June 30, 2001.

MEDICARE CANCER CLINICAL TRIAL COVERAGE ACT OF 1996

CURRENT LAW

Medicare generally does not pay for the costs of patient care if they are incurred in the course of a clinical trial. An exception adopted last year allows Medicare coverage of investigational medical devices used in clinical trials, and of the associated medical care, if the FDA determines that the investigational device is similar to a previously approved or cleared device.

PROPOSED CHANGE

The Secretary of HHS would be required to conduct a demonstration project, beginning no later than January 1, 1997, which would study the feasibility of covering patient costs for beneficiaries diagnosed with cancer and enrolled in certain approved clinical trials. Eligibility for coverage would be dependent on approval of the trial design by one of several high quality peer-review organizations, including the National Institutes of Health, the Food and Drug Administration, the Department of Defense, and the Department of Veterans Affairs. No later than January 1, 2001, the Secretary would be required to report to the Congress concerning any incremental costs of such coverage and the advisability of covering other diagnoses under the same circumstances. The demonstration project would sunset on June 30, 2001.

Supported by:

National Coalition for Cancer Survivorship; Candlelighters Childhood Cancer Foundation; Cancer Care, Inc.; National Alliance of Breast Cancer Organizations (NABCO); US TOO International Y–ME National Breast Cancer Organization; American Cancer Society; American Society of Clinical Oncology; American Society of Pediatric Hematology/Oncology; Association of American Cancer Institutes; Association of Community Cancer Centers; Cancer Research Foundation of America; North American Brain Tumor Coalition; Leukemia Society of America; National Breast Cancer Coalition; National Childhood Cancer Foundation; National Coalition for Cancer Research; Oncology Nursing Society; Prostate Cancer Support-group Network; and Society of Surgical Oncology.

By Mr. BINGAMAN (for himself and Mr. HOLLINGS):

S. 1964. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare Program of medical nutrition therapy services of registered dietitians and nutrition professionals; to the Committee on Finance.

THE MEDICAL NUTRITION THERAPY ACT OF 1996

● Mr. BINGAMAN. Mr. President, I introduce the Medical Nutrition Therapy Act of 1996 on behalf of myself and my friend and colleague from South Carolina, Senator HOLLINGS.

This legislation is similar to a bill, H.R. 2247, that was introduced last year in the House by Representative JOSÉ SERRANO. It provides for coverage under part B of the Medicare Program of medical nutrition therapy services which are furnished by or under the supervision of a registered dietitian or nutrition professional.

Mr. President, at a time when the Medicare system is under increasing scrutiny and the Congress and administration are debating how to ensure the long-term stability of the program, I believe that the legislation I am introducing should be an integral part of those debates.

Medical nutrition therapy is the assessment of patient nutritional status followed by therapy, ranging from diet modification to administration of specialized nutrition therapies such as intravenous or tube feedings. It has proven to be a medically necessary and cost-effective way of treating and controlling many diseases and medical conditions, including AIDS, cancer, kidney disease, diabetes, and severe burns. The treatment of all of these conditions and numerous others saves health care costs by speeding recovery and reducing the incidence of complications. This in turn results in fewer hospitalizations, shorter hospital stays, and reduced drug, surgery, and treatment needs.

An analysis of nearly 2,400 case studies submitted by members of American Dietetic Association members showed that on average more than $8,000 per patient can be saved with the intervention of medical nutrition therapy. The July 1995 issue of the American Journal of Medicine highlighted a study that found that the use of a diabetes team, led by an endocrinologist working with a nurse diabetes educator and dietitian, resulted in a 56-percent reduction in length of hospital stays among patients hospitalized with a primary diagnosis of diabetes compared with patients treated by an internist alone. Currently, hospital care of diabetic patients costs an estimated $65 billion a year. The potential 5-day reduction in hospitalization found by this study translates into billions of dollars per year in potential health care savings and that is only the savings related to diabetes treatment. The true saving resulting from the increased use of medical nutrition therapy in other illnesses is substantial and that is why I am here today to offer this legislation.

Mr. President, no consistent policy or approach exists for covering the costs for medical nutrition therapy. In inpatient settings, dietitians' services are often folded into hospital room and board charges and are not reimbursed while equipment and prescribed medical nutritional products are often, but not always, treated in the same manner. In outpatient settings, coverage is inconsistent for both dietitians' services and other nutrition therapies. Medicare and some Medicaid programs cover physician-prescribed medical nutrition therapies as part of a home care therapy benefit. However, professional dietitian services are not covered as a reimbursable expense.

I believe that we need to change this and the legislation I am offering today will achieve that. I also believe that as the relevant studies are developed it will be clearly shown that coverage of medical nutrition therapy of reducing health care expenditures and should be an integral part of any long-term solution to the solvency of the Medicare Program.●

By Mr. HATCH (for himself, Mr. BIDEN, Mrs. FEINSTEIN, Mr. GRASSLEY, Mr. SPECTER, Mr. WYDEN, Mr. DEWINE, Mr. HARKIN, Mr. D'AMATO, Mr. KYL, Mr. REID and Mr. ASHCROFT):

S. 1965. A bill to prevent the illegal manufacturing and use of methamphetamine; ordered held at the desk.

THE COMPREHENSIVE METHAMPHETAMINE CONTROL ACT OF 1996

Mr. HATCH. Mr. President, I rise today to introduce S. 1965, a bipartisan bill to combat the methamphetamine epidemic, a serious and growing public health problem which poses a special threat to our Nation's youth who are abusing the drug in record numbers.

According to the latest information from the Drug Enforcement Administration, 50 percent of the methamphetamine consumed in the United States is illegally imported. The other 50 percent is manufactured illegally in the United States in clandestine labs. Accordingly, any national strategy to combat methamphetamine must target both the source of import and these clandestine labs.

Methamphetamine presents a unique problem in the fight against illegal drugs. It is not grown, but is manufactured from other chemicals, virtually all of which are legally used for other purposes.

Clandestine methamphetamine laboratories manufacture methamphetamine from chemicals with legitimate medical uses. Two of the most common precursor drugs—ephedrine and pseudoephedrine—are common ingredients in cold and cough preparations. Other precursor chemicals include iodine, often used in iodized salt; red phosphorous, often used in the production of matches; and hydrochloric acid, used for a variety of chemical purposes.

In addition, methamphetamine distribution has become a major target of opportunity for sophisticated drug trafficking rings, including vicious, poly-drug organizations in Mexico who have beaten well-trodden paths into the United States. Willing European suppliers provide them with tons of ephedrine, the precursor drug used to manufacture the illegal meth.

These Mexican methamphetamine traffickers are organized—and they do not hesitate to use extreme violence. They showed their true colors when they murdered DEA special agent Richard Fass in Glendale, AZ, in June 1994—just 1 day before he was to be transferred to a new assignment.

Any legislative solution to the meth crisis must, by necessity, balance the need to stem this illegal tide of methamphetamine into the United States against the need to ensure access to precursor chemicals which have legitimate medical uses and upon which millions of Americans rely.

Mr. President, methamphetamine has wreaked havoc across America, especially on communities in the Southwest. And, unfortunately, it is spreading east. It has entered the intermountain west, especially Utah, and is beginning to be seen throughout the rest of the country as well.

An indication of the magnitude of this problem is the fact that methamphetamine emergency room cases are up 256 percent over the 1991 levels, according to the latest information from the Drug Abuse Warning Network.

In 1994, the last year that data were available, there were 17,400 methamphetamine-related emergency visits. In California, methamphetamine seizures are up 518 percent over the 1991 level.

In Utah, we had 56 lab seizures in 1995, up from 13 in 1994. From January through June of this year we have already had 37 lab seizures. Utah has ranked in the top three States in the number of methamphetamine lab seizures for the past 2 years, an alarming trend.

According to the Centers for Disease Control and Prevention, Utah has experienced the second greatest increase in methamphetamine-related admissions in the entire country—a 133-percent increase in admissions between 1992 and 1993.

But statistics don't tell the whole story. This crisis is more than numbers, it involves real people suffering real problems. Let me show you examples of the people behind those numbers.

One of these people is Russell Ray Thompson. After a long day of drinking alcohol and injecting methamphetamine, Thompson shot an unarmed female friend six times with a rifle, leaving her two orphaned children to live with their grandparents.

Another is Connie Richens, from Vernal, UT. As Ms. Richens was preparing to meet her husband at a bowling alley, two men forced themselves into her apartment and slashed her throat four times. Uinta County sheriff's deputies found powdered methamphetamine a few feet from her dead body.

Methamphetamine is a killer. It kills those who abuse it, as well as innocent bystanders. It is the latest outrage perpetrated on American society by those who deal in drugs. We must put a stop to this terrible problem.

At this point, I would like to summarize the major provisions in S. 1965.

The first title contains measures to stop the importation of methamphetamine and precursor chemicals into the United States. We have included a long-arm provision, which imposes a maximum 10-year penalty on the manufacture outside the United States of a list I chemical—which is a chemical that is used to manufacture a controlled substance—with intent to import it into this country.

The second title contains several provisions to control the manufacture of methamphetamine in clandestine labs. It includes an important provision to permit the seizure and forfeiture of list I chemicals that are involved in illegal trafficking. Another provision increases penalties for the manufacture and possession of equipment used to make controlled substances. These provisions will not only impact the manufacture of methamphetamine, but other drugs illegally manufactured as well.

After a great deal of work with the Department of Justice, Senator BIDEN, and the DEA, I have also included a provision that will allow the Attorney General to commence a civil action for appropriate relief to shut down the production and sale of listed chemicals by individuals or companies that knowingly sell precursor agents for the purpose of the illegal manufacture of a controlled substance.

I believe that these provisions are important, as they give law enforcement additional authority to stop the flow of these precursor substances that are diverted for the manufacture of illegal controlled substances and to shut down clandestine labs. This bill gives the law enforcement community the muscle it needs to fight trafficking in methamphetamine and its precursor drugs.

In addition to the provisions I have already outlined, the third title increases penalties for trafficking in methamphetamine and list I precursor chemicals, enhances penalties for the dangerous handling of controlled substances, allows the Government to seek restitution for the clean up of the clandestine laboratory sites from those who created the contamination, and allows for the seizure of the modes of transportation of illegal methamphetamine and list I chemicals.

In developing these provisions, we were cognizant of the fact that the DEA and the administration have stated that one important way to stop meth abuse is to increase the penalties for illegal importation of precursor chemicals. This will reduce the number of domestic, clandestine methamphetamine labs which, in turn, will decrease the availability of this dangerous drug, improve the safety of our neighborhoods, and eliminate a source of environmental damage.

It is an unfortunate consequence of enhanced domestic penalties that some of the domestic labs may relocate to Central and South America. It is my hope that the provisions in this bill requiring additional coordination between the United States and these countries will allow for the development of an international strategy that will combat this problem too.

In particular, fighting this problem effectively is going to require improved cooperation from Mexico. I believe that Congress stands ready to support the administration in international efforts to stem the flow of drugs into the United States.

The fourth title cracks down hard on the ability of rogue companies to sell large amounts of precursor chemicals that are diverted to clandestine labs. Provisions in this title limit the package size that precursor drugs may be sold in at the retail level, and require the product to be packaged in blister packs when technically feasible.

Mr. President, this title contains carefully drafted provisions that balance the need to crack down on precursor chemicals against the need to maintain the availability of drugs such as pseudoephedrine for legitimate purposes. I recognize the need to take measures to decrease the availability of the precursor list I chemicals for diversion to clandestine methamphetamine laboratories. However, in so doing, we must not restrict the ability of law-abiding citizens to use common remedies for colds and allergies, or subject sales of such legal products to onerous recordkeeping at the retail level.

It is no secret that I have been critical of the DEA's proposed regulations in this area. The provisions included in S. 1965, I believe, will achieve our common goal without the negative side effects of the proposed regulations.

In fact, I believe that our provisions with regard to the sale of the precursor chemicals pseudoephedrine and phenylpropanolamine go much farther in preventing the diversion of these products while maintaining their access for legitimate uses. In this bill we lower the single transaction threshold for pseudoephedrine—containing products from 1,000 grams to 24 grams. Our bill also allows the Attorney General to lower this single—transaction limit further, as necessary to prevent the diversion of products to meth labs. That provision was inserted to meet the concerns of Senator FEINSTEIN and others who believe that retail sales are a significant source of precursor drugs for clandestine labs.

Some of my colleagues may have seen an article this morning in USA Today, which leaves one with the impression that retail cough and cold preparations are a significant source of precursor drugs. I have spent a great deal of time studying this issue, consulting extensively with the DEA and State and local law enforcement officials in Utah. I remain unconvinced that legitimate products purchased at the retail level are a significant source of precursor drugs for the manufacture of methamphetamine. Nevertheless, I

have included several provisions in this title that will limit the potential diversion of legitimate products at the retail level to methamphetamine labs.

When this legislation is enacted, I will continue to monitor this situation very closely. If the data show that retail products containing pseudoephedrine and phenylpropanolamine are contributing to the methamphetamine problems, I pledge to revisit this issue next Congress.

In addition, we have strict reporting and recordkeeping provisions for those companies that sell ephedrine, pseudoephedrine and phenylpropanolamine by mail. These provisions - which go far beyond what DEA has proposed to date—will shut down loopholes in current law that allow these products to get to the meth labs.

This bill gets tough on those who divert legitimate products to clandestine methamphetamine labs. I would have it no other way.

In anticipation of questions regarding this provision, I want to underscore that the bill does not apply to dietary supplement products in any way.

Finally, an important title of our legislation improves and expands existing education and research activities related to methamphetamine and other drug abuse. This approach, I feel, is key to the success of a comprehensive drug control policy. Increased emphasis on research, prevention, and treatment go hand in hand with efforts to reduce supply.

Consequently, our bill creates a methamphetamine interagency working group to design, implement, and evaluate a comprehensive methamphetamine education and prevention program. It requires public health monitoring programs to monitor methamphetamine abuse in the United States.

In addition, the legislation calls for a methamphetamine national advisory panel to develop a program to educate distributors of precursor chemicals and supplies to decrease the likelihood of diversion of these products to clandestine laboratories, and creates a suspicious orders task force to improve the reporting of suspicious orders and sales of list I chemicals.

In closing, Mr. President, I want to make clear that the legislation we introduce today represents a consensus position based on literally hundreds of hours of consultations with representatives of Federal, State, and local law enforcement, as well as substance abuse prevention and treatment experts and representatives of manufacturers of legitimate products containing the precursor chemicals.

In particular, I want to recognize the input from the Drug Enforcement Agency and Department of Justice, who have been instrumental in the development of a bill that we all can support.

I want to thank Senator BIDEN for his leadership role in developing this bill and for his willingness to move forward in a bipartisan way so that we can take steps toward addressing this important public health problem this session.

In addition, I want to recognize the significant contributions of Senator WYDEN, who early on indicated his interest in working with me to develop a bipartisan bill, and Senators SPECTER, DEWINE, ASHCROFT, and HARKIN.

Finally, I must also recognize the efforts of Senators FEINSTEIN, GRASSLEY, and KYL. They have contributed significant time and energy to bringing this issue before Congress and are strong advocates for legislation to deal with this problem.

The bill that my colleagues and I rise to introduce today represents a bipartisan, comprehensive response to control the methamphetamine abuse problem in our country. We still have a few issues to work out as this bill moves forward, but I am confident that we can quickly address any remaining areas of concern, so that we can pass this bill this session.

Methamphetamine abuse is a growing threat to the public health of this country. I hope that the Senate can move quickly to pass this bill so we can enact a comprehensive program to stop this problem in its tracks.

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. 1965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Comprehensive Methamphetamine Control Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Methamphetamine is a very dangerous and harmful drug. It is highly addictive and is associated with permanent brain damage in long-term users.

(2) The abuse of methamphetamine has increased dramatically since 1990. This increased use has led to devastating effects on individuals and the community, including—

(A) a dramatic increase in deaths associated with methamphetamine ingestion;

(B) an increase in the number of violent crimes associated with methamphetamine ingestion; and

(C) an increase in criminal activity associated with the illegal importation of methamphetamine and precursor compounds to support the growing appetite for this drug in the United States.

(3) Illegal methamphetamine manufacture and abuse presents an imminent public health threat that warrants aggressive law enforcement action, increased research on methamphetamine and other substance abuse, increased coordinated efforts to prevent methamphetamine abuse, and increased monitoring of the public health threat methamphetamine presents to the communities of the United States.

TITLE I—IMPORTATION OF METHAMPHETAMINE AND PRECURSOR CHEMICALS

SEC. 101. SUPPORT FOR INTERNATIONAL EFFORTS TO CONTROL DRUGS.

The Attorney General, in consultation with the Secretary of State, shall coordinate international drug enforcement efforts to decrease the movement of methamphetamine and methamphetamine precursors into the United States.

SEC. 102. PENALTIES FOR MANUFACTURE OF LISTED CHEMICALS OUTSIDE THE UNITED STATES WITH INTENT TO IMPORT THEM INTO THE UNITED STATES.

(a) UNLAWFUL IMPORTATION.—Section 1009(a) of the Controlled Substances Import and Export Act (21 U.S.C. 959(a)) is amended—

(1) in the matter before paragraph (1), by inserting ''or listed chemical'' after ''schedule I or II''; and

(2) in paragraphs (1) and (2), by inserting ''or chemical'' after ''substance''.

(b) UNLAWFUL MANUFACTURE OR DISTRIBUTION.—Paragraphs (1) and (2) of section 1009(b) of the Controlled Substances Import and Export Act (21 U.S.C. 959(b)) are amended by inserting ''or listed chemical'' after ''controlled substance''.

(c) PENALTIES.—Section 1010(d) of the Controlled Substances Import and Export Act (21 U.S.C. 960(d)) is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by striking the comma at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(7) manufactures, possesses with intent to distribute, or distributes a listed chemical in violation of section 959 of this title.''.

TITLE II—PROVISIONS TO CONTROL THE MANUFACTURE OF METHAMPHETAMINE

SEC. 201. SEIZURE AND FORFEITURE OF REGULATED CHEMICALS.

(a) PENALTIES FOR SIMPLE POSSESSION.—Section 404 of the Controlled Substances Act (21 U.S.C. 844) is amended—

(1) in subsection (a)—

(A) by adding after the first sentence the following: ''It shall be unlawful for any person knowingly or intentionally to possess any list I chemical obtained pursuant to or under authority of a registration issued to that person under section 303 of this title or section 1008 of title III if that registration has been revoked or suspended, if that registration has expired, or if the registrant has ceased to do business in the manner contemplated by his registration.''; and

(B) by striking ''drug or narcotic'' and inserting ''drug, narcotic, or chemical'' each place it appears; and

(2) in subsection (c), by striking ''drug or narcotic'' and inserting ''drug, narcotic, or chemical''.

(b) FORFEITURES.—Section 511(a) of the Controlled Substances Act (21 U.S.C. 881(a)) is amended—

(1) in paragraphs (2) and (6), by inserting ''or listed chemical'' after ''controlled substance'' each place it appears; and

(2) in paragraph (9), by—

(A) inserting ''dispensed, acquired,'' after ''distributed,'' both places it appears; and

(B) striking ''a felony provision of''.

(c) SEIZURE.—Section 607 of the Tariff Act of 1930 (19 U.S.C. 1607) is amended—

(1) in subsection (a)(3), by inserting ''or listed chemical'' after ''controlled substance''; and

(2) by amending subsection (b) to read as follows:

''(b) As used in this section, the terms 'controlled substance' and 'listed chemical' have the meaning given such terms in section 102 of the Controlled Substances Act (21 U.S.C. 802).''.

SEC. 202. STUDY AND REPORT ON MEASURES TO PREVENT SALES OF AGENTS USED IN METHAMPHETAMINE PRODUCTION.

(a) STUDY.—The Attorney General of the United States shall conduct a study on possible measures to effectively prevent the diversion of red phosphorous, iodine, hydrochloric gas, and other agents for use in the production of methamphetamine. Nothing in this section shall preclude the Attorney General from taking any action the Attorney General already is authorized to take with regard to the regulation of listed chemicals under current law.

(b) REPORT.—Not later than January 1, 1998, the Attorney General shall submit a report to the Congress of its findings pursuant to the study conducted under subsection (a) on the need for and advisability of preventive measures.

(c) CONSIDERATIONS.—In developing recommendations under subsection (b), the Attorney General shall consider—

(1) the use of red phosphorous, iodine, hydrochloric gas, and other agents in the illegal manufacture of methamphetamine;

(2) the use of red phosphorous, iodine, hydrochloric gas, and other agents for legitimate, legal purposes, and the impact any regulations may have on these legitimate purposes; and

(3) comments and recommendations from law enforcement, manufacturers of such chemicals, and the consumers of such chemicals for legitimate, legal purposes.

SEC. 203. INCREASED PENALTIES FOR MANUFACTURE AND POSSESSION OF EQUIPMENT USED TO MAKE CONTROLLED SUBSTANCES.

(a) IN GENERAL.—Section 403(d) of the Controlled Substances Act (21 U.S.C. 843(d)) is amended—

(1) by striking ''(d) Any person'' and inserting ''(d)(1) Except as provided in paragraph (2), any person''; and

(2) by adding at the end the following:

''(2) Any person who, with the intent to manufacture or facilitate to manufacture methamphetamine, violates paragraph (6) or (7) of subsection (a), shall be sentenced to a term of imprisonment of not more than 10 years, a fine of not more than $30,000, or both; except that if any person commits such a violation after one or more prior convictions of that person—

''(A) for a violation of paragraph (6) or (7) of subsection (a);

''(B) for a felony under any other provision of this subchapter or subchapter II of this chapter; or

''(C) under any other law of the United States or any State relating to controlled substances or listed chemicals,

has become final, such person shall be sentenced to a term of imprisonment of not more than 20 years, a fine of not more than $60,000, or both.''.

(b) SENTENCING COMMISSION.—The United States Sentencing Commission shall amend the sentencing guidelines to ensure that the manufacture of methamphetamine in violation of section 403(d)(2) of the Controlled Substances Act, as added by subsection (a), is treated as a significant violation.

SEC. 204. ADDITION OF IODINE AND HYDROCHLORIC GAS TO LIST II.

(a) IN GENERAL.—Section 102(35) of the Controlled Substances Act (21 U.S.C. 802(35)) is amended by adding the end the following:

''(I) Iodine.

''(J) Hydrochloric gas.''.

(b) IMPORTATION REQUIREMENTS.—Iodine shall not be subject to the requirements for listed chemicals provided in section 1018 of the Controlled Substances Import and Export Act (21 U.S.C. 971).

(2) EFFECT OF EXCEPTION.—The exception made by paragraph (1) shall not limit the authority of the Attorney General to impose the requirements for listed chemicals provided in section 1018 of the Controlled Substances Import and Export Act (21 U.S.C. 971).

SEC. 205. CIVIL PENALTIES FOR FIRMS THAT SUPPLY PRECURSOR CHEMICALS.

(a) OFFENSES.—Section 402(a) of the Controlled Substances Act (21 U.S.C. 842(a)) is amended—

(1) in paragraph (9), by striking ''or'' after the semicolon;

(2) in paragraph (10), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(11) to distribute a laboratory supply to a person who uses, or attempts to use, that laboratory supply to manufacture a controlled substance or a listed chemical, in violation of this title or title III, with reckless disregard for the illegal uses to which such a laboratory supply will be put.

As used in paragraph (11), the term 'laboratory supply' means a listed chemical or any chemical, substance, or item, on a special surveillance list published by the Attorney General, which contains chemicals, products, materials, or equipment used in the manufacture of controlled substances and listed chemicals. For purposes of paragraph (11), there is a rebuttable presumption of reckless disregard at trial if a firm distributes or continues to distribute a laboratory supply to a customer where the Attorney General has previously notified, at least two weeks before the transaction(s), the firm that a laboratory supply sold by the firm, or any other person or firm, has been used by that customer, or distributed further by that customer, for the unlawful production of controlled substances or listed chemicals.''

(b) CIVIL PENALTY.—Section 402(c)(2) of the Controlled Substances Act (21 U.S.C. 842(c)(2)) is amended by adding at the end the following:

''(C) In addition to the penalties set forth elsewhere in this title or title III, any business that violates paragraph (11) of subsection (a) shall, with respect to the first such violation, be subject to a civil penalty of not more than $250,000, but shall not be subject to criminal penalties under this section, and shall, for any succeeding violation, be subject to a civil fine of not more than $250,000 or double the last previously imposed penalty, whichever is greater.''.

SEC. 206. INJUNCTIVE RELIEF.

(a) TEN-YEAR INJUNCTION MAJOR OFFENSES.—Section 401(f) of the Controlled Substances Act (21 U.S.C. 841(f)) is amended by—

(1) inserting ''manufacture, exportation,'' after ''distribution,''; and

(2) striking ''regulated''.

(b) TEN-YEAR INJUNCTION OTHER OFFENSES.—Section 403 of the Controlled Substances Act (21 U.S.C. 843) is amended—

(1) in subsection (e), by—

(A) inserting ''manufacture, exportation,'' after ''distribution,''; and

(B) striking ''regulated''; and

(2) by adding at the end the following:

''(f) INJUNCTIONS.—(1) In addition to any penalty provided in this section, the Attorney General is authorized to commence a civil action for appropriate declaratory or injunctive relief relating to violations of this section or section 402.

''(2) Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business.

''(3) Any order or judgment issued by the court pursuant to this subsection shall be tailored to restrain violations of this section or section 402.

''(4) The court shall proceed as soon as practicable to the hearing and determination of such an action. An action under this subsection is governed by the Federal Rules of Civil Procedure except that, if an indictment has been returned against the respondent, discovery is governed by the Federal Rules of Criminal Procedure.''.

SEC. 207. RESTITUTION FOR CLEANUP OF CLANDESTINE LABORATORY SITES.

Section 413 of the Controlled Substances Act (21 U.S.C. 853) is amended by adding at the end the following:

''(q) The court, when sentencing a defendant convicted of an offense under this title or title III involving the manufacture of methamphetamine, may—

''(1) order restitution as provided in sections 3612 and 3664 of title 18, United States Code;

''(2) order the defendant to reimburse the United States for the costs incurred by the United States for the cleanup associated with the manufacture of methamphetamine by the defendant; and

''(3) order restitution to any person injured as a result of the offense as provided in section 3663 of title 18, United States Code.''.

SEC. 208. RECORD RETENTION.

Section 310(a)(1) of the Controlled Substances Act (21 U.S.C. 830(a)(1)) is amended

by striking the dash after ''transaction'' and subparagraphs (A) and (B) and inserting ''for two years after the date of the transaction.''.

SEC. 209. TECHNICAL AMENDMENTS.

Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended—

(1) in paragraph (34), by amending subparagraphs (P), (S), and (U) to read as follows:

''(P) Iso safrole.

''(S) N–Methylephedrine.

''(U) Hydriodic acid.''; and

(2) in paragraph (35), by amending subparagraph (G) to read as follows:

''(G) 2–Butanone (or Methyl Ethyl Ketone).''.

TITLE III—INCREASED PENALTIES FOR TRAFFICKING AND MANUFACTURE OF METHAMPHETAMINE AND PRECURSORS

SEC. 301. TRAFFICKING IN METHAMPHETAMINE PENALTY INCREASES.

(a) CONTROLLED SUBSTANCES ACT.—

(1) LARGE AMOUNTS.—Section 401(b)(1)(A)(viii) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)(viii)) is amended by—

(A) striking ''100 grams or more of methamphetamine,'' and inserting ''50 grams or more of methamphetamine,''; and

(B) striking ''1 kilogram or more of a mixture or substance containing a detectable amount of methamphetamine'' and inserting ''500 grams or more of a mixture or substance containing a detectable amount of methamphetamine''.

(2) SMALLER AMOUNTS.—Section 401(b)(1)(B)(viii) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(B)(viii)) is amended by—

(A) striking ''10 grams or more of methamphetamine,'' and inserting ''5 grams or more of methamphetamine,''; and

(B) striking ''100 grams or more of a mixture or substance containing a detectable amount of methamphetamine'' and inserting ''50 grams or more of a mixture or substance containing a detectable amount of methamphetamine''.

(b) IMPORT AND EXPORT ACT.—

(1) LARGE AMOUNTS.—Section 1010(b)(1)(H) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1)(H)) is amended by—

(A) striking ''100 grams or more of methamphetamine,'' and inserting ''50 grams or more of methamphetamine,''; and

(B) striking ''1 kilogram or more of a mixture or substance containing a detectable amount of methamphetamine'' and inserting ''500 grams or more of a mixture or substance containing a detectable amount of methamphetamine''.

(2) SMALLER AMOUNTS.—Section 1010(b)(2)(H) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(2)(H)) is amended by—

(A) striking ''10 grams or more of methamphetamine,'' and inserting ''5 grams or more of methamphetamine,''; and

(B) striking ''100 grams or more of a mixture or substance containing a detectable amount of methamphetamine'' and inserting ''50 grams or more of a mixture or substance containing a detectable amount of methamphetamine''.

SEC. 302. PENALTY INCREASES FOR TRAFFICKING IN LISTED CHEMICALS.

(a) CONTROLLED SUBSTANCES ACT.—Section 401(d) of the Controlled Substances Act (21 U.S.C. 841(d)) is amended by striking the period and inserting the following: ''or, with respect to a violation of paragraph (1) or (2) of this subsection involving a list I chemical, if the government proves the quantity of controlled substance that could reasonably have been manufactured in a clandestine setting using the quantity of list I chemicals possessed or distributed, the penalty corresponding to the quantity of controlled substance that could have been produced under subsection (b).''.

(b) CONTROLLED SUBSTANCE IMPORT AND EXPORT ACT.—Section 1010(d) of the Controlled Substance Import and Export Act (21 U.S.C. 960(d)) is amended by striking the period and inserting the following: '', or, with respect to an importation violation of paragraph (1) or (3) of this subsection involving a list I chemical, if the government proves the quantity of controlled substance that could reasonably have been manufactured in a clandestine setting using the quantity of list I chemicals imported, the penalty corresponding to the quantity of controlled substance that could have been produced under title II.''.

(c) DETERMINATION OF QUANTITY.—

(1) IN GENERAL.—For the purposes of this section and the amendments made by this section, the quantity of controlled substance that could reasonably have been provided shall be determined by using a table of manufacturing conversion ratios for list I chemicals.

(2) TABLE.—The table shall be—

(1) established by the United States Sentencing Commission based on scientific, law enforcement, and other data the Sentencing Commission deems appropriate; and

(2) dispositive of this issue.

SEC. 303. ENHANCED PENALTY FOR DANGEROUS HANDLING OF CONTROLLED SUBSTANCES: AMENDMENT OF SENTENCING GUIDELINES.

(a) IN GENERAL.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall determine whether the Sentencing Guidelines adequately punish the offenses described in subsection (b) and, if not, promulgate guidelines or amend existing guidelines to provide an appropriate enhancement of the punishment for a defendant convicted of such an offense.

(b) OFFENSE.—The offense referred to in subsection (a) is a violation of section 401(d), 401(g)(1), 403(a)(6), or 403(a)(7) of The Controlled Substances Act (21 U.S.C. 841(d), 841(g)(1), 843(a)(6), and 843(a)(7)), in cases in which in the commission of the offense the defendant violated—

(1) subsection (d) or (e) of section 3008 of the Solid Waste Disposal Act (relating to handling hazardous waste in a manner inconsistent with Federal or applicable State law);

(2) section 103(b) of the Comprehensive Environmental Response, Compensation and Liability Act (relating to failure to notify as to the release of a reportable quantity of a hazardous substance into the environment);

(3) section 301(a), 307(d), 309(c)(2), 309(c)(3), 311(b)(3), or 311(b)(5) of the Federal Water Pollution Control Act (relating to the unlawful discharge of pollutants or hazardous substances, the operation of a source in violation of a pretreatment standard, and the failure to notify as to the release of a reportable quantity of a hazardous substance into the water); or

(4) section 5124 of title 49, United States Code (relating to violations of laws and regulations enforced by the Department of Transportation with respect to the transportation of hazardous material).

TITLE IV—LEGAL MANUFACTURE, DISTRIBUTION, AND SALE OF PRECURSOR CHEMICALS

SEC. 401. DIVERSION OF CERTAIN PRECURSOR CHEMICALS.

(a) IN GENERAL.—Section 102(39) of the Controlled Substances Act (21 U.S.C. 802(39)) is amended—

(1) in subparagraph (A)(iv)(I)(aa), by striking ''as'' through the semicolon and inserting '', pseudoephedrine or its salts, optical isomers, or salts of optical isomers, or phenylpropanolamine or its salts, optical isomers, or salts of optical isomers unless otherwise provided by regulation of the Attorney General issued pursuant to section 204(e) of this title;''; and

(2) in subparagraph (A)(iv)(II), by inserting '', pseudoephedrine, phenylpropanolamine,'' after ''ephedrine''.

(b) LEGITIMATE RETAILERS.—Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended—

(1) in paragraph (39)(A)(iv)(I)(aa), by adding before the semicolon the following: '', except that any sale of ordinary over-the-counter pseudoephedrine or phenylpropanolamine products by retail distributors shall not be a regulated transaction (except as provided in section 401(d) of the Comprehensive Methamphetamine Control Act of 1996)'';

(2) in paragraph (39)(A)(iv)(II), by adding before the semicolon the following: '', except that any sale of products containing pseudoephedrine or phenylpropanolamine, other than ordinary over-the-counter pseudoephedrine or phenylpropanolamine products, by retail distributors shall not be a regulated transaction if the distributor's sales are limited to less than the threshold quantity of 24 grams of pseudoephedrine or 24 grams of phenylpropanolamine in each single transaction'';

(3) by redesignating paragraph (43) relating to felony drug abuse as paragraph (44); and

(4) by adding at the end the following:

''(45) The term 'ordinary over-the-counter pseudoephedrine or phenylpropanolamine product' means any product containing pseudoephedrine or phenylpropanolamine that is—

''(A) regulated pursuant to this title; and

''(B)(i) except for liquids, sold in package sizes of not more than 3.0 grams of pseudoephedrine base or 3.0 grams of phenylpropanolamine base, and that is packaged in blister packs, each blister containing not more than two dosage units, or where the use of blister packs is technically infeasible, that is packaged in unit dose packets or pouches; and

''(ii) for liquids, sold in package sizes of not more than 3.0 grams of pseudoephedrine base or 3.0 grams of phenylpropanolamine base.

''(46)(A) The term 'retail distributor' means—

''(i) with respect to an entity that is a grocery store, general merchandise store, or drug store, a distributor whose activities relating to pseudoephedrine or phenylpropanolamine products are limited almost exclusively to sales, both in number of sales and volume of sales, directly to walk-in customers; and

''(ii) with respect to any other entity, a distributor whose activities relating to ordinary over-the-counter pseudoephedrine or phenylpropanolamine products are limited primarily to sales directly to walk-in customers for personal use.

''(B) For purposes of this paragraph, sale for personal use means the sale of below-threshold quantities in a single transaction to an individual for legitimate medical use.

''(C) For purposes of this paragraph, entities are defined by reference to the Standard Industrial Classification (SIC) code, as follows:

''(i) A grocery store is an entity within SIC code 5411.

''(ii) A general merchandise store is an entity within SIC codes 5300 through 5399 and 5499.

''(iii) A drug store is an entity within SIC code 5912.''.

(c) REINSTATEMENT OF LEGAL DRUG EXEMPTION.—Section 204 of the Controlled Substances Act (21 U.S.C. 814) is amended by adding at the end the following new subsection:

''(e) REINSTATEMENT OF EXEMPTION WITH RESPECT TO EPHEDRINE, PSEUDOEPHEDRINE, AND PHENYLPROPANOLAMINE DRUG PRODUCTS.—The Attorney General shall by regulation reinstate the exemption with respect to a particular ephedrine, pseudoephedrine, or phenylpropanolamine drug product if the Attorney General determines that the drug product is manufactured and distributed in a manner that prevents diversion. In making this determination the Attorney General shall consider the factors listed in subsection (d)(2). Any regulation issued pursuant to this subsection may be amended or revoked based on the factors listed in subsection (d)(4).''.

(d) REGULATION OF RETAIL SALES.—

(1) PSEUDOEPHEDRINE.—

(A) LIMIT.—

(i) IN GENERAL.—Not sooner than the effective date of this section and subject to the requirements of clause (ii), the Attorney General may establish by regulation a single-transaction limit of 24 grams of pseudoephedrine base for retail distributors. Notwithstanding any other provision of law, the single-transaction threshold quantity for pseudoephedrine-containing compounds may not be lowered beyond that established in this paragraph.

(ii) CONDITIONS.—In order to establish a single-transaction limit of 24 grams of pseudoephedrine base, the Attorney General shall establish, following notice, comment, and an informal hearing that since the effective date of this section there are a significant number of instances where ordinary over-the-counter pseudoephedrine products as established in paragraph (45) of section 102 of the Controlled Substances Act (21 U.S.C. 802 (45)), as added by this Act, sold by retail distributors as established in paragraph (46) in section 102 of the Controlled Substances Act (21 U.S.C. 802(46)), are being used as a significant source of precursor chemicals for illegal manufacture of a controlled substance in bulk.

(B) VIOLATION.—Any individual or business that violates the thresholds established in this paragraph shall, with respect to the first such violation, receive a warning letter from the Attorney General and, if a business, the business shall be required to conduct mandatory education of the sales employees of the firm with regard to the legal sales of pseudoephedrine. For a second violation occurring within 2 years of the first violation, the business or individual shall be subject to a civil penalty of not more than $5,000. For any subsequent violation occurring within 2 years of the previous violation, the business or individual shall be subject to a civil penalty not to exceed the amount of the previous civil penalty plus $5,000.

(2) PHENYLPROPANOLAMINE.—

(A) LIMIT.—

(i) IN GENERAL.—Not sooner than the effective date of this section and subject to the requirements of clause (ii), the Attorney General may establish by regulation a single-transaction limit of 24 grams of phenylpropanolamine base for retail distributors. Notwithstanding any other provision of law, the single-transaction threshold quantity for phenylpropanolamine-containing compounds may not be lowered beyond that established in this paragraph.

(ii) CONDITIONS.—In order to establish a single-transaction limit of 24 grams of phenylpropanolamine base, the Attorney General shall establish, following notice, comment, and an informal hearing, that since the effective date of this section there are a significant number of instances where ordinary over-the-counter phenylpropanolamine products as established in paragraph (45) of section 102 of the Controlled Substances Act (21 U.S.C. 802(45)), as added by this Act, sold by retail distributors as established in paragraph (46) in section 102 of the Controlled Substances Act (21 U.S.C. 802(46)), are being used as a significant source of precursor chemicals for illegal manufacture of a controlled substance in bulk.

(B) VIOLATION.—Any individual or business that violates the thresholds established in this paragraph shall, with respect to the first such violation, receive a warning letter from the Attorney General and, if a business, the business shall be required to conduct mandatory education of the sales employees of the firm with regard to the legal sales of pseudoephedrine. For a second violation occurring within 2 years of the first violation, the business or individual shall be subject to a civil penalty of not more than $5,000. For any subsequent violation occurring within 2 years of the previous violation, the business or individual shall be subject to a civil penalty not to exceed the amount of the previous civil penalty plus $5,000.

(3) DEFINITION OF BUSINESS.—For purposes of this subsection, the term ''business'' means the entity that makes the direct sale and does not include the parent company of a business not involved in a direct sale regulated by this subsection.

(4) JUDICIAL REVIEW.—Any regulation promulgated by the Attorney General under this section shall be subject to judicial review pursuant to section 507 of the Controlled Substances Act (21 U.S.C. 877).

(e) EFFECT ON THRESHOLDS.—Nothing in the amendments made by subsection (b) or the provisions of subsection (d) shall affect the authority of the Attorney General to modify thresholds (including cumulative thresholds) for retail distributors for products other than ordinary over-the-counter pseudoephedrine or phenylpropanolamine products (as defined in section 102(45) of the Controlled Substances Act, as added by this section) or for non-retail distributors, importers, or exporters.

(f) EFFECTIVE DATE OF THIS SECTION.—Notwithstanding any other provision of this Act, this section shall not apply to the sale of any over-the-counter pseudoephedrine or phenylpropanolamine product initially introduced into interstate commerce prior to 9 months after the date of enactment of this Act.

SEC. 402. MAIL ORDER RESTRICTIONS.

Section 310(b) of the Controlled Substances Act (21 U.S.C. 830(b)) is amended by adding at the end the following:

''(3) MAIL ORDER REPORTING.—(A) Each regulated person who engages in a transaction with a nonregulated person which—

''(i) involves ephedrine, pseudoephedrine, or phenylpropanolamine (including drug products containing these chemicals); and

''(ii) uses or attempts to use the Postal Service or any private or commercial carrier;

shall, on a monthly basis, submit a report of each such transaction conducted during the previous month to the Attorney General in such form, containing such data, and at such times as the Attorney General shall establish by regulation.

''(B) The data required for such reports shall include—

''(i) the name of the purchaser;

''(ii) the quantity and form of the ephedrine, pseudoephedrine, or phenylpropanolamine purchased; and

''(iii) the address to which such ephedrine, pseudoephedrine, or phenylpropanolamine was sent.''.

TITLE V—EDUCATION AND RESEARCH

SEC. 501. INTERAGENCY METHAMPHETAMINE TASK FORCE.

(a) ESTABLISHMENT.—There is established a ''Methamphetamine Interagency Task Force'' (referred to as the ''interagency task force'') which shall consist of the following members:

(1) The Attorney General, or a designee, who shall serve as chair.

(2) 2 representatives selected by the Attorney General.

(3) The Secretary of Education or a designee.

(4) The Secretary of Health and Human Services or a designee.

(5) 2 representatives of State and local law enforcement and regulatory agencies, to be selected by the Attorney General.

(6) 2 representatives selected by the Secretary of Health and Human Services.

(7) 5 nongovernmental experts in drug abuse prevention and treatment to be selected by the Attorney General.

(b) RESPONSIBILITIES.—The interagency task force shall be responsible for designing, implementing, and evaluating the education and prevention and treatment practices and strategies of the Federal Government with respect to methamphetamine and other synthetic stimulants.

(c) MEETINGS.—The interagency task force shall meet at least once every 6 months.

(d) FUNDING.—The administrative expenses of the interagency task force shall be paid out of existing Department of Justice appropriations.

(e) FACA.—The Federal Advisory Committee Act (5 U.S.C. App. 2) shall apply to the interagency task force.

(f) TERMINATION.—The interagency task force shall terminate 4 years after the date of enactment of this Act.

SEC. 502. PUBLIC HEALTH MONITORING.

The Secretary of Health and Human Services shall develop a public health monitoring program to monitor methamphetamine abuse in the United States. The program shall include the collection and dissemination of data related to methamphetamine abuse which can be used by public health officials in policy development.

SEC. 503. PUBLIC-PRIVATE EDUCATION PROGRAM.

(a) ADVISORY PANEL.—The Attorney General shall establish an advisory panel consisting of an appropriate number of representatives from Federal, State, and local law enforcement and regulatory agencies with experience in investigating and prosecuting illegal transactions of precursor chemicals. The Attorney General shall convene the panel as often as necessary to develop and coordinate educational programs for wholesale and retail distributors of precursor chemicals and supplies.

(b) CONTINUATION OF CURRENT EFFORTS.—The Attorney General shall continue to—

(1) maintain an active program of seminars and training to educate wholesale and retail distributors of precursor chemicals and supplies regarding the identification of suspicious transactions and their responsibility to report such transactions; and

(2) provide assistance to State and local law enforcement and regulatory agencies to facilitate the establishment and maintenance of educational programs for distributors of precursor chemicals and supplies.

SEC. 504. SUSPICIOUS ORDERS TASK FORCE.

(a) IN GENERAL.—The Attorney General shall establish a ''Suspicious Orders Task Force'' (the ''Task Force'') which shall consist of—

(1) appropriate personnel from the Drug Enforcement Administration (the ''DEA'') and other Federal, State, and local law enforcement and regulatory agencies with the

experience in investigating and prosecuting illegal transactions of listed chemicals and supplies; and

(2) representatives from the chemical and pharmaceutical industry.

(b) RESPONSIBILITIES.—The Task Force shall be responsible for developing proposals to define suspicious orders of listed chemicals, and particularly to develop quantifiable parameters which can be used by registrants in determining if an order is a suspicious order which must be reported to DEA. The quantifiable parameters to be addressed will include frequency of orders, deviations from prior orders, and size of orders. The Task Force shall also recommend provisions as to what types of payment practices or unusual business practices shall constitute prima facie suspicious orders. In evaluating the proposals, the Task Force shall consider effectiveness, cost and feasibility for industry and government, an other relevant factors.

(c) MEETINGS.—The Task Force shall meet at least two times per year and at such other times as may be determined necessary by the Task Force.

(d) REPORT.—The Task Force shall present a report to the Attorney General on its proposals with regard to suspicious orders and the electronic reporting of suspicious orders within one year of the date of enactment of this Act. Copies of the report shall be forwarded to the Committees of the Senate and House of Representatives having jurisdiction over the regulation of listed chemical and controlled substances.

(e) FUNDING.—The administrative expenses of the Task Force shall be paid out of existing Department of Justice funds.

(f) FACA.—The Federal Advisory Committee Act (5 U.S.C. App. 2) shall apply to the Task Force.

(g) TERMINATION.—The Task Force shall terminate upon presentation of its report to the Attorney General, or two years after the date of enactment of this Act, whichever is sooner.

Mr. BIDEN. Mr. President, the story of our failure to foresee—and prevent—the crack cocaine epidemic is one of the most significant public policy mistakes in modern history. Although warning signs of an outbreak flared over several years, few took action until it was too late.

We now face similar warning signs with another drug—methamphetamine. Without swift action now, history may repeat itself.

So today, Senator HATCH and I, along with Senators FEINSTEIN, SPECTER, HARKIN, WYDEN, D'AMATO, and DEWINE are introducing legislation to address this new emerging drug epidemic before it is too late.

Within the past few years the production and use of methamphetamine have risen dramatically. Newspaper and media reports over the past few months have highlighted these increases. I have been tracking this development and pushing legislation to increase Federal penalties and strengthen Federal laws against methamphetamine production, trafficking, and use since 1990.

And what I and others have found is alarming: From 1991 to 1994 methamphetamine-related emergency room episodes increased 256 percent—the increase from 1993 to 1994 alone was 75 percent—with more than 17,000 people overdosing and being brought to the emergency room because of methamphetamine. A survey of high school seniors, which only measures the use of ''ice''—a fraction of the methamphetamine market—found that in 1995 86,000 12th graders had used ''ice'' in the past year, 39,000 had used it in the past month, and 3,600 reported using ''ice'' daily. This same survey found that only 54 percent of high school seniors perceived great risk in trying ''ice''—down from 62 percent in 1990. And 27 percent of these children said it would be easy for them to get ''ice'' if they wanted it.

The cause for concern over a methamphetamine epidemic is further fueled by drug-related violence—again something we saw during the crack era—that we can expect to flourish with methamphetamine as well. Putting the problem in perspective, drug experts claim that ''ice surpasses PCP in inducing violent behavior.''

In addition to the violence—both random and irrational—associated with methamphetamine users, there is also the enormous problem of violence among methamphetamine traffickers and the environmental and life-threatening conditions endemic in the clandestine labs where methamphetamine is produced.

The bill we are now introducing addresses all of the dangers of methamphetamine and takes bold actions to stop this potential epidemic in its tracks. The Hatch-Biden methamphetamine enforcement bill will take six major steps toward cracking down on methamphetamine production, trafficking, and use, particularly use by the most vulnerable population threatened by this drug—our young people.

First and foremost, we increase penalties for possessing and trafficking in methamphetamine.

Second, we crack down on methamphetamine producers and traffickers by increasing the penalties for the illicit possession and trafficking of the precursor chemicals and equipment used to manufacture methamphetamine.

Third, we increase the reporting requirements and restrictions on the legitimate sales of products containing these precursor chemicals in order to prevent their diversion, and we impose even greater requirements on all firms which sell these products by mail. This includes the use of civil penalties and injunctions to stop legitimate firms from recklessly providing precursor chemicals to methamphetamine manufacturers.

Fourth, we address the international nature of methamphetamine manufacture and trafficking by coordinating international enforcement efforts and strengthening provisions against the illegal importation of methamphetamine and precursor chemicals.

Fifth, we ensure that methamphetamine manufacturers who endanger the life on any individual or endanger the environment while making methamphetamine will receive enhanced prison sentences.

Finally, we require Federal, State and local law enforcement and public health officials to stay ahead of any potential growth in the methamphetamine epidemic by creating national working groups on the protecting the public from the dangers of methamphetamine production, trafficking, and abuse.

The Hatch-Biden bill addresses all of the needs with a fair balance between the needs of manufacturers and consumers of legitimate products which contain methamphetamine precursor chemicals and the need to protect the public by instituting harsh penalties for any and all methamphetamine-related activities.

This legislation is the crucial, comprehensive tool we need to stay ahead of the methamphetamine epidemic and to avoid the mistakes made during the early stages of the crack-cocaine explosion.

I want to thank Senator HATCH and my other colleagues who share my desire to move now on the problem of methamphetamine. I also want to thank the Clinton administration, which also was determined to act now on this issue and worked with us in developing several of the provisions in this bill.

I urge all my colleagues to join us in protecting our children and our society from the devastations of methamphetamine by supporting this vital legislation.

Mr. WYDEN. Mr. President, I rise today to join my colleagues, Senator HATCH, Senator BIDEN, and others to introduce the Comprehensive Methamphetamine Control Act of 1996.

Methamphetamine is one of the most insidious drugs to hit the streets in decades. In a few short years in Oregon, methamphetamine has become the second most frequently detected drug in workplace drug testing and in motor vehicle driver drug checks. This drug has become not only a scourge on Oregon's streets, increasing crime and creating toxic environmental hazards in the labs where it is produced, but has repercussions throughout the social services system as well. Foster care caseloads have increased because of the meth epidemic, and drug treatment centers are struggling with rising numbers of people needing help to escape the effects of this highly addictive and damaging drug.

According to Sheriff Robert Kennedy, who serves the State in Jackson County in southwestern Oregon, methamphetamine arrests in his county have increased 1,100 percent in the past 5 years. This drug has become an urban and rural problem, and is being abused across the economic and social spectrum. Statewide, the Oregon Narcotics Enforcement Association and others have joined together to fight the public safety and health problems associated with methamphetamine.

From the problems associated with cleaning up labs, to stopping the influx

of Mexican-manufactured methamphetamine from coming into Oregon, law enforcement officials across the State have told me that meth is quickly becoming a major problem demanding high priority.

That is why I am pleased today to join in the effort to help the country's law enforcement officers fight the methamphetamine epidemic. The Comprehensive Methamphetamine Control Act takes on the battle against the drug on a number of fronts.

To combat the precursor drugs manufactured across the border in Mexico, this legislation includes a long-arm provision that allows the United States to prosecute people who manufacture methamphetamine precursor chemicals, with an intent to import them into our country.

Here at home, the bill significantly increases penalties for illegal trafficking in methamphetamine. Penalties for methamphetamine trafficking have been too low for too long. This bill will make drug dealers think twice by making penalties for dealing methamphetamine comparable to those for crack cocaine.

The legislation also cracks down on trafficking in the precursor chemicals used to produce methamphetamine, increasing penalties and allowing law enforcement increased flexibility to obtain injunctions to stop the production and sale of precursor chemicals when an individual or company knowingly sells these chemicals to methamphetamine dealers.

Finally, the act addresses the problem that many methamphetamine producers use legal, over-the-counter drugs, containing precursor chemicals, to manufacture methamphetamine. The bill will confront this in a direct way by limiting bulk quantities of these drugs that can be sold over the counter and, at the same time, creating a safe harbor for retailers so smaller quantities of the drugs can be sold to consumers who need unimpeded access to these helpful and commonly used products.

According to the Drug Enforcement Agency, every 4 hours, an illicit lab can produce a quarter pound of methamphetamine that sells for $2,000. These labs can be set up anywhere—in cars, hotel rooms, and abandoned buildings. Their byproducts pollute the area of the lab with carcinogenic toxins and, often times, these dangerous chemicals are dumped by the side of the road, in waterways or in other public areas.

It is time for Congress to join in the fight against this drug that pollutes our communities, drives crime and violence, and floods our social services systems. I am pleased to join in this effort, and I commend my colleagues for their bipartisan efforts and hard work in crafting this important piece of legislation.

Mr. HARKIN. Mr. President, in February, Iowa was featured on the front page of the New York Times—but it wasn't the kind of publicity I want to see our State receive. The article highlighted a problem that is exploding around Iowa—the growing use of the drug methamphetamine, commonly known as meth or crank.

There's no doubt that meth has invaded our State with a fury. The statistics tell the tragic story. More than 35 percent of new incarcerations in Iowa involve meth. Federal methamphetamine investigations have doubled and meth arrests have more than tripled over the past 2 years. The Division of Iowa Narcotics Enforcement has reported a nearly 400-percent increase in meth seizures in a 1-year period. And in our largest city of Des Moines, meth seizures increased more than 4,000 percent.

The number of labs producing meth has also increased dramatically. And many of the traffickers are illegal aliens from Mexico, presenting additional problems and burdens on law enforcement. This is especially challenging because Iowa currently has no Immigration and Naturalization Service office.

Meth is now termed Iowa's ''drug of choice.'' And unfortunately, its spread has left no part of our State untouched.

In a word, meth is poison. It destroys lives, families, and communities. The experts describe methamphetamine as a synthetic central nervous system stimulant—the strongest and most intense of the amphetamine group. A leading Iowa doctor referred to meth as the most malignant, addictive drug known to mankind.

Meth is a killer. It causes brain, heart, liver, and kidney damage. It breaks down the immune system and often leads to paranoid psychosis, violent behavior, and death.

The narcotic is primarily used by young male adults. But experts have found that a growing number of women and teens are now turning to meth.

A majority of Iowa law enforcement officials responding to a recent Governor's Alliance on Substance Abuse Survey ranked meth as the No. 1 problematic drug in their area.

The legislation we are introducing today will help States like Iowa fight back. The Comprehensive Methamphetamine Enforcement Act of 1996 cracks down on the use and manufacture of methamphetamine by increasing the sentencing scheme to be comparable to crack cocaine. It also goes after the precursor chemicals and equipment used to manufacture methamphetamine as well as companies who intentionally sell chemicals for manufacture of meth. The bill also includes public health monitoring and a task force and advisory panel for public education.

This legislation will complement another initiative I have been working on. I have spent a lot of time with local, State, and Federal law enforcement officials in Iowa who tell me that they simply don't have the resources necessary to adequately tackle this skyrocketing new challenge. That's why I am working hard to increase the arsenal in Iowa's fight against meth and to help our law enforcement on the frontlines.

Several years ago, Congress created the High Intensity Drug Trafficking Area initiative to provide added resources to highly affected areas. The program has proven useful, but it has been limited to urban areas such as Miami and Philadelphia.

I believe that it's time to apply this model to help Iowa and surrounding Midwestern States to combat the large methamphetamine trafficking networks, curtail sale and distribution of the narcotic and reduce related violence. This would open the door for the hiring of additional field investigators, chemists, prosecutors and other law enforcement personnel specifically targeted to the methamphetamine problem.

I recently wrote to National Drug Control Policy Director, Gen. Barry McCaffrey, outlining just such a plan. Because of the urgent need I proposed a $7 million increase in resources to begin such an initiative. I will continue to work with Director McCaffrey and my colleagues on the appropriations committee to make this a reality.

People in Iowa have worked hard to cultivate a good quality of life. They have worked hard to make their communities a place to raise a family, a safe place, a decent place, but drug dealers are planting the seeds of destruction and are wreaking havoc on small towns and rural communities all over America.

We must win back our communities and we must fight back. It's a question of priorities and the determination to defend our homes from a threat that is right down the street, not halfway around the world.

Mr. D'AMATO. Mr. President, I rise today to join my colleagues in introducing a bill that will combat a plague on our citizens and communities: methamphetamine.

Methamphetamine is an addictive synthetic drug, used by an increasing number of students and young professionals. Methamphetamine abuse is now the fourth cause of emergency room visits in this country. Clearly, an epidemic has arisen in the United States.

In the early 1990's, emergency room episodes caused by methamphetamine use rose 350 percent, while deaths nearly tripled, according to the DEA.

While methamphetamine use has increased dramatically in the Southwest and Midwest regions of this country, officials have recognized a trend showing that the methamphetamine trade is moving eastward. The whole country is at risk.

The growing methamphetamine trade demands immediate and tough action, especially against the traffickers that are selling this poison to our children. This bill is a sound response to the emerging epidemic.

As methamphetamine abuse has experienced a massive growth, the purity of the drug has increased to the highest potency in 12 years. And not only has the methamphetamine itself changed in the past few years, but so has the traffickers. Mexico-based criminal organizations have mostly replaced the outlaw motorcycle gangs who had monopolized the methamphetamine production and distribution.

These Mexican drug traffickers are self-sufficient in all aspects of the methamphetamine production and trade. They are able to purchase the precursor drugs internationally, produce the drug, and transport the methamphetamine across the border into the U.S. It differs from the cocaine trade in that the Mexican criminal groups can operate this trade without sharing profits with the Colombian cartels.

According to a Justice report, the seizure of methamphetamine from Mexico to the U.S. rose dramatically from 6.5 kilograms in 1992 to 306 kilograms in 1993 to a whopping 653 kilograms in 1995. That is an increase of 1,000 percent in just 3 years.

In response to the sudden and dramatic increase in the trafficking of methamphetamine across the southern border, this bill will impose penalties of up to 10 years for the manufacturing of precursor drugs with the intent of importing it into this country.

The salient points of this bill include: One, enhanced penalties for the manufacture and possession of the equipment used to make the controlled substances; two, seizure and forfeiture of trafficking in precursor chemicals; and three, provides the Attorney General with the authority to shut down the production and sale of the precursor chemicals if the individual or company knowingly sell the precursor in order to produce methamphetamine.

Most importantly, the penalties associated with trafficking methamphetamine will be raised to make it comparable with crack cocaine. A 5-year mandatory minimum will be imposed for every 5 grams trafficked and 10 years to life for a conviction involving the trafficking of 50 grams.

The statistics do not reveal the effects the drug has on the addicts who use it. The effects are appalling. The methamphetamine user will experience an irritable and paranoid effect and then begin the downward spiral of a crippling depression. As with any drug addict, the family suffers tremendously through the entire occurrence.

But it is not only those close to the methamphetamine user who bears the burden. An article in the magazine Police Chief last March describes the perspective of law enforcement that encounters the altered behavior of the addict. ''Simply put, when methamphetamine production and abuse become prevalent in any geographic area, the ancillary criminal behavior in that area will grow as well.''

It is clear that this epidemic must be addressed here and now. I urge my colleagues to support this bill and urge its immediate passage.

Mr. KYL. Mr. President, methamphetamine is, if not the most dangerous drug in America today, one of the fastest spreading. In Western States, meth is already the crack epidemic of the 1990's.

Meth is cheap, easy to manufacture, and readily available. The drug is a synthetic compound that stimulates the central nervous system and causes psychosis, paranoid delusions, and acts of violence.

The drug is most prevalent in four Western cities—Phoenix, Los Angeles, San Diego, and San Francisco. The damage the drug has caused in Arizona is startling. Phoenix police attribute meth use as a factor in the 40 percent jump in homicides in 1994. Meth-related deaths in Phoenix have soared from 11 in 1991 to 122 in 1994. According to the Arizona Criminal Justice Commission, 1 in 17 Arizona high school students reported using meth in the last 30 days. The drug is also behind the headlines of several horrific crimes that have occurred in the State.

Arizona has taken action, and a methamphetamine bill offered by State Representative Paul Mortenson, passed the legislature in Phoenix and was signed into law by Governor Symington this April. The bill increases the penalties for those who produce and sell the drug, and criminalizes the possession of equipment or chemicals used in the manufacture of dangerous drugs.

Appropriately, the U.S. Senate, in a bipartisan fashion, is addressing the methamphetamine explosion. I would particularly like to point out the fine work of Senator FEINSTEIN on this issue. Senator FEINSTEIN introduced the predecessor to this bill, and last month successfully amended a defense bill to stop the Federal Government from inadvertently selling to illicit manufacturers the chemicals used to make meth.

The Methamphetamine Control Act accomplishes much. The bill:

Increases the penalties for the trafficking and manufacture of methamphetamine and its precursor chemicals. The new penalties put the penalties for meth on the same level with crack;

Increases the penalties for the illegal manufacture and possession of equipment used to manufacture meth;

Requires those convicted of offenses relating to methamphetamine to provide restitution to the United States for the costs incurred by the United States for the cleanup associated with the manufacture of methamphetamine;

Regulates the sale of over-the-counter drugs that contain the precursor chemicals for methamphetamine if the sale exceeds a substantial threshold quantity; and

Establishes a Methamphetamine Interagency Task Force to develop strategies to fight the use of this drug.

The devastating effects of meth are seen every day in our jails, our emergency rooms, and our morgues. We must do everything we can to withstand this tide of poison. America can't afford another epidemic like crack, which destroyed countless individuals, families, and communities.

By Mr. CAMPBELL (for himself, Mr. CHAFEE and Ms. MOSELEY-BRAUN):

S. 1966. A bill to extend the legislative authority for the Black Revolutionary War Patriots Foundation to establish a commemorative work; to the Committee on Energy and Natural Resources.

THE BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL ACT OF 1996

Mr. CAMPBELL. Mr. President, on behalf of myself and my distinguished colleagues, Senator CHAFEE and Senator MOSELEY-BRAUN, today I introduce legislation that seeks to extend the legislative authority for the construction of the Black Revolutionary War Patriots Memorial and for the Foundation raising funds to construct the memorial.

Mr. President, in 1986, the Congress enacted and President Reagan signed into law legislation establishing a Black Revolutionary War Patriots Memorial, a memorial to honor the more than 5,000 African-Americans who fought for this country during the Revolutionary War. In order to appropriately recognize the bravery and sacrifice of these honorable and distinguished patriots, Public Law 99–558 sought to establish a suitable memorial, a monument which will be located on the Mall here in Washington, DC. When complete, the memorial will be the first monument on the Mall to be dedicated solely to the accomplishments of African-Americans.

The centerpiece of P.L. 99–558 was the establishment of the Black Revolutionary War Patriots Foundation, as a not-for-profit organization whose sole charter is to raise the necessary funding for the costs associated with constructing the memorial.

When enacted, the foundation was authorized to operate for a period of 10 years, no more. While the foundation has raised a substantial amount of funding, it remains short of its $9.5 million goal. This legislation would provide for a 2-year extension of the legislative authority for the establishment of the memorial, providing the foundation with valuable time to complete its fundraising.

I have a couple of reasons for wishing to see this extension approved by Congress. First, this memorial serves a noble purpose, honoring the service and patriotism of individuals long deserving of this praise. Second, the sculptor who has been commissioned to design this memorial is a Coloradan named Ed Dwight. Mr. Dwight, the first African-American astronaut, is an accomplished artist residing in Denver. His work is known across the world, and I would like to see his design for the

Black Revolutionary War Patriots Memorial become a reality and be situated near several of this country's most distinguished monuments.

Mr. President, I believe Congress has demonstrated its commitment to the establishment of the Black Revolutionary War Patriots Memorial by authorizing its construction almost 10 years ago. In addition, my distinguished colleagues, Senator JOHN CHAFEE and Representative NANCY JOHNSON, have also introduced legislation which will raise funds for construction costs through the minting and issuing of a commemorative coin honoring these patriots. To date, 376 Members have signed on as cosponsors to these measures, myself included.

It is my hope this legislation will receive the full, expeditious support of the Senate.

By Mr. FAIRCLOTH:

S. 1968. A bill to reorder United States budget priorities with respect to United States assistance to foreign countries and international organizations; to the Committee on Foreign Relations.

THE FOREIGN AID REFORM ACT OF 1996

Mr. FAIRCLOTH. Mr. President, I rise to introduce the Foreign Aid Reform Act of 1996. I would like to offer just a few brief remarks about this legislation and its three component parts.

First, it bars foreign aid to countries that vote against the United States more often than not in recorded votes at the United Nations.

Second, this legislation creates a point of order to require the Congress to enact domestic appropriations bills before it considers foreign aid bills.

Third, this bill prohibits foreign aid to be distributed by agencies that are essentially domestic, and it defines domestic agencies as those not primarily responsible for foreign affairs or national security.

Mr. President, 64 percent of American foreign aid recipients voted against the United States more often than not in the 1995 session of the United Nations. India, for example, received $157 million of American taxpayers' money last year—it is the fifth largest recipient of American aid—and, yet, it voted against the United States in 83 percent of their U.N. votes. India ties Cuba and exceeds Iran in its record of opposition to American diplomatic goals.

In fact, the nations that voted against us a majority of the time at the United Nations received a total of $3.1 billion in foreign aid in 1996. I find it incredible that we gave $3 billion to nations that refused to offer some consistent support to our diplomatic initiatives.

The United States sent troops to Haiti to restore President Aristide and sent $123 million in financial aid. The aid continues, but, Mr. President, Haiti voted against the United States 60 percent of the time.

President Clinton engineered a $40 billion bailout for Mexico, and, yet, Mexico voted against us 58 percent of the time in the United Nations.

United Nations votes are based on a range of considerations. However, foreign aid is sold to the American people as a program to defend American interests, to promote our interests, and to assist our friends, but it is clear that support for our diplomatic efforts is not a popular response to our generous distribution of aid.

The second provision of this bill, Mr. President, subjects the foreign operations appropriations bill to a point of order that requires the Congress to complete domestic appropriations prior to consideration of the foreign assistance budget.

The foreign operations bill for fiscal year 1996 became law on February 12 of this year, but four domestic spending bills remained unfinished for another 10 weeks. In fact, foreign operations is probably going to be among the first three appropriations bills that we consider during the current budget process.

The American people will have every right to be upset if part of the Government shuts down, and benefit and payroll checks are not delivered, but the foreign aid checks flow freely. The constitutional charge of the Congress is to attend to the Federal business of the American people. The American people worked to earn this money, and we should attend to their business first, not to foreign aid.

This bill also takes domestic agencies out of the foreign aid business. I will illustrate the need for this provision with some rather remarkable examples of waste in just one Agency, the Environmental Protection Agency, although I am confident that it exists at numerous others.

The EPA was one of the few domestic agencies to receive a real increase in its 1996 budget. After receiving an increase in its budget, however, it awarded 106 grants worth a total of $28 million to foreign countries between 1993 and 1995.

The foreign assistance budget sent $600,000 to Communist China, but, Mr. President, the EPA sent $1,200,000 to Communist China. The EPA, in effect, tripled their infusion of American aid. This aid went to a country that voted against us 79 percent of the time in the United Nations and with which we recorded a $34 billion trade deficit.

The EPA awarded a $20,000 grant to the Chinese Ministry of Public Security. Of course, the Ministry of Public Security is not an environmental agency, but a national police force that issued shoot to kill orders during the pro-democracy rallies of 1989. The grant was designed for ''halon management and maintenance training,'' which, Mr. President, turns out to be upkeep of fire extinguishers. The taxpayers are responsible for this program, Mr. President, because the Clean Air Act obligates the American people to assist developing nations. In my opinion, however, a nation that builds and maintains nuclear weapons should be able to maintain their fire extinguisher without the hard-earned American taxpayers' money.

The EPA sent $175,000 to China to build a clearinghouse in Peking for information about Chinese coal mining issues. The American taxpayer will be delighted to know that they bought the Chinese a $25,000 computer and spent $4,500 to air condition the clearinghouse office.

These are not isolated incidents. It goes on: $350,000 for a refrigeration project, $160,000 for an energy efficiency center, and $125,000 to assist in the construction of an environmental industrial park. This is to a country that boasts a $34 billion trade surplus.

China is not the only foreign nation to receive EPA grants. Nigeria, which voted against us 69 percent of the time at the United Nations, earns billions of dollars each year in oil exports, but the EPA sent them $410,000 to study gas emissions.

Oman, one of the wealthiest countries in the world, received a $100,000 grant. Oman, indeed, voted against us 65 percent of the time in the United Nations. I find it impossible to imagine that this Persian Gulf monarchy could not afford $100,000 for an environmental study of its own environmental issues.

The list continues. The Swedish National Board for Industrial and Technical Development received $50,000 to study efficient lighting. It appalls me that our money—American taxpayers' money—is going to Sweden, one of the most technically advanced countries in the world, to study efficient lights.

The EPA sent $50,000 to a university in Austria to help host a conference in an Israeli beach resort town on indoor air quality. The EPA also sent $50,000 to the Clean Air Society of Australia and New Zealand, two of the nations with the cleanest air in the world, and $140,000 to a university in Denmark.

Mr. President, these are not Third World nations, and I certainly do not believe the American people need to fund conferences and research in countries that can easily afford these efforts.

The grants that I describe were all funded with Environmental Protection Agency discretionary money. As you know, the EPA is very vocal about its budget. The EPA claims the environment will suffer if its budget is scrutinized, but, clearly, millions of dollars are squandered.

I think that these grants reflect a profound lack of appreciation for the hard work that the American people perform to pay their taxes. If the Federal Government can find no better use of the taxpayers' money than these wasteful grants, then Washington should return it to the American people.

The American people do not carry their lunch buckets to work in order to send their dollars to the security forces that order soldiers to shoot students in China. The American people do not

labor in order to send Austrian professors to beach resorts. The American people do not labor to help the Sultan of Oman develop a list of emissions from his bountiful oil wells. Unfortunately, however, that is the case. It is an outrageous waste of American tax dollars. I hope my colleagues will join me in cosponsoring the Foreign Aid Reform Act of 1996.

By Mr. JEFFORDS (for himself, Mr. BRADLEY, Mrs. KASSEBAUM, Mr. KERREY, Mr. COHEN, Mr. BINGAHAM, Mr. CHAFEE and Mr. WYDEN):

S. 1969. A bill to establish a Commission on Retirement Income Policy; to the Committee on Labor and Human Resources.

THE COMMISSION ON RETIREMENT INCOME POLICY ACT OF 1996

Mr. JEFFORDS. Mr. President, I introduce the ''Commission on Retirement Income Policy Act of 1996'' with my colleagues BILL BRADLEY, BILL COHEN, BOB KERREY, NANCY KASSEBAUM, JEFF BINGAMAN, JOHN CHAFEE, and RON WYDEN. As you can see, this is a bi-partisan effort by many of the members of the Senate/House Ad Hoc Steering Committee on Retirement Income Security. This bill is a companion to a bill introduced in the House on March 13, 1996, by Nancy Johnson and Earl Pomeroy HR 3077.

The objective of the Steering Committee, which is co-chaired by Senator BRADLEY, Representative NANCY JOHNSON and EARL POMEROY, in its first year of operation has been to engage Members of Congress and experts in the private sector in a national dialog concerning this country's retirement income policies. Over the past 9 months, the Steering Committee has hosted a series of luncheons for members and staff to discuss retirement savings issues. During that time, we heard from a variety of experts who represent a cross-section of views and interest in the retirement policy field.

Although, generally I am not a great fan of Commissions, I believe after this past year of informal meetings with Members and private sector experts that it is imperative that we as a Nation go back to basics regarding all of the components that make up retirement income. I am referring to the three-legged-stool approach which was so nicely illustrated at our first luncheon on November 9, 1995, by Deborah Briceland-Betts, Executive Director, Older Women's League. The three-legged-stool which represents our national retirement savings is collapsing. The problem is that not only is one leg shaky instead all three legs, employer pension benefit plans, Social Security and individual savings, are wobbly.

The private pension system simply does not cover a majority of workers. Those employees fortunate enough to have coverage will find their pension plans will not provide them with sufficient retirement income to meet their expected needs. The Social Security program which is now over 60 years old, is heading for a collapse under the weight of the baby boom generation. Personal savings have been in a downward spiral for years, Americans have become used to personal deficit spending.

Financial planners, actuaries, pension consultants, and economists have begun to warn the public and policy makers that, if current trends continue, the retirement income of future retirees will fall far short of their anticipated needs. Yet, more pressing issues, such as health care costs and coverage, cuts in government spending, and other domestic concerns, have made if difficult for the message to get through to the American public. By the time individuals start to plan for retirement income needs they often become overwhelmed. Faced with falling wages and competing savings demands for college for the kids or providing for long-term health care needs for aging parents, many baby boomer sense they are in a deep financial hole from the start.

If we continue to ignore this looming retirement crisis and wait until the baby boomers begin to retire, it will be too late. Future retirees must save throughout their earnings lifetimes and we as a society must find the way to shore up the Social Security and private pension systems by determining how the two systems can work as a team to meet this Nation's goal of adequate retirement income for all Americans.

I would like to take a few minutes to outline the bill. First, the Commission will review trends in retirement savings in the United States, and will evaluate existing federal incentives and programs designed to encourage and protect such savings. In developing recommendations, the bill requires the Commission to consider the amounts of retirement income that future retirees will need (including amounts needed to pay for medical and long-term care), the various sources of retirement income which are available to individuals, the needs of retirement plan sponsors for simplicity and reasonable cost, and the recent shift away from defined benefit plans toward defined contribution plans. The Commission will gather information through a series of public hearings and through receipt of testimony and evidence from a wide variety of witnesses.

This Commission must report to Congress and the President within 1 year after being established. It will recommend concrete steps to ensure that future retirees have adequate retirement income. While the Commission will consider savings generally, it will focus on private savings vehicles and will not make recommendations regarding an overhaul of the Social Security Program, rather it will look to ways the private and public programs can work together. The Commission's recommendations will address the role that traditional pension plan coverage should play in reaching retirement income goals, as well as the role to be played by other retirement savings tools such as 401(k)s and Individual Retirement Accounts (IRAs). The bill requires that any recommendations for new federal incentives or programs to encourage retirement savings also identify the funds necessary to finance these initiatives.

Finally, the only change that we have made from the House bill is the compliment of the Commission. Our Senate version has put greater emphasis on having private sector representation. The Commission will have 16 members, four appointed by the President, of which at least two must be from private life. Three members each, appointed by both the Majority and Minority Leaders of the Senate, of which at least two must be from private life. Three members each, appointed by both the Speaker of the House of Representatives and the Minority Leader the House of Representatives, of which at least two must be from private life.

Mr. President in closing, I along with Senator BRADLEY, would also like to acknowledge with special gratitude, the American Society of Pension Actuaries for their letter of endorsement, which we would like inserted in the RECORD, for this bill we are introducing today in the Senate.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

AMERICAN SOCIETY OF PENSION ACTUARIES, ACTUARIES, CONSULTANTS, ADMINISTRATORS AND OTHER BENEFITS PROFESSIONALS,
Arlington, VA, July 11, 1996.

Hon. JIM JEFFORDS,
513 Hart Senate Office Building,
Washington, DC.

DEAR SENATOR JEFFORDS: The purpose of the American Society of Pension Actuaries is to educate pension actuaries, consultants, and administrators and other benefits professionals and to preserve and enhance the private pension system as part of the development of a cohesive and coherent national retirement income policy.

ASPA supports the establishment of a commission on retirement income policy. We are very excited that you and Senator Bradley plan to introduce legislation in the Senate as a companion bill to HR 3077. When Representatives Nancy Johnson and Earl Pomeroy introduced HR 3077, a bipartisan call for the creation of a special commission to examine the scope of our nation's growing retirement savings crisis and recommend policies to help improve the economic security of retired workers, ASPA applauded the initiative shown by this session of Congress to safeguard our nation's economic future.

Because of the looming retirement income crisis that will occur with the convergence of the Social Security trust fund's potential exhaustion and the World War II ''baby boomers'' reaching retirement age, ASPA created a National Retirement Income Policy Committee to study these alarming issues and suggest potential solutions. Without a thriving private pension system, ASPA's NRIP Committee believes there will be insufficient resources to provide adequate retirement income for future generations.

ASPA's NRIP Committee devoted two years to preparing six in-depth research papers on this topic. The National Retirement

Income Policy Research Papers, published in 1994, present an integrated plan for avoiding a retirement income crisis and develop constructive solutions to: (a) stimulate interest and debate over retirement income policy issues; (2) make specific policy recommendations on what ''retirement savings'' for Americans should encompass; and (3) call for the creation of a commission on retirement income policy as described in HR 3077.

Enclosed are the ASPA NRIP papers Executive Summary and Research Papers which are: Income Replacement in Retirement, Social Security, Working Beyond Retirement Age, Personal Savings, Targets for Personal Savings, and Private Plans.

We believe you will find these papers to be highly creative, quite stimulating and helpful in understanding the urgent need for legislation such as HR 3077 and the creation of a retirement income commission.

Sincerely,

CHESTER J. SALKIND,
Executive Director.

Mr. BRADLEY. Mr. President, today, Senator JIM JEFFORDS and I are introducing a bill to create a special national commission to study retirement issues and recommend specific policies to improve the economic security of retired Americans. Millions of Americans are not saving nearly enough through pension plans or in their own personal savings accounts to provide for their retirements, and they cannot rely upon the Social Security system to provide a comfortable life for them. A crisis is brewing—and we will only be able to prevent it if we focus on solving our retirement savings problems now. That is what this commission is for, to start that process comprehensively and in earnest.

The aging of our population is a principal contributor to the impending retirement crisis. Baby boomers are turning 50 this year, 1 every 7 seconds. The economic implications of this demographic shift are tremendous. By 2030, 20 percent of our population will be retired, compared to 12 percent today. There will also be a lot fewer workers in our economy to support a lot more retirees. In the 1940's, there were 42 workers for every retiree. Today, there are 4.8 workers supporting each retiree. In 2030, there will be only 2.8.

Not only can we expect a lot more retirees, we can expect that they will be retired for a lot longer, with increasingly high expenses. Persons working today can expect to live about 25 percent of their adult lives in retirement, compared to 7 percent in 1940, because life spans are lengthening considerably. Enjoying a longer life is a miracle of science and good health management, but it is also very expensive. We will need to support ourselves for more years of retirement, and we will face dramatically rising health care costs, which disproportionately consume the incomes of retired persons, particularly as individuals live longer.

Meanwhile, the Social Security system is expected to completely exhaust its resources by 2029. Yet 60 percent of all retirees (over the age of 65) rely on Social Security for at least 70 percent of their total retirement income.

Unless we are hoping to support ourselves on the backs of our children or are willing to accept impoverishment and destitution in our retirements, we as individuals and as a nation need to be sure we are saving enough now to support ourselves in the future. But the fact is we are not. Despite the initiation of savings incentives such as favorable tax treatment for Individual Retirement Accounts and frequent warnings about the need to save, the U.S. savings rate remains among the lowest in the developed world. We should be saving more in our own personal accounts than our parents did since we are anticipating longer and more expensive retirements—but we are putting aside less.

Moreover, far too many Americans will be unable to rely on an adequate pension income to supplement their meager savings. Nearly half of all full-time workers are not currently covered by an employer-based retirement plan. Although two-thirds of middle-aged employees are expected to receive some type of employer pension benefit upon retirement, the amount of these benefits may not be adequate to offer them security. The one-third who are not expected to receive pension benefits will be even less secure, forced to continue to work into their last years or become a burden on their families or whatever social safety net remains.

Concerns about inadequate pension incomes are heightened by recent trends such as the movement away from traditional pension plans toward plans which give employees more responsibility for starting, maintaining, and investing their own retirement savings accounts. Our national public policy needs to understand the implications of this evolution and develop effective methods to educate and encourage Americans to make responsible investments for their retirements. We need to figure out how to encourage more employers to offer good pension plans. We need to know what prevents or deters Americans from participating in those plans. And we need to assess what government policy can do to encourage people to save more.

The changing nature of our economic world and the workplace complicate these tasks. Old solutions may not be effective in today's environment of downsizing, outsourcing, and international competition. The availability, size, and security of pensions tighten as various industries are squeezed by global competition. Compounding the problem is the fact that workers anticipate changing jobs much more often in the past, so that many will leave each workplace before they have had a chance to accumulate a decent pension. Women may feel the pain of this problem even more acutely, because more women work part-time or in industries with poorer pension benefits, and because women more often enter and leave the workforce in order to care for children or elderly parents. We need a new approach to retirement policy that surmounts the insecurity implicit in our changing economic environment and delivers increased availability, security, and portability of decent pensions.

We also need to recognize how other social changes play a role in reducing the opportunity for saving. For instance, the tendency of parents to have children later in life means a shorter period of time between when the parents become empty-nesters and when they retire. As a result, baby boomers and other generations will have less time in which to save for their retirement. This problem is further exacerbated by dramatic increases in college education expenses.

While we are making some positive steps toward improving retirement security through our efforts to save the social security and health care systems, simplify pension laws, and provide increased savings incentives, our efforts are piecemeal. Unfortunately, the magnitude of the retirement crisis that is descending upon us is too awesome to be approached piecemeal. We need to understand how the elements of retirement income—private savings, employer-provided pensions, and social security—fit together to provide security, as well as how they do not. Then, in a comprehensive fashion, we need to consider what public policies might strengthen these various elements and provide true retirement security for all Americans.

The Retirement Income Policy Commission which Senator JEFFORDS and I propose will be charged with this critical assignment. Sixteen experts from both the public and private sectors—chosen in a bi-partisan fashion by the House, Senate, and President—will sit on the panel voluntarily, without pay. Together, they will begin to explore the dimensions of our savings problem, understand its causes, and recommend better government policies to promote retirement security. Within one year of beginning their investigations, they will report their findings to the President and Congress, and the Commission will be dissolved.

It would be easy to look the other way as the retirement crisis quietly descends upon us, but our responsibilities to our parents, our children, and ourselves demand that we do not. Taken alone, the aging of the baby boom generation gives urgency to this matter; when these demographics are coupled with our low savings rates, inadequate pensions, potentially debilitated social security system, and current economic and social trends, they harken a disaster. I urge my colleagues to support this modest first step toward averting that disaster.

I am pleased that distinguished Senators from both sides of the aisle—NANCY KASSEBAUM, BOB KERREY, JOHN CHAFEE, JEFF BINGAMAN, BILL COHEN, and RON WYDEN—are original co-sponsors of the legislation which Senator

JEFFORDS and I are introducing today. I am also pleased that endorsements of this bill or the very similar House companion bill have been made by the American Society of Pension Actuaries, the American Council of Life Insurance, the American Association of Engineering Societies, the National Defined Contribution Council, the Society for Human Resource Management, the American Institute of Chemical Engineers, and AT&T. I ask unanimous consent that their letters of endorsement be inserted in the RECORD.

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

AMERICAN COUNCIL OF LIFE INSURANCE,
Washington, DC, May 10, 1996.

Hon. EARL POMEROY,
U.S. House of Representatives, Washington, DC.

DEAR EARL: On behalf of the member companies of the American Council of Life Insurance (ACLI), I want to applaud you for introducing H.R. 3077, the ''Commission on Retirement Income Policy Act of 1996''. Our members strongly support this legislation, which will establish a commission to review and study trends in retirement savings and Federal incentives that encourage and protect such savings.

As you may know, the life insurance industry manages more than one-third of the assets held in private pension plans today which represents $750 billion in pension assets. With such a large commitment to the retirement security of millions of Americans, our industry is vitally concerned with issues affecting the continued viability and expansion of our retirement system.

Demographic, economic, social and political factors will continue to play a significant role in the financial security of future retirees. The ''coming of age'' of the baby boom generation, the shift in business to smaller service companies, the increasing prevalence of two income families and the financial uncertainties underlying the current structure of Social Security will necessitate a reassessment of our current approaches to retirement income savings. A rational national retirement income policy must be developed, communicated and supported so that resources can be allocated most efficiently, ensuring that each American can have a financially secure retirement.

It is imperative to promote a framework in which Americans can enjoy a dignified and financially secure retirement. We believe your legislation can help develop that framework. Accordingly, we applaud the leadership role you have undertaken on this important issue and we would encourage your colleagues to co-sponsor the bill. Please do not hesitate to call on the ACLI for support to help enact the legislation.

Sincerely,

CARROLL A. CAMPBELL, JR.

AMERICAN ASSOCIATION OF ENGINEERING SOCIETIES,
Washington DC, April 26, 1996.

Hon. NEIL ABERCROMBIE,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ABERCROMBIE: I am writing on behalf of the American Association of Engineering Societies (AAES) to request that your consider co-sponsoring H.R. 3077, which provides for the establishment of the Commission on Retirement Income Policy. The bill was introduced by Representative Earl Pomeroy and Representative Nancy Johnson. A summary of the bill's provisions is attached.

AAES is a multidisciplinary organization of 28 engineering and scientific societies whose more than 800,000 members are dedicated to advancing the knowledge, understanding, and practice of engineering in the public interest. The AAES December 1994 Statement on Retirement Income Policy called for a commission on retirement income policy.

AAES is committed to improving opportunities for engineers and other workers to earn retirement income that will enable them to remain economically secure at the conclusion of their working lives. As the 21st century approaches, demographic and economic changes are imposing severe strains on the nation's retirement income delivery system. For most workers, including engineers, career-long employment with one company is a thing of the past. Members of the U.S. work force now experience periodic unemployment, frequent job changes, and increasing reliance on part-time, temporary, or contract employment, which affect their current livelihood, and their future retirement income security.

AAES believes that the Commission on Retirement Income Policy would give national focus to this crucial issue and would contribute to a fiscally responsible effort to resolve retirement security problems.

We hope you will co-sponsor and work for active consideration of H.R. 3077. Thank you very much for your attention and interest.

Sincerely,

E.L. CUSSLER,
1996 AAES Chairman.

NATIONAL DEFINED CONTRIBUTION COUNCIL,
Denver, CO, May 13, 1996.

Hon. EARL POMEROY,
U.S. Congress, Washington, DC.

DEAR CONGRESSMAN POMEROY: On behalf of the National Defined Contribution Council (''NDCC''), I am writing to applaud your leadership on retirement savings issues and support your efforts to establish a commission on retirement income policy.

The NDCC fully supports H.R. 3077, ''The Commission on Retirement Income Policy Act of 1996'' and looks forward to working with you and other members of Congress on its passage.

The NDCC is a national organization dedicated to the promotion and protection of the defined contribution industry. It has been organized specifically for plan service providers and focuses on public policy analysis, legislative advocacy and educating the public on the need for retirement savings.

The NDCC commends you on your recent proposal to create a commission charged with studying policies to help improve Americans' economic security during retirement. Please feel free to call on us in this effort.

Sincerely,

MARY RUDIE BARNEBY,
President.

SOCIETY FOR HUMAN RESOURCES MANAGEMENT,
July 3, 1996.

Hon. NANCY JOHNSON,
Hon. EARL POMEROY,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVES JOHNSON AND POMEROY: On behalf of the Society for Human Resource Management, SHRM, I am writing to enthusiastically endorse H.R. 3077, The Commission on Retirement Income Policy Act of 1996. SHRM is the leading voice of the human resource profession, representing the interests of more than 70,000 professional and student members from around the world.

Today most individuals are able to retire comfortably. On average, workers retire earlier and live longer than in the past. However, a number of trends in the economy and workplace suggest that it will become increasingly difficult for American workers to meet their needs for adequate retirement income. The U.S. population is aging rapidly and the elderly live longer. The retirement of the baby boom generation will impose severe pressure on Social Security, Medicare and Medicaid. It is clear that a coordinated strategy is needed.

That is why H.R. 3077 is so critical. The establishment of the Commission on Retirement Income Policy would give Congress access to the research and recommendations of experts so that America can meet the challenges ahead. This bipartisan legislation should be cosponsored and actively supported by all members of Congress.

Thank you for introducing this key legislation. SHRM looks forward to working with you to see H.R. 3077 considered and passed in 1996.

Sincerely,

MICHAEL R. LOSEY, SPHR,
President & CEO.

AT&T,
Washington, DC, July 17, 1996.

Hon. EARL POMEROY,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN POMEROY: As you are aware, AT&T has a strong interest in its employees and the manner in which they are, or will be, provided for in retirement. Because of our interest in these matters, we were extremely pleased to see the legislation which you and Congresswoman Nancy Johnson have introduced in the House (H.R. 3077). It is our understanding that the legislation, if passed, would establish a commission for the purpose of studying how to best deal with the future retirement needs of this country. The commission, in turn, would issue its findings and recommendations to both the President and Congress by the end of 1997.

AT&T believes that proper planning for the financial needs of retirement and the safeguarding of the retirement savings of U.S. workers is extremely important, and strongly supports your and Rep. Johnson's efforts in introducing and moving H.R. 3077 forward. We urge your House colleagues to co-sponsor this important legislation and to work with us to achieve its swift passage.

Sincerely,

THOMAS R. BERKELMAN,
Director,
Federal Government Affairs.

ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HATFIELD, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1251

At the request of Mr. HATFIELD, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1251, a bill to establish a National Fund for Health Research to expand medical research programs through increased funding provided to the National Institutes of Health, and for other purposes.

S. 1632

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1632, a bill to prohibit persons convicted of a crime involving domestic violence from owning or possessing firearms, and for other purposes.

S. 1645

At the request of Mr. KERRY, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 1645, a bill to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources, and for other purposes.

S. 1729

At the request of Mrs. HUTCHISON, the names of the Senator from New Jersey [Mr. BRADLEY] and the Senator from Texas [Mr. GRAMM] were added as cosponsors of S. 1729, a bill to amend title 18, United States Code, with respect to stalking.

S. 1731

At the request of Mr. CRAIG, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 1731, a bill to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

S. 1862

At the request of Mr. PRESSLER, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 1862, a bill to permit the interstate distribution of State-inspected meat under appropriate circumstances.

S. 1936

At the request of Mr. CRAIG, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1936, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 1962

At the request of Mr. MCCAIN, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 1962, a bill to amend the Indian Child Welfare Act of 1978, and for other purposes.

AMENDMENT NO. 4440

At the request of Mr. ROBB, his name was added as a cosponsor of amendment No. 4440 proposed to S. 1894, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 4441

At the request of Mr. MCCAIN, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of amendment No. 4441 proposed to S. 1894, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 4444

At the request of Mr. MCCAIN, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Virginia [Mr. WARNER], the Senator from Indiana [Mr. COATS], the Senator from Oklahoma [Mr. INHOFE], the Senator from Nebraska [Mr. KERREY], the Senator from Indiana [Mr. LUGAR], the Senator from New Hampshire [Mr. SMITH], the Senator from North Carolina [Mr. HELMS], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of amendment No. 4444 proposed to S. 1894, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 4492

At the request of Mr. SIMON, his name was added as a cosponsor of amendment No. 4492 proposed to S. 1894, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 4575

At the request of Mr. SPECTER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of amendment No. 4575 proposed to S. 1894, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

SENATE RESOLUTION 279—TO COMMEND DR. LEROY T. WALKER

Mr. STEVENS submitted the following resolution; which was considered and agreed to:

S. RES. 279

Whereas, Dr. LeRoy T. Walker, as President of the U.S. Olympic Committee from 1992 to 1996, and through a life long commitment to amateur athletics, has significantly improved amateur athletic opportunities in the United States;

Whereas Dr. Walker has contributed in numerous capacities with the U.S. Olympic Committee since 1977;

Whereas, Dr. Walker is the first African-American to serve as President of the U.S. Olympic Committee in its one hundred year history;

Whereas Dr. Walker has furthered amateur athletics in the United States through service in numerous other amateur athletic organizations, including the Atlanta Committee for the Olympic Games, the North Carolina Sports Development Commission, the Pan American Sports Organization, the Special Olympics, USA Track and Field, the Athletics Congress, the Amateur Athletic Union, the Army Specialized Training Program, the American Alliance of Health, Physical Education, Recreation and Dance, the National Association of Intercollegiate Athletics, North Carolina Central University, Duke University, Prairie View State College, Bishop College, Benedict College, and many others;

Whereas, Dr. Walker was an accomplished athlete himself in collegiate football, basketball and track at Benedict College, and an All-American in football in 1940;

Whereas, as a track and field coach, Dr. Walker helped 77 All-Americans, 40 national champions, eight Olympians, and hundreds of others, reach their potential amateur sports;

Whereas, Dr. Walker epitomizes the spirit of the Amateur Sports Act of 1978, the nation's law governing amateur sports;

Whereas, Dr. Walker was inducted into the U.S. Olympic Hall of Fame in 1987;

Whereas Dr. Walker is recognized as a worldwide leader in the furtherance of amateur athletics;

Whereas Dr. Walker will be leaving his post as the 23rd President of the U.S. Olympic Committee in 1966: Now, therefore, be it

Resolved, That the Senate commends and thanks Dr. LeRoy T. Walker for his service with the U.S. Olympic Committee, his lifelong dedication to the improvement of amateur athletics, and for the enrichment he has brought to so many Americans through these activities.

AMENDMENTS SUBMITTED

THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

INOUYE AMENDMENT NO. 4589

Mr. STEVENS (for Mr. INOUYE) proposed an amendment to amendment No. 4439 proposed by Mr. STEVENS to the bill (S. 1894) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes; as follows:

In lieu of the matter to be inserted by amendment number 4439, at an appropriate place in the bill insert:

SEC. 8099. (a) Notwithstanding any other provision of this Act, the number of Military Personnel, Navy shall be $16,948,481,000, the number for Military Personnel, Air Force shall be $17,026,210,000, the number for Operation and Maintenance, Army shall be $17,696,659,000 the number for Operation and Maintenance, Air Force shall be $17,326,909,000, the number for Operation and Maintenance, Defense-Wide shall be $9,887,142,000, the number for Overseas Contingency Operations Transfer Fund shall be $1,140,157,000, the number for Defense Health Program shall be $10,251,208,000, and the number for Defense Health Program Operation and maintenance shall be $9,931,738,000.

(b) Of the funds appropriated under the heading Aircraft Procurement, Air Force, $11,500,000 shall be made available only for modification to B–52 bomber aircraft.

(c) Of the funds appropriated in title VI of this Act, under the heading Chemical Agents and Munitions Destruction, Defense for Research, development, test and evaluation, $3,000,000 shall only be for the accelerated development of advanced sensors for the Army's Mobile Munitions Assessment System.

(d) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Defense-Wide, $56,200,000 shall be available for the Corps Surface-to-Air Missile (CORPS SAM) program and $515,743,000 shall be available for the Other Theater Missile Defense/Follow-On TMD Activities program.

(e) Funds appropriated in title II of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: *Provided,* That for the purpose of this section, supervision and administration costs includes all in-house government costs.

(f) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Navy, $2,000,000 is available for titanium processing technology.

(g) Advance billing for services provided or work performed by the Navy's defense business operating fund activities is prohibited:

Provided, That of the funds appropriated under the heading Operation and Maintenance, Navy, $2,976,000,000 shall be available only for depot maintenance activities and programs, and $989,700,000 shall be available only for real property maintenance activities.

(h) The Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: *Provided,* That costs for which reimbursement is waived pursuant to this subsection shall be paid from appropriations available for the Asia-Pacific Center.

(i) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Defense-Wide, $3,000,000 shall be available for a defense technology transfer pilot program.

(j) Of the funds appropriated in title IV of this Act, under the heading Research, Development, Test and Evaluation, Navy, $4,000,000 is available for the establishment of the National Coastal Data Centers required by section 7901(c) of title 10, United States Code, as added by the National Defense Authorization Act for Fiscal Year 1997.

(k)(1) Of the amounts appropriated or otherwise made available by this Act for the Department of the Air Force, $2,000,000 shall be available to provide comprehensive care and rehabilitation services to children with disabilities who are dependents of members of the Armed Forces at Lackland Air Force, Base, Texas.

(2) Subject to subsection (3), the Secretary of the Air Force shall grant the funds available under subsection (a) to the Children's Association for Maximum Potential (CAMP) for use by the association to defray the costs of designing and constructing the facility referred to in subsection (1).

(3)(a) The Secretary may not make a grant of funds under subsection (2) until the Secretary and the association enter into an agreement under which the Secretary leases to the association the facility to be constructed using the funds.

(b)(1) The term of the lease under paragraph (1) may not be less than 25 years.

(2) As consideration for the lease of the facility, the association shall assume responsibility for the operation and maintenance of the facility, including the costs of such operation and maintenance.

(c) The Secretary may require such additional terms and conditions in connection with the lease as the Secretary considers appropriate to protect the interests of the United States.

GORTON AMENDMENT NO. 4590

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill, S. 1894, supra; as follows:

On page 29, line 20, strike out ''Forces.'' and insert in lieu thereof ''Forces: *Provided further,* That of the funds appropriated in this paragraph, $7,500,000 shall be available for 1.5 ship years in the university research fleet under the Oceanographic and Atmospheric Technology program.''.

SIMON (AND OTHERS) AMENDMENT NO. 4591

Mr. SIMON (for himself, Mr. SPECTER, and Mr. HARKIN) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) CONSIDERATION OF PERCENTAGE OF WORK PERFORMED IN THE UNITED STATES.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to evaluate competitive proposals submitted in response to solicitations for a contract for the procurement of property or services except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) a factor in such evaluation, as stated in the solicitation, is the percentage of work under the contract that the offeror plans to perform in the United States; and

(2) a high importance is assigned to such factor.

(b) BREACH OF CONTRACT FOR TRANSFERRING WORK OUTSIDE THE UNITED STATES.—None of the funds appropriated to the Department of Defense under his Act may be obligated or expended to procure property or services except when it is made known to the Federal official having authority to obligate or expend such funds that each contract for the procurement of property or services includes a clause providing that the contractor is deemed to have breached the contract if the contractor performs significantly less work in the United States than the contractor stated, in its response to the solicitation for the contract, that it planned to perform in the United States.

(c) EFFECT OF BREACH ON CONTRACT AWARDS AND THE EXERCISE OF OPTIONS UNDER COVERED CONTRACTS.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to award a contract or exercise an option under a contract, except when it is made known to the Federal official having authority to obligate or expend such funds that the compliance of the contractor with its commitment to perform a specific percentage of work under such a contract inside the United States is a factor of high importance in any evaluation of the contractor's past performance for the purpose of the contract award or the exercise of the option.

(d) REQUIREMENT FOR OFFERORS TO PERFORM ESTIMATE.—None of the funds appropriated to the Department of Defense under this Act may be obligated or expended to award a contract for the procurement of property or services unless the solicitation for the contract contains a clause requiring each offeror to provide an estimate of the percentage of work that the offeror will perform in the United States.

(e) WAIVERS.—(1) Subsections (a), (b), and (c) shall not apply with respect to funds appropriated to the Department of Defense under this Act when it is made known to the Federal official having authority to obligate or expend such funds that an emergency situation or the national security interests of the United States requires the obligation or expenditure of such funds.

(2) Subsections (a), (b) and (c) may be waived on a subsection-by-subsection basis for all contracts described in subsection (f) if the Secretary of Defense or the Deputy Secretary of Defense—

(A) makes a written determination, on a nondelegable basis, that—

(1) the subsection cannot be implemented in a manner that is consistent with the obligations of the United States under existing Reciprocal Procurement Agreements with defense allies; and

(2) the implementation of the subsection in a manner that is inconsistent with existing Reciprocal Procurement Agreements would result in a net loss of work performed in the United States; and

(B) report to the Congress, within 60 days after the date of enactment of this Act, on the reasons for such determinations.

(f) SCOPE OF COVERAGE.—This section applies—

(1) to any contract for any amount greater than the simplified acquisition threshold (as specified in section 2302(7) of title 10, United States Code), other than a contract for a commercial item as defined in section 2302(3)(I); and

(2) to any contract for items described in section 2534(a)(5) of such title.

(g) CONSTRUCTION.—Subsections (a), (b), and (c) may not be construed to diminish the primary importance of considerations of quality in the procurement of defense-related property or services.

(h) EFFECTIVE DATE.—This section shall apply with respect to contracts entered into on or after 60 days after the date of the enactment of this Act.

THE NUCLEAR WASTE POLICY ACT OF 1982 AMENDMENT ACT OF 1996

REID AMENDMENTS NOS. 4592–4630

(Ordered to lie on the table.)

Mr. REID submitted 39 amendments intended to be proposed by him to the bill (S. 1936) to amend the Nuclear Waste Policy Act of 1982; as follows:

AMENDMENT NO. 4592

On page 22, between lines 6 and 7, insert the following:

''(c) TRANSPORTATION INCIDENT MANAGEMENT PLANNING.—The Secretary shall develop a program plan in accordance with section 203(f) that ensures that there will be a timely and effective response by a trained and equipped force to deal with any disruptive incident involving the transportation of spent nuclear fuel or high-level radioactive waste. On page 26, between lines 21 and 22, insert the following:

''(h) TRANSPORTATION INCIDENT MANAGEMENT.—

''(1) DEFINITION.—In this subsection, the term 'disruptive incident' includes an accident, an act of terrorism, vandalism, a civil disobedience, or civil protest, and any other disruption of a shipment of spent nuclear fuel or high-level radioactive waste.

''(2) CERTIFICATION.—The individual or contractor directly responsible to the Secretary for effecting a shipment of spent nuclear fuel or high-level radioactive waste shall certify the availability and timely effectiveness of a trained and equipped incident response team to respond to any disruptive incident that may occur during the shipment.

''(3) REQUIREMENTS.—For the purposes of paragraph (1)—

''(A) a response time shall be considered to be timely if the incident response time is capable of commencing active intercession at the site of a disruptive incident not more than 30 minutes after initiation of the incident;

''(B) the incident response team shall be organically prepared to interrupt and terminate acts of terrorism, vandalism, and civil disobedience; and

''(C) the incident response team shall be trained and equipped to mitigate the health or safety consequences of incidents that threaten the integrity or violate the integrity of waste shipment containers.

''(4) CIVIL LIABILITY.—A person that suffers any form of personal injury or pecuniary loss as a result of an accident or disruptive incident during the course of a shipment of spent nuclear fuel or high-level radioactive waste may recover damages in a civil action in United States District from any person who commits an act, or who, having a duty to act, fails to act, and thereby causes or contributes to the cause of the accident or disruptive incident.

''(5) CRIMINAL LIABILITY.—

''(A) FALSE CERTIFICATION.—A person that makes a certification under paragraph (2) that is false shall be imprisoned not less than 5 nor more than 15 years, fined under title 18, United States Code, or both.

''(B) CAUSATION OF ACCIDENT OR DUSRUPTIVE INCIDENT.—A person who commits an act, or who, having a duty to act, fails to act, and thereby causes or contributes to the cause of accident or disruptive incident during the course of a shipment of spent nuclear fuel or high-level radioactive waste shall be imprisoned not less than 15 nor more than 25 years, fined under title 18, United States Code, or both''.

AMENDMENT NO. 4593

On page 26, between lines 21 and 22, insert the following:

''(h) TRANSPORTATION INCIDENT MANAGEMENT.—

''(1) DEFINITION.—In this subsection, the term 'disruptive incident' includes an accident, an act of terrorism, vandalism, a civil disobedience, or civil protest, and any other disruption of a shipment of spent nuclear fuel or high-level radioactive waste.

''(2) CERTIFICATION.—The individual or contractor directly responsible to the Secretary for effecting a shipment of spent nuclear fuel or high-level radioactive waste shall certify the availability and timely effectiveness of a trained and equipped incident response team to respond to any disruptive incident that may occur during the shipment.

''(3) REQUIREMENTS.—For the purposes of paragraph (1)—

''(A) a response time shall be considered to be timely if the incident response time is capable of commencing active intercession at the site of a disruptive incident not more than 30 minutes after initiation of the incident;

''(B) the incident response team shall be organically prepared to interrupt and terminate acts of terrorism, vandalism, and civil disobedience; and

''(C) the incident response team shall be trained and equipped to mitigate the health or safety consequences of incidents that threaten the integrity or violate the integrity of waste shipment containers.

''(4) CIVIL LIABILITY.—A person that suffers any form of personal injury or pecuniary loss as a result of an accident or disruptive incident during the course of a shipment of spent nuclear fuel or high-level radioactive waste may recover damages in a civil action in United States District from any person who commits an act, or who, having a duty to act, fails to act, and thereby causes or contributes to the cause of the accident or disruptive incident.

''(5) CRIMINAL LIABILITY.—

''(A) FALSE CERTIFICATION.—A person that makes a certification under paragraph (2) that is false shall be imprisoned not less than 5 nor more than 15 years, fined under title 18, United States Code, or both.

''(B) CAUSATION OF ACCIDENT OR DISRUPTIVE INCIDENT.—A person who commits an act, or who, having a duty to act, fails to act, and thereby causes or contributes to the cause of accident or disruptive incident during the course of a shipment of spent nuclear fuel or high-level radioactive waste shall be imprisoned not less than 15 nor more than 25 years, fined under title 18, United States Code, or both.''

AMENDMENT NO. 4594

On page 21, between lines 2 and 3, insert the following:

''(k) SAFETY ASSESSMENT.—The Secretary shall conduct a comprehensive operational safety assessment of all transportation modes and operations that—

''(1) considers all possible accident scenarios and quantifies resulting possible environments; and

''(2) addresses—

''(A) transportation vehicle design requirements that minimize adverse environments experienced by loaded containers;

''(B) transportation container design requirements that ensure survivability in possible accident scenarios and environments;

''(C) full-scale performance testing for transportation container designs;

''(D) acceptance testing requirements for empty containers;

''(E) acceptance testing requirements for filled containers; and

''(F) transportation operational concepts that minimize accident risks.''

AMENDMENT NO. 4595

On page 32, between lines 18 and 19, insert the following:

''(e) INTERIM STORAGE FACILITY LICENSING STANDARDS.—

''(1) NO EPA STANDARDS.—Notwithstanding any other provision of law, the Administrator of the Environmental Protection Agency shall not issue, by rule or otherwise, standards for protection of the public from releases of radioactive materials or radioactivity from the interim storage facility, and any such standards that are in effect on the date of enactment of this Act shall not be incorporated in licensing regulations.

''(2) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall establish a standard for protection of the public from release of radioactive material or radioactivity from the interim storage facility that prohibits any release that would expose a member of the general population to an annual dose of more than 25 millirems.

''(3) BASIS FOR LICENSING DETERMINATION.—The interim storage facility licensing determination made by the Commission for the protection of the public shall be based solely on a finding whether the repository is capable of being operated in conformance with the overall system performance standard established under paragraph (2).''

AMENDMENT NO. 4596

On page 44, lines 15 through 18, strike ''that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems'' and insert ''that would expose a member of the general population to an annual dose of more than 25 millirems.''.

AMENDMENT NO. 4597

Beginning on page 73, strike line 17 and all that follows through page 74, line 3, and insert the following:

''All actions authorized by this Act shall be subject to and governed by the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.), the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.), chapter 51 of title 49, United States Code, and the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.) (including regulations issued under those Acts).''

AMENDMENT NO. 4598

On page 33, strike lines 10 through 20 and insert the following:

''(2) EMPLACEMENT OF FUEL AND WASTE.—''

AMENDMENT NO. 4599

On page 34, strike line 21 and all that follows through page 38, line 24, and insert the following:

''(1) MAJOR FEDERAL ACTION.—Construction and operation of the interim storage facility shall be considered to be a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy act of 1969 (42 U.S.C. 4321 et seq.).

''(2) ENVIRONMENTAL IMPACT STATEMENT.—The Secretary shall—

''(A) at the same time as the Secretary submits to the Commission an application for a license for the interim storage facility, submit to the Commission an environmental impact statement on the construction and operation of the interim storage facility; and

''(B) supplement the environmental impact statement as appropriate.

''(3) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and this section, the Secretary shall not consider in the environmental impact statement the need for, or alternative sites or designs for, the interim storage facility.''

AMENDMENT NO. 4600

On page 42, line 4, strike ''reasonably''.

AMENDMENT NO. 4601

On page 42, lines 11 and 12, strike ''reasonable''.

AMENDMENT NO. 4602

Beginning on page 45, strike lines 15 and all that follows through page 46, line 1, and insert the following: ''repository performance; and

''(B) the Commission shall ensure that''.

AMENDMENT NO. 4603

Beginning on page 73, strike line 17 and all that follows through page 74, line 3, and insert the following:

''All actions authorized by this Act shall be subject to and governed by the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 432 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.), the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.), chapter 51 of title 49, United States Code, and the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 ct seq.) (including regulations issued under those Acts).''

AMENDMENT NO. 4604

On page 11, strike lines 9 through 12.

AMENDMENT NO. 4605

On page 11, lines 23 and 24, strike ''not later than November 30, 1999'' and insert ''on a date that is after the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4606

Beginning on page 13, strike line 22 and all that follows through page 21, line 3, and insert the following:

''SEC. 201. TRANSPORTATION PLANNING.''

AMENDMENT NO. 4607

On page 21, line 9, strike ''not later than November 30, 1999'' and insert ''on a date that is after the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4608

On page 21, line 24, strike ''no later than November 30, 1999'' and insert ''on a date

that is after the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4609

On page 27, line 8, strike ''by January 31, 1999'' and insert ''by the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4610

Beginning on page 27, strike line 12 and all that follows through page 29, line 20, and insert the following: ''radioactive waste by the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated.

''(2) Immediately on designation of an interim storage facility site by the President under paragraph (1), the Secretary shall proceed''.

AMENDMENT NO. 4611

On page 30, line 6, strike ''no later than November 30, 1999'' and insert ''not later than the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4612

On page 31, lines 4 and 5, strike ''no later than November 30, 1999'' and insert ''not later than the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4613

On page 31, lines 6 through 8, strike ''No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996'' and insert ''Not later than the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4614

On page 31, lines 23 through 25, strike ''No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996'' and insert ''Not later than 36 months after the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4615

On page 32, line 15, strike ''The license'' and all that follows through the period on line 18.

AMENDMENT NO. 4616

On page 32, lines 23 and 24, strike ''date of enactment of the Nuclear Waste Policy Act of 1996'' and insert ''date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4617

On page 33, strike lines 10 through 20 and insert the following:

''(2) EMPLACEMENT OF FUEL AND WASTE.—''.

AMENDMENT NO. 4618

On page 39, line 20, strike ''No later than February 1,2002,'' and insert ''By February 1, 2002, or such later date as is consistent with confident identification and designation of Yucca Mountain as a permanent repository site,''.

AMENDMENT NO. 4619

On page 39, line 26, strike ''geologic repository'' and insert ''permanent repository site''.

AMENDMENT NO. 4620

On page 48, lines 18 and 20, strike ''the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are'' and insert ''the Yucca Mountain site as described in subsection (b), is''.

AMENDMENT NO. 4621

On page 48, line 25, strike ''the interim storage facility site and''.

AMENDMENT NO. 4622

Beginning on page 49, strike line 4 and all that follows through page 51, line 3, and insert the following:

''(3) RESERVATION.—Until any such date as the Yucca Mountain Site may be determined to be unsuitable for use as a repository, the Yucca Mountain site is reserved for the use of the Secretary for the construction and operation of a repository and activities associated with the purposes of this title.

''(b) LAND DESCRIPTIONS.—

''(1) INTERIM STORAGE FACILITY.—Not later than 180 days after the date on which a site for the permanent disposition of spend nuclear fuel and high-level radioactive waste has been identified and designated, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

''(B) establish boundaries of an interim storage facility site proximate to the repository site, depict those boundaries on a map entitled 'Interim Storage Facility Site Withdrawal Map', and file copies of the map and the legal description of the interim storage facility site with Congress, the Secretary of the Interior, the Governor of the State in which the interim storage facility site is situated, and the Archivist of the United States.

''(2) PERMANENT REPOSITORY.—

''(A) IN GENERAL.—The boundaries depicted on the map entitled ''Yucca Mountain Site Withdrawal Map,'' dated March 1995, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

''(B) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct a repository at the Yucca Mountain site, the Secretary shall—

''(i) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

''(ii) file copies of the map described in subparagraph (A), and the legal description of the Yucca Mountain site with Congress, the Secretary of the Interior, the Governor of the State of Nevada, and the Archivist of the United States.

''(3) CONSTRUCTION.—The maps and legal description of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.''

AMENDMENT NO. 4623

On page 84, strike lines 15 through 20 and insert the following:

''(2) The Secretary shall ensure that all reasonable effort is made to meet spent fuel emplacement rates of—

''(A) 1,200 MTU in each of the first and second years of operation;

''(B) 2,000 MTU in each of the third and fourth years of operation;

''(C) 2,700 MTU in the fifth year of operation; and

''(D) 3,000 MTU in each year after the fifth year of operation.''

AMENDMENT NO. 4624

On page 84, line 22, strike ''January 31, 1999'' and insert ''the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4625

On page 85, line 7, strike ''in fiscal year 2000,'' and insert ''within 2 years after the date on which a site for the permanent disposition of spent nuclear fuel and high-level radioactive waste has been identified and designated''.

AMENDMENT NO. 4626

On page 61, between line 5 and 6, insert the following:

''SEC. 306. COMPENSATION FOR LOSS OF PROPERTY VALUES.

''An owner of property may bring a civil action in United States district court to recover from the Secretary the amount by which the property is diminished in value as a result of the construction or operation of the interim storage facility or the transportation of spent nuclear fuel or high-level radioactive waste under this Act.''

AMENDMENT NO. 4627

On page 22, strike lines 12 through 16 and insert the following:

''(b) ADVANCE NOTIFICATION.—

''(1) IN GENERAL.—Not more than 45 nor less than 30 days before the date on which spent nuclear fuel or high-level radioactive waste is to be transported in a State, the Secretary shall provide to the State, to each local government within the jurisdiction of which the spent nuclear fuel or high-level radioactive waste is to be transported, and to each owner of property, resident of property, and operator of a business on property within 50 miles of each point along the route on which the spent nuclear fuel or high-level radioactive waste is to be transported, a notice containing the information described in paragraph (2).

''(2) INFORMATION TO BE PROVIDED.—A notice under paragraph (1) shall describe the precise route on which spent nuclear fuel or high-level radioactive waste is to be transported and describe the date and approximate (within 60 minutes) time of day that the spent nuclear fuel or high-level radioactive waste will pass each tenth mile along the route.''

AMENDMENT NO. 4628

On page 100, line 24, strike ''annul'' and insert ''annual''.

AMENDMENT NO. 4629

On page 8, lines 10 and 11, strike ''specific site within area 25 of the Nevada test''.

AMENDMENT NO. 4630

On page 37, strike lines 12 through 24.

GLENN AMENDMENTS NOS. 4631–4633

(Ordered to lie on the table.)

Mr. GLENN submitted three amendments intended to be proposed by him to the bill S. 1936, supra; as follows:

AMENDMENT NO. 4631

Beginning on page 95, strike line 8 and all that follows through page 97, line 20.

AMENDMENT NO. 4632

Beginning on page 73, strike line 16 and all that follows through page 74, line 3.

AMENDMENT NO. 4633

Beginning on page 43, strike line 19 and all that follows through page 46, line 15, and insert the following:

''(d) ANALYSIS OF SYSTEM PERFORMANCE.—The Commission

BRYAN AMENDMENTS NOS. 4634–4665

(Ordered to lie on the table.)

Mr. BRYAN submitted 32 amendments intended to be proposed by him to the bill S. 1936, supra; as follows:

AMENDMENT NO. 4634

On page 31, line 5, strike ''1999'' and insert ''2012''.

AMENDMENT NO. 4635

On page 27, line 17, strike ''1998'' and insert ''2023''.

AMENDMENT NO. 4636

On page 31, line 18, strike ''15,000'' and insert ''850''.

AMENDMENT NO. 4637

On page 31, line 18, strike ''15,000'' and insert ''50''.

AMENDMENT NO. 4638

On page 13, after line 13, insert ''(3) the protection offered States being considered by the Department of Energy for a permanent repository under section 145 (g) or section 141 (g) of the Nuclear Waste Policy Act of 1982''.

AMENDMENT NO. 4639

On page 13, after line 13, insert ''(3) rights reserved for the State of Nevada under the tenth amendment of the United States Constitution.''

AMENDMENT NO. 4640

On page 13, after line 13, insert ''(3) commitments made to the citizens of Nevada under the Nuclear Waste Policy Act of 1982.''

AMENDMENT NO. 4641

On page 11, line 24, strike ''1999'' and insert ''2030''.

AMENDMENT NO. 4642

On page 11, line 24, strike ''1999'' and insert ''2020''.

AMENDMENT NO. 4643

On page 11, line 24, strike ''1999'' and insert ''2015''.

AMENDMENT NO. 4644

On page 13, strike line 4 through line 13.

AMENDMENT NO. 4645

On page 11, strike line 19 through line 24.

AMENDMENT NO. 4646

On page 31, line 18, strike ''15,000'' and insert ''455''.

AMENDMENT NO. 4647

On page 31, line 5, strike ''1999'' and insert ''2010''.

AMENDMENT NO. 4648

On page 31, line 18, strike ''15,000'' and insert ''700''.

AMENDMENT NO. 4649

At the end of Title 1, add ''(h) Limitation.—Nothing in this Act shall be construed to subject the United States to financial liability for transportation, storage, or disposal of any waste generated by commercial nuclear utilities.''

AMENDMENT NO. 4650

On page 85, strike line 13 through line 15.

AMENDMENT NO. 4651

Strike section 508.

AMENDMENT NO. 4652

On page 84, strike line 21 through page 85, line 11.

AMENDMENT NO. 4653

On page 79, strike line 20 through page 80 line 8.

AMENDMENT NO. 4654

On page 64, line 6, strike ''1.0'' and insert ''2.5''.

AMENDMENT NO. 4655

On page 95, line 12, strike all after ''Business.'' through line 16.

AMENDMENT NO. 4656

On page 90, strike section 603.

AMENDMENT NO. 4657

On page 75, strike line 10 through line 20.

AMENDMENT NO. 4658

At the appropriate place, add

SEC. . INDEPENDENT REVIEW.

(a) ESTABLISHMENT OF COMMISSION.

(1) IN GENERAL.—The President, in consultation with the science advisor to the President and the Council on Environmental Quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this act as the ''Commission'').

(2) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view towards providing representation from—

(A) Environmental groups;

(B) Consumer groups;

(C) Taxpayer groups;

(D) The scientific community, including nuclear-oriented and other fields such as biology and medicine;

(E) State and local governments;

(F) Indian tribes;

(G) Transportation experts;

(H) Management experts;

(I) Federal, State, and local regulatory agencies;

(J) Utilities; and

(K) Other affected industries.

(3) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.

(4) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.

(b) ISSUES TO BE CONSIDERED.

The Commission shall consider all issues related to United States policy concerning high-level, transuranic, low-level waste, and other radioactive wastes including—

(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;

(2) evaluation of the experiences of other countries in storing and disposing of radioactive waste;

(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;

(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;

(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and

(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.

(c) REPORT.

Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.

(d) LIMITATION.

Notwithstanding any other provision of this Act, the Secretary shall take no actions related to interim storage of spent nuclear fuel or high-level radioactive waste until the Commission report has been filed with Congress.

(e) TERMINATION OF COMMISSION.

The Commission shall terminate 30 days after the date on which the Commission submits its report under section 6.

(f) AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.''

AMENDMENT NO. 4659

On page 27, line 8, strike ''1999'' and insert ''2010''.

AMENDMENT NO. 4660

At the appropriate place, add:

''SEC. 13. PRIVATE PROPERTY RIGHTS PROTECTION.

(a) FINDINGS.—

The Congress finds that—

(1) the private ownership of property is essential to a free society and is an integral part of the American tradition of liberty and limited government;

(2) the framers of the United States Constitution, in order to protect private property and liberty, devised a framework of Government designed to diffuse power and limit Government;

(3) to further ensure the protection of private property, the fifth amendment to the United States Constitution was ratified to prevent the taking of private property by the Federal Government, except for public use and with just compensation;

(4) the purpose of the takings clause of the fifth amendment of the United States Constitution, as the Supreme Court stated in Armstrong v. United States, 364 U.S. 40, 49 (1960), is ''to bar Government from forcing some people alone to bear public burdens, which in all fairness and justice, should be borne by the public as a whole'';

(5) the Federal Government has singled out property holders to shoulder the cost that should be borne by the public, in violation of the just compensation requirement of the takings clause of the fifth amendment of the United States Constitution;

(6) there is a need both to restrain the Federal Government in its overzealous regulation of the private sector and to protect private property, which is a fundamental right of the American people; and

(7) the incremental, fact-specific approach that courts now are required to employ in the absence of adequate statutory language to vindicate property rights under the fifth amendment of the United States Constitution has been ineffective and costly and there is a need for Congress to clarify the law and provide an effective remedy.

(b) DEFINITIONS.—
(1) ''just compensation''—
(A) means compensation equal to the full extent of a property owner's loss, including the fair market value of the private property taken and business losses arising from a taking, whether the taking is by physical occupation or through regulation, exaction, other means; and
(B) shall include compounded interest calculated from the date of the taking until the date the United States tenders payment;
(2) ''owner'' means the owner or possessor of property or rights in property at the time the taking occurs, including when—
(A) the statute, regulation, rule, order, guideline, policy, or action is passed or promulgated; or
(B) the permit, license, authorization, or governmental permission is denied or suspended;
(3) ''private property'' or ''property'' means all property protected under the fifth amendment to the Constitution of the United States, any applicable Federal or State law, or this Act, and includes—
(A) real property, whether vested or unvested, including—
(i) estates in fee, life estates, estates for years, or otherwise;
(ii) inchoate interests in real property such as remainders and future interests;
(iii) personalty that is affixed to or appurtenant to real property;
(iv) easements;
(v) leaseholds;
(vi) recorded liens; and
(vii) contracts or other security interests in, or related to, real property;
(B) the right to use water or the right to receive water, including any recorded lines on such water right;
(C) rents, issues, and profits of land, including minerals, timber, fodder, crops, oil and gas, coal, or geothermal energy;
(D) property rights provided by, or memorialized in, a contract, except that such rights shall not be construed under this title to prevent the United States from prohibiting the formation of contracts deemed to harm the public welfare or to prevent the execution of contracts for—
(i) national security reasons; or
(ii) exigencies that present immediate or reasonably foreseeable threats or injuries to life or property;
(E) any interest defined as property under State law; or
(F) any interest understood to be property based on custom, usage, common law, or mutually reinforcing understandings sufficiently well-grounded in law to back a claim of interest;
(4) ''taking of private property'', ''taking'', or ''take''—
(A) means any action whereby private property is directly taken as to require compensation under the fifth amendment to the United States Constitution or under this Act, including by physical invasion, regulation, exaction, condition, or other means.
(c) LIMITATION.—
(1) Notwithstanding any other provision of this Act, the Secretary shall take no actions related to the transportation of spent nuclear fuel or high-level radioactive waste until publishing in the Federal Register a determination that the owners of all property likely to be subject to a taking as a result of such transportation, as defined by this Act, have received just compensation for such taking out of the Nuclear Waste Fund.
(2) Notwithstanding any other provision of this Act, the Secretary shall take no actions related to the interim storage of spent nuclear fuel or high-level radioactive waste until publishing in the Federal Register a determination that the owners of all property likely to be subject to a taking as a result of such storage, as defined by this Act, have received just compensation for such taking out of the Nuclear Waste Fund.''

AMENDMENT NO. 4661

On page 27, line 8, strike ''1999'' and insert ''2011''.

AMENDMENT NO. 4662

At the appropriate place, add:

''SEC. . INDEPENDENT REVIEW.

(a) ESTABLISHMENT OF COMMISSION.
(1) IN GENERAL.—The President, in consultation with the Science Advisor to the President and the Council on Environmental Quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this act as the ''Commission'').
(2) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view towards providing representation from—
(A) Environmental groups;
(B) Consumer groups;
(C) Taxpayer groups;
(D) The scientific community, including nuclear-oriented and other fields such as biology and medicine;
(E) State and local governments;
(F) Indian tribes;
(G) Transportation experts;
(H) Management experts;
(I) Federal, state, and local regulatory agencies;
(J) Utilities; and
(K) Other affected industries.
(3) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.
(4) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.
(b) ISSUES TO BE CONSIDERED.
The Commission shall consider all issues related to United States policy concerning high-level, transuranic, low-level waste, and other radioactive wastes including—
(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;
(2) evaluation of the experiences of other countries in storing and disposing of radioactive waste;
(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;
(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;
(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and
(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.
(c) REPORT.
Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.
(d) TERMINATION OF COMMISSION.
The Commission shall terminate 30 days after the date on which the Commission submits its report under section 6.
(e) AUTHORIZATION OF APPROPRIATIONS.
There are authorized to be appropriated such sums as are necessary to carry out this Act.''

AMENDMENT NO. 4663

On page 39, strike line 3 through line 8.

AMENDMENT NO. 4664

On page 37, strike line 13 through line 24.

AMENDMENT NO. 4665

On page 37, strike line 5 through line 12.

THE NUCLEAR WASTE POLICY ACT OF 1982 AMENDMENT ACT OF 1996

COCHRAN (AND LOTT) AMENDMENT NO. 4666

Mr. STEVENS (for Mr. COCHRAN, for himself and Mr. LOTT) proposed an amendment to the bill, S. 1894, supra; as follows:

At the end of the bill, insert:

SEC. . LEASE TO FACILITATE CONSTRUCTION OF RESERVE CENTER, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) LEASE OF PROPERTY FOR CONSTRUCTION OF RESERVE CENTER.—(1) The Secretary of the Navy may lease, without reimbursement, to the State of Mississippi (in this section referred to as the ''State''), approximately five acres of real property located at Naval Air Station, Meridian, Mississippi, only for use by the State to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities.
(2) The term of the lease under this subsection shall expire on the same date that the lease authorized by subsection (b) expires.
(b) LEASEBACK OF RESERVE CENTER.—(1) The Secretary may lease from the State the property and improvements constructed pursuant to subsection (a) for a five-year period. The term of the lease shall begin on the date on which the improvements are available for occupancy, as determined by the Secretary.
(2) Rental payments under the lease under paragraph (1) may not exceed $200,000 per year, and the total amount of the rental payments for the entire period may not exceed 20 percent of the total cost of constructing the reserve center and ancillary supporting facilities.
(3) Subject to the availability of appropriations for this purpose, the Secretary may use funds appropriated pursuant to an authorization of appropriations for the operation and maintenance of the Naval Reserve to make rental payments required under this subsection.
(c) EFFECT OF TERMINATION OF LEASES.—At the end of the lease term under subsection (b), the State shall convey, without reimbursement, to the United States all right, title, and interest of the State in the reserve center and ancillary supporting facilities subject to the lease.
(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

THE NUCLEAR WASTE POLICY ACT OF 1982 AMENDMENT ACT OF 1996

BRYAN AMENDMENTS NOS. 4667–4824

(Ordered to lie on the table.)

Mr. BRYAN submitted 158 amendments intended to be proposed by him to the bill S. 1936, supra; as follows:

AMENDMENT NO. 4667

On page 36, strike line 24 through page 37, line 4.

AMENDMENT NO. 4668

On page 36, strike lines 14 through 26.

AMENDMENT NO. 4669

On page 36, strike lines 9 through 11.

AMENDMENT NO. 4670

On page 36, line 8, strike ''not''.

AMENDMENT NO. 4671

At the appropriate place, add the following:

''Notwithstanding any other provision of this Act, federal interim storage of commercial spent nuclear fuel shall only be available as follows:

Interim Storage Program

Findings and Purposes

Sec. 131. (a) Findings.—The Congress finds that—

(1) the persons owning and operating civilian nuclear power reactors have the primary responsibility for providing interim storage of spent nuclear fuel from such reactors, by maximizing, to the extent practical, the effective use of existing storage facilities at the site of each civilian nuclear power reactor, and by adding new onsite storage capacity in a timely manner where practical;

(2) the Federal Government has the responsibility to encourage and expedite the effective use of existing storage facilities and the addition of needed new storage capacity at the site of each civilian nuclear power reactor; and

(3) the Federal Government has the responsibility to provide, in accordance with the provisions of this subtitle, not more than 1,900 metric tons of capacity for interim storage of spent nuclear fuel for civilian nuclear power reactors that cannot reasonably provide adequate storage capacity at the sites of such reactors when needed to assure the continued, orderly operation of such reactors.

(b) Purposes.—The purposes of this subtitle are—

(1) to provide for the utilization of available spent nuclear fuel pools at the site of each civilian nuclear power reactor to the extent practical and the addition of new spent nuclear fuel storage capacity where practical at the site of such reactor; and

(2) to provide, in accordance with the provisions of this subtitle, for the establishment of a federally owned and operated system for the interim storage of spent nuclear fuel at one or more facilities owned by the Federal Government with not more than 1,900 metric tons of capacity to prevent disruptions in the orderly operation of any civilian nuclear power reactor that cannot reasonably provide adequate spent nuclear fuel storage capacity at the site of such reactor when needed.

Sec. 132

Available Capacity for Interim Storage of Spent Nuclear Fuel

Sec. 132. The Secretary, the Commission, and other authorized Federal officials shall each take such actions as such official considers necessary to encourage and expedite the effective use of available storage, and necessary additional storage, at the site of each civilian nuclear power reactor consistent with—

(1) the protection of the public health and safety, and the environment;

(2) economic considerations;

(3) continued operation of such reactor;

(4) any applicable provisions of law; and

(5) the views of the population surrounding such reactor.

SEC. 133

INTERIM AT REACTOR STORAGE

Sec. 133. The Commission shall, by rule, established procedures for the licensing of any technology approved by the Commission under section 219(a)1 for use at the site of any civilian nuclear power reactor. The establishment of such procedures shall not preclude the licensing, under any applicable procedures or rules of the Commission in effect prior to such establishment, of any technology for the storage of civilian spent nuclear fuel at the site of any civilian nuclear power reactor.

LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS

Sec. 134. (a) Oral Argument.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 on an application for a license, or for an amendment to an existing license, filed after the date of the enactment of this Act, to expand the spent nuclear fuel storage capacity at the site of a Civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the Commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

(b) Adjudicatory Hearing.—(1) At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing only if it determines that—

(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

(2) In making a determination under this subsection, the Commission—

(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

(B) shall not consider—

(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor for which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless (I) such issue results from any revision of siting or design criteria by the Commission following such decision; and (II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

(3) The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 before December 31, 2005.

(4) The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear powerplant by the Commission.

(c) Judicial Review.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

STORAGE OF SPENT NUCLEAR FUEL

Sec. 135. (a) Storage Capacity.—(1) Subject to section 8, the Secretary shall provide, in accordance with paragraph (5), not more than 1,900 metric tons of capacity for the storage of spent nuclear fuel from civilian nuclear power reactors. Such storage capacity shall be provided through any one or more of the following methods, used in any combination determined by the Secretary to be appropriate:

(A) use of available capacity at one or more facilities owned by the Federal Government on the date of the enactment of this Act, including the modification and expansion of any such facilities, if the Commission determines that such use will adequately protect the public health and safety, except that such use shall not—

(i) render such facilities subject to licensing under the Atomic Energy Act of 1954 or the Energy Reorganization Act of 1974; or

(ii) except as provided in subsection (c) require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969, such facility is already being used, or has previously been used, for such storage or for any similar purpose.

(B) acquisition of any modular or mobile spent nuclear fuel storage equipment, including spent nuclear fuel storage casks, and provision of such equipment, to any person generating or holding title to spent nuclear fuel, at the site of any civilian nuclear power reactor operated by such person or at any site owned by the Federal Government on the date of enactment of this Act;

(C) construction of storage capacity at any site of a civilian nuclear power reactor.

(2) Storage capacity authorized by paragraph (1) shall not be provided at any Federal or non-Federal site within which there is a candidate site for a repository. The restriction in the preceding sentence shall only apply until such time as the Secretary decides that such candidate site is no longer a

candidate site under consideration for development as a repository.

(3) In selecting methods of providing storage capacity under paragraph (1), the Secretary shall consider the timeliness of the availability of each such method and shall seek to minimize the transportation of spent nuclear fuel, the public health and safety impacts, and the costs of providing such storage capacity.

(4) In providing storage capacity through any method described in paragraph (1), the Secretary shall comply with any applicable requirements for licensing or authorization of such method, except as provided in paragraph (1)(A)(i).

(5) The Secretary shall ensure that storage capacity is made available under paragraph (1) when needed, as determined on the basis of the storage needs specified in contracts entered into under section 136(a), and shall accept upon request any spent nuclear fuel as covered under such contracts.

(6) For purposes of paragraph (1)(A), the term ''facility'' means any building or structure.

(b) Contracts.—(1) Subject to the capacity limitation established in subsections (a) (1)3 and (d)4 the Secretary shall offer to enter into, and may enter into, contracts under section 136(a) with any person generating or owning spent nuclear fuel for purposes of providing storage capacity for such spent fuel under this section only if the Commission determines that—

(A) adequate storage capacity to ensure the continued orderly operation of the civilian nuclear power reactor at which such spent nuclear fuel is generated cannot reasonably be provided by the person owning and operating such reactor at such site, or at the site of any other civilian nuclear power reactor operated by such person, and such capacity cannot be made available in a timely manner through any method described in subparagraph (B); and

(B) such person is diligently pursuing licensed alternatives to the use of Federal storage capacity for the storage of spent nuclear fuel expected to be generated by such person in the future, including—

(i) expansion of storage facilities at the site of any civilian nuclear power reactor operated by such person;

(ii) construction of new or additional storage facilities at the site of any civilian nuclear power reactor operated by such person;

(iii) acquisition of modular or mobile spent nuclear fuel storage equipment, including spent nuclear fuel storage casks, for use at the site of any civilian nuclear power reactor operated by such person; and

(iv) transshipment to another civilian nuclear power reactor owned by such person.

(2) In making the determination described in paragraph (1)(A), the Commission shall ensure maintenance of a full core reserve storage capacity at the site of the civilian nuclear power reactor involved unless the Commission determines that maintenance of such capability is not necessary for the continued orderly operation of such reactor.

(3) The Commission shall complete the determination required in paragraph (1) with respect to any request for storage capacity not later than 6 months after receipt of such request by the Commission.

(c) ENVIRONMENTAL REVIEW—(1) The provision of 300 or more metric tons of storage capacity at any one Federal site under subsection (a)(1)(A) shall be considered to be a major Federal action requiring preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969.

(2)(A) The Secretary shall prepare, and make available to the public, an environmental assessment of the probable impacts of any provision of less than 300 metric tons of storage capacity at any one Federal site under subsection (a)(1)(A) that requires the modification or expansion of any facility at the site, and a discussion of alternative activities that may be undertaken to avoid such impacts. Such environmental assessment shall include—

(i) an estimate of the amount of storage capacity to be made available at such site;

(ii) an evaluation as to whether the facilities to be used at such site are suitable for the provision of such storage capacity;

(iii) a description of activities planned by the Secretary with respect to the modification or expansion of the facilities to be used at such site;

(iv) an evaluation of the effects of the provision of such storage capacity at such site on the public health and safety, and the environment;

(v) a reasonable comparative evaluation of current information with respect to such site and facilities and other sites and facilities available for the provision of such storage capacity;

(vi) a description of any other sites and facilities that have been considered by the Secretary for the provision of such storage capacity; and

(vii) an assessment of the regional and local impacts of providing such storage capacity at such site, including the impacts on transportation.

(B) The issuance of any environmental assessment under this paragraph shall be considered to be a final agency action subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code. Such judicial review shall be limited to the sufficiency of such assessment with respect to the items described in clauses (i) through (vii) of subparagraph (A).

(3) Judicial review of any environmental impact statement or environmental assessment prepared pursuant to this subsection shall be conducted in accordance with the provisions of section 119.

(d) REVIEW OF SITES AND STATE PARTICIPATION—(1) In carrying out the provisions of this subtitle with regard to any interim storage of spent fuel from civilian nuclear power reactors which the Secretary is authorized by section 135 to provide, the Secretary shall, as soon as practicable, notify, in writing, the Governor and the State legislature of any State and the Tribal Council of any affected Indian tribe in such State in which is located a potentially acceptable site or facility for such interim storage of spent fuel of his intention to investigate that site or facility.

(2) During the course of investigation of such site or facility, the Secretary shall keep the Governor, State legislature, and affected Tribal Council currently informed of the progress of the work, and results of the investigations. At the time of selection by the Secretary of any site or existing facility, but prior to undertaking any site-specific work or alterations, the Secretary shall promptly notify the Governor, the legislature, and any affected Tribal Council in writing of such selection, and subject to the provisions of paragraph (6) of this subsection, shall promptly enter into negotiations with such State and affected Tribal Council to establish a cooperative agreement under which such State and Council shall have the right to participate in a process of consultation and cooperation, based on public health and safety and environmental concerns, in all stages of the planning, development, modification, expansion, operation, and closure of storage capacity at a site or facility within such State for the interim storage of spent fuel from civilian nuclear power reactors. Public participation in the negotiation of such an agreement shall be provided for and encouraged by the Secretary, the State, and the affected Tribal Council. The Secretary, in cooperation with the States and Indian tribes, shall develop and publish minimum guidelines for public participation in such negotiations, but the adequacy of such guidelines or any failure to comply with such guidelines shall not be a basis for judicial review.

(3) The cooperative agreement shall include, but need not be limited to, the sharing in accordance with applicable law of all technical and licensing information, the utilization of available expertise, the facilitating of permitting procedures, joint project review, and the formulation of joint surveillance and monitoring arrangements to carry out applicable Federal and State laws. The cooperative agreement also shall include a detailed plan or schedule of milestones, decision points and opportunities for State or eligible Tribal Council review and objection. Such cooperative agreement shall provide procedures for negotiating and resolving objections of the State and affected Tribal Council in any stage of planning, development, modification, expansion, operation, or closure of storage capacity at a site or facility within such State. The terms of any cooperative agreement shall not affect the authority of the Nuclear Regulatory Commission under existing law.

(4) For the purpose of this subsection, ''process of consultation and cooperation'' means a methodology by which the Secretary (A) keeps the State and eligible Tribal Council fully and currently informed about the aspects of the project related to any potential impact on the public health and safety and environment; (B) solicits, receives, and evaluates concerns and objections of such State and Council with regard to such aspects of the project on an ongoing basis; and (C) works diligently and cooperatively to resolve, through arbitration or other appropriate mechanisms, such concerns and objections. The process of consultation and cooperation shall not include the grant of a right, to any State or Tribal Council to exercise an absolute veto of any aspect of the planning, development, modification, expansion, or operation of the project.

(5) The Secretary and the State and affected Tribal Council shall seek to conclude the agreement required by paragraph (2) as soon as practicable, but not later than 180 days following the date of notification of the selection under paragraph (2). The Secretary shall periodically report to the Congress thereafter on the status of the agreements approved under paragraph (3). Any report to the Congress on the status of negotiations of such agreement by the Secretary shall be accompanied by comments solicited by the Secretary from the State and eligible Tribal Council.

(6)(A) Upon deciding to provide an aggregate of 300 or more metric tons of storage capacity under subsection (a)(1) at any one site, the Secretary shall notify the Governor and legislature of the State where such site is located, or the governing body of the Indian tribe in whose reservation such site is located, as the case may be, of such decision. During the 60-day period following receipt of notification by the Secretary of this decision to provide an aggregate of 300 or more metric tons of storage capacity at any one site, the Governor or legislature of the State in which such site is located, or the governing body of the affected Indian where such site is located, as the case may be, may disapprove the provision of 300 or more metric tons of storage capacity at the site involved and submit to the Congress a notice of such disapproval. A notice of disapproval shall be

considered to be submitted to the Congress on the date of the transmittal of such notice of disapproval to the Speaker of the House and the President pro tempore of the Senate. Such notice of disapproval shall be accompanied by a statement of reasons explaining why the provision of such storage capacity at such site was disapproved by such Governor or legislature or the governing body of such Indian tribe.

(B) Unless otherwise provided by State law, the Governor or legislature of each State shall have authority to submit a notice of disapproval to the Congress under subparagraph (A). In any case in which State law provides for submissions of any such notice of disapproval by any other person or entity, any reference in this subtitle to the Governor or legislature of such State shall be considered to refer instead of such other person or entity.

(C) The authority of the Governor and legislature of each State under this paragraph shall not be applicable with respect to any site located on a reservation.

(D) If any notice of disapproval is submitted to the Congress under subparagraph (A), the proposed provision of 300 or more metric tons of storage capacity at the site involved shall be disapproved unless, during the first period of 90 calendar days of continuous session of the Congress following the date of the receipt by the Congress of such notice of disapproval, the Congress passes a resolution approving such proposed provision of storage capacity in accordance with the procedures established in this paragraph and subsections (d) through (f) of section 115 and such resolution thereafter becomes law. For purposes of this paragraph, the term ''resolution'' means a joint resolution of either House of the Congress, the matter after the resolving clause of which is as follows: ''That there hereby is approved the provision of 300 or more metric tons of spent nuclear fuel storage capacity a the site located at _____, with respect to which a notice of disapproval was submitted by _____ on _____.''. The first blank space in such resolution shall be filled with the geographic location of the site involved; the second blank space in such resolution shall be filled with the designation of the State Governor and, legislature or affected Indian tribe governing body submitting the notice of disapproval involved; and the last blank space in such resolution shall be filled with the date of submission of such notice of disapproval.

(E) For purposes of such consideration of any resolution described in subparagraph (D), each reference in subsections (d) and (e) of section 115 to a resolution of repository siting approval shall be considered to refer to the resolution described in such subparagraph.

(7) As used in this section, the term ''affected Tribal Council'' means the governing body of any Indian tribe within whose reservation boundaries there is located a potentially acceptable site for interim storage capacity of spent nuclear fuel from civilian nuclear power reactors, or within whose boundaries a site of such capacity is selected by the Secretary, or whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties, as determined by the Secretary of the Interior pursuant to a petition filed with him by the appropriate governmental officials of such tribe, may be substantially and adversely affected by the establishment of any such storage capacity.

(e) LIMITATIONS.—Any spent nuclear fuel stored under this section shall be removed from the storage site or facility involved as soon as practicable, but in any event not later than 3 years following the date on which a repository or monitored retrievable storage facility developed under this Act is available for disposal of such spent nuclear fuel.

(f) REPORT.—The Secretary shall annually prepare and submit to the Congress a report on any plans of the Secretary for providing storage capacity under this section. Such report shall include a description of the specific manner of providing such storage selected by the Secretary, if any. The Secretary shall prepare and submit the first such report not later than 1 year after the date of the enactment of this Act.

(g) CRITERIA FOR DETERMINING ADEQUACY OF AVAILABLE STORAGE CAPACITY.—Not later than 90 days after the date of the enactment of this Act, the Commission pursuant to section 553 of the Administrative Procedures Act, shall propose, by rule, procedures and criteria for making the determination required by subsection (b) that a person owning and operating a civilian nuclear power reactor cannot reasonably provide adequate spent nuclear fuel storage capacity at the civilian nuclear power reactor site when needed to ensure the continued orderly operations of such reactor. Such criteria shall ensure the maintenance of a full core reserve storage capability at the site of such reactor unless the Commission determines that maintenance of such capacity is not necessary for the continued orderly operation of such reactor. Such criteria shall identify the feasibility of reasonably providing such adequate spent nuclear fuel storage capacity, taking into account economic, technical, regulatory, and public health and safety factors, through the use of high-density fuel storage racks, fuel rod compaction, transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, construction of addition spent nuclear fuel poor capacity, or such other technologies as may be approved by the Commission.

(h) APPLICATION.—Notwithstanding any other provision of law, nothing in this Act shall be construed to encourage, authorize, or require the private or Federal use, purchase, lease, or other acquisition of any storage facility located away from the site of any civilian nuclear power reactor and not owned by the Federal Government on the date of the enactment of this Act.

(i) COORDINATION WITH RESEARCH AND DEVELOPMENT PROGRAM.—To the extent available, and consistent with the provisions of this section, the Secretary shall provide spent nuclear fuel for the research and development program authorized in section 2172 from spent nuclear fuel received by the Secretary for storage under this section. Such spent nuclear fuel shall not be subject to the provisions of subsection (e).

INTERIM STORAGE FUND

SEC. 136. CONTRACTS.—(1) During the period following the date of the enactment of this Act, but not later than January 1, 2010, the Secretary is authorized to enter into contracts with persons who generate or own spent nuclear fuel resulting from civilian nuclear activities for the storage of such spent nuclear fuel in any storage capacity provided under this subtitle: *Provided, however,* That the Secretary shall not enter into contracts for spent nuclear fuel in amounts in excess of the available storage capacity specified in section 135(a). Those contracts shall provide that the Federal Government will take (1) title at the civilian nuclear power reactor site, to such amounts of spent nuclear fuel from the civilian nuclear power reactor as the Commission determines cannot be stored onsite, (2) transport the spent nuclear fuel to a federally owned and operated interim away-from-reactor storage facility, and (3) store such fuel in the facility pending further processing, storage, or disposal. Each such contract shall (A) provide for payment to the Secretary of fees determined in accordance with the provisions of this section; and (B) specify the amount of storage capacity to be provided for the person involved.

(2) The Secretary shall undertake a study and, not later then 180 days after the date of the enactment of this Act, submit to the Congress a report, establishing payment charges that shall be calculated on an annual basis, commencing on or before January 1, 1996. Such payment charges and the calculation thereof shall be published in the Federal Register, and shall become effective not less than 30 days after publication. Each payment charge published in the Federal Register under this paragraph shall remain effective for a period of 12 months from the effective date as the charge for the cost of the interim storage of any spent nuclear fuel. The report of the Secretary shall specify the method and manner of collection (including the rates and manner of payment) and any legislative recommendations determined by the Secretary to be appropriate.

(3) Fees for storage under this subtitle shall be established on a nondiscriminatory basis. The fees to be paid by each person entering into a contract with the Secretary under this subsection shall be based upon an estimate of the pro rata costs of storage and related activities under this subtitle with respect to such person, including the acquisition, construction, operation, and maintenance of any facilities under this subtitle.

(4) The Secretary shall establish in writing criteria setting forth the terms and conditions under which such storage services shall be made available.

(5) Except as provided in section 137, nothing in this or any other Act requires the Secretary, in carrying out the responsibilities of this section, to obtain a license or permit to possess or own spent nuclear fuel.

(b) LIMITATION.—No spent nuclear fuel generated or owned by any department of the United States referred to in section 101 or 102 of title 5, United States Code, may be stored by the Secretary in any storage capacity provided under this subtitle unless such department transfers to the Secretary, for deposit in the Interim Storage Fund, amounts equivalent to the fees that would be paid to the Secretary under the contracts referred to in this section if such spent nuclear fuel were generated by any other person.

(c) ESTABLISHMENT OF INTERIM STORAGE FUND.—There hereby is established in the Treasury of the United States a separate fund, to be known as the Interim Storage Fund. The Storage Fund shall consist of—

(1) All receipts, proceeds, and recoveries realized by the Secretary under subsections (a), (b), and (e), 1 which shall be deposited in the Storage Fund immediately upon their realization;

(2) any appropriations made by the Congress to the Storage Fund; and

(3) any unexpended balances available on the date of the enactment of this Act for functions or activities necessary or incident to the interim storage of civilian spent nuclear fuel, which shall automatically be transferred to the Storage Fund on such date.

(d) USE OF STORAGE FUND.—The Secretary may make expenditures from the Storage Fund, subject to subsection (e),2 for any purpose necessary or appropriate to the conduct of the functions and activities of the Secretary, or the provision or anticipated provision of services, under this subtitle, including—

(1) the identification, development, licensing, construction, operation, decommissioning, and post-decommissioning maintenance

and monitoring of any interim storage facility provided under this subtitle;

(2) the administrative cost of the interim storage program;

(3) the costs associated with acquisition, design, modification, replacement, operation, and construction of facilities at an interim storage site, consistent with the restrictions in section 135;

(4) the cost of transportation of spent nuclear fuel; and

(5) impact assistance as described in subsection (e).

(e) IMPACT ASSISTANCE.—(1) Beginning the first fiscal year which commences after the date of the enactment of this Act, the Secretary shall make annual impact assistance payments to a State or appropriate unit of local government, or both, in order to mitigate social or economic impacts occasioned by the establishment and subsequent operation of any interim storage capacity within the jurisdictional boundaries of such government or governments and authorized under this subtitle: Provided, however, That such impact assistance payments shall not exceed (A) ten per centum of the costs incurred in paragraphs (1) and (2), or (B) $15 per kilogram of spent fuel, whichever is less;

(2) Payments made available to States and units of local government pursuant to this section shall be—

(A) allocated in a fair and equitable manner with a priority to those States or units of local government suffering the most severe impacts; and

(B) utilized by States or units of local governments only for (i) planning, (ii) construction and maintenance of public services, (iii) provision of public services related to the providing of such interim storage authorized under this title, and (iv) compensation for loss of taxable property equivalent to that if the storage had been provided under private ownership.

(3) Such payments shall be subject to such terms and conditions as the Secretary determines necessary to ensure that the purposes of this subsection shall be achieved. The Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection.

(4) Payments under this subsection shall be made available solely from the fees determined under subsection (a).

(5) The Secretary is authorized to consult with States and appropriate units of local government in advance of commencement of establishment of storage capacity authorized under this subtitle in an effort to determine the level of the payment such government would be eligible to receive pursuant to this subsection.

(6) As used in this subsection, the term ''unit of local government'' means a county, parish, township, municipality, and shall include a borough existing in the State of Alaska on the date of the enactment of this subsection, and any other unit of government below the State level which is a unit of general government as determined by the Secretary.

(f) ADMINISTRATION OF STORAGE FUND.—(1) The Secretary of the Treasury shall hold the Storage Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Storage Fund during the preceding fiscal year.

(2) The Secretary shall submit the budget of the Storage Fund to the Office of Management and Budget triennially along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget of the Storage Fund shall consist of estimates made by the Secretary of expenditures from the Storage Fund and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the Budget of the United States Government. The Secretary may make expenditures from the Storage Fund, subject to appropriations which shall remain available until expended. Appropriations shall be subject to triennial authorization.

(3) If the Secretary determines that the Storage Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

(A) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Storage Fund; and

(B) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

(4) Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Storage Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

(5) If at any time the moneys available in the Storage Fund are insufficient to enable the Secretary to discharge his responsibilities under this subtitle, the Secretary shall issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Secretary and the Secretary of the Treasury. The total of such obligations shall not exceed amounts provided in appropriation Acts. Redemption of such obligations shall be made by the Secretary from moneys available in the Storage Fund. Such obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such Act are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.

(6) Any appropriations made available to the Storage Fund for any purpose described in subsection (d) shall be repaid into the general fund of the Treasury, together with interest from the date of availability of the appropriations until the date of repayment. Such interest shall be paid on the cumulative amount of appropriations available to the Storage Fund, less the average undisbursed cash balance in the Storage Fund account during the fiscal year involved. The rate of such interest shall be determined by the Secretary of the Treasury taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States of comparable maturity. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

SECTION 137

Sec. 137.2 (a) Transportation.—(1) Transportation of spent nuclear fuel under section 136(a) shall be subject to licensing and regulation by the Commission and by the Secretary of Transportation as provided for transportation of commercial spent nuclear fuel under existing law.

(2) The Secretary, in providing for the transportation of spent nuclear fuel under this Act, shall utilize by contract private industry to the fullest extent possible in each aspect of such transportation. The Secretary shall use direct Federal services for such transportation only upon a determination of the Secretary of Transportation, in consultation with the Secretary, that private industry is unable or unwilling to provide such transportation services at reasonable cost.''

AMENDMENT NO. 4672

On page 96, line 7, strike all after ''Service.'' through the end of line 12.

AMENDMENT NO. 4673

Strike all after the enacting clause, and insert:

''TITLE I. INDEPENDENT REVIEW

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Nuclear Waste Independent Review Act''.

SEC. 2. FINDINGS.

Congress find that—

(1) despite the enactment of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.), ratepayer contributions to the Nuclear Waste Fund established by section 302 of the Act (42 U.S.C. 10222) of over $6,000,000,000, and expenditures of over $4,000,000,000, the high-level radioactive waste program is behind schedule and is the subject of numerous fundamental controversies, including the very concept of deep geologic storage;

(2) the Federal Government's only proposed transuranic waste disposal facility, the Waste Isolation Pilot Plant (WIPP), is beset with unresolved engineering, geologic, and certification problems and suffers from cost overruns;

(3) Federal and State efforts to site low-level radioactive waste disposal sites have failed in many instances because of technical problems and public opposition; and

(4) there has never been a comprehensive independent review of Federal nuclear waste policies.

SEC. 3. PURPOSE.

The purpose of this Act is to establish a commission to conduct a full independent review of United States nuclear waste policy.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) IN GENERAL.—The President, in consultation with the Science Advisor to the President and the Council on Environmental Quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this act as the ''Commission'').

(b) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view toward providing representation from—

(1) Environmental groups;

(2) Consumer groups;

(3) Taxpayer groups;

(4) The scientific community, including nuclear-oriented and other fields such as biology and medicine;

(5) State and local governments;
(6) Indian tribes;
(7) Transportation experts;
(8) Management experts;
(9) Federal, State, and local regulatory agencies;
(10) Utilities; and
(11) Other affected industries.

(c) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.

(d) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.

SEC. 5. ISSUES TO BE CONSIDERED.

The Commission shall consider all issues related to United States policy concerning high-level, transuranic, low-level waste, and other radioactive wastes including—

(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;

(2) evaluation of the experiences of other countries in storing and disposing of radioactive waste;

(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;

(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;

(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and

(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.

SEC. 6. REPORT.

Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.

SEC. 7. MORATORIUM ON ISSUANCE OF LICENSES.

No Federal agency may issue a license for a facility for the storage or disposal of radioactive waste (except a license for temporary on-site storage) until the date on which the Commission submits its report under section 6.

SEC. 8. TERMINATION OF COMMISSION.

The Commission shall terminate 30 days after the date on which the Commission submits its report under section 6.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

TITLE II. RATEPAYER EQUITY.

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Spend Nuclear Fuel Storage Act of 1995''.

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. table of contents.
Sec. 3. Definitions.
Sec. 4. Findings.
Sec. 5. Amendments to the Nuclear Waste Policy Act of 1982.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term ''Commission'' means the Nuclear Regulatory Commission; and

(2) the term ''Secretary'' means the Secretary of the Department of Energy.

SEC. 4. FINDINGS.

The Congress finds that—

(1) By 1998, approximately 45,000 tons of spend nuclear fuel will be stored at commercial nuclear reactors across the nation;

(2) the deep geologic high level radioactive waste and spent nuclear fuel repository envisioned by the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et. seq.) will not be constructed in time to permit the Secretary to receive and accept high level radioactive waste or spent nuclear fuel as contemplated by sections 123 and 302 of that Act (42 U.S.C. 10143, 10222), with the result that the Secretary will be unable to perform contracts executed pursuant to section 302(a) of that Act with persons who generate or hold title to high level radioactive waste or spend nuclear fuel;

(3) there have been no orders for the development or construction of civilian nuclear power generating facilities since the enactment of the Nuclear Waste Policy Act of 1982; several such facilities that were anticipated when the Act was enacted are not operating now;

(4) it does not now appear that a deep geologic high level radioactive waste and spend nuclear fuel repository will be available before the year 2010 or later;

(5) by the time a deep geologic repository is available many currently operating commercial nuclear reactors will need spend fuel storage capacity beyond the maximum now available in at-reactor spent fuel storage pools; nuclear utilities have spent and will spend major sums to construct facilities, including dry cask spend fuel storage facilities, for use in the interim before a deep geologic repository is available;

(6) the sums spent for the purposes described in paragraph (5) are the same funds that commercial nuclear utilities intended to contribute to the Nuclear Waste Fund established by section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222 (c));

(7) the technology for long term storage of spent nuclear fuel, including the technology of dry cask storage, has improved dramatically since the enactment of the Nuclear Waste Policy Act of 1982;

(8) the existing statutory jurisdiction of the Commission, under the Atomic Energy Act of 1954 (42 U.S.C. 2001 et. seq.), the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et. seq.), Executive Order 11834 (42 U.S.C. 5801 note), the Nuclear Regulatory Commission Reorganization Plan No. 1 of 1980, and the Commission's various authorization Acts includes the jurisdiction to review and evaluate the spent fuel storage capability of commercial nuclear utilities that hold or seek licenses to receive and possess nuclear materials from the Commission;

(9) commercial nuclear utilities that hold licenses to receive and possess nuclear materials are generally well suited to maintain the institutional capability necessary to become stewards of spent nuclear fuel during a period of interim storage;

(10) the increased radioactive decay that will occur in spent nuclear fuel that has been stored for interim period prior to the delivery to the Secretary pursuant to section 123 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10143) will ease and facilitate its subsequent handling, transportation, and final disposal.

SEC. 5. AMENDMENTS TO THE NUCLEAR WASTE POLICY ACT OF 1982.

Section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(a)) is amended by inserting at the end thereof the following new subsection:

''(f)(1) After January 31, 1998, if the Secretary does not have a facility available to accept spent fuel from persons holding contracts under this section, those persons may, through credits on fee payments under subsection (a)(2), offset the expense of providing storage of spent fuel generated after that date (including expenses reasonably incurred before that date in anticipation of the necessity of providing such storage) and until the date of the Secretary's first acceptance of that person's spent fuel at a storage or disposal facility authorized by this Act.

''(2) The credits described in paragraph (1)—

''(A) shall be deducted from each remittance of a person's fee payments to the Nuclear Waste Fund from the time that the person meets the conditions of paragraph (1) until the time that the Secretary first accepts that person's spent fuel at a storage or disposal facility authorized by this Act; and

''(B) shall be in an amount determined by the Secretary to reflect the cost of storage qualifying under subsection (f)(1).''

AMENDMENT NO. 4674

Strike all after the enacting clause, and insert

"SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Spent Nuclear Fuel Storage Act of 1995''.

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Definitions.
Sec. 4. Findings.
Sec. 5. Amendments to the Nuclear Waste Policy Act of 1982.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term ''Commission'' means the Nuclear Regulatory Commission; and

(2) the term ''Secretary'' means the Secretary of the Department of Energy.

SEC. 4. FINDINGS.

The Congress finds that—

(1) By 1998, approximately 45,000 tons of spent nuclear fuel will be stored at commercial nuclear reactors across the nation;

(2) the deep geologic high level radioactive waste and spent nuclear fuel repository envisioned by the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et. seq.) will not be constructed in time to permit the Secretary to receive and accept high level radioactive waste or spent nuclear fuel as contemplated by sections 123 and 302 of that Act (42 U.S.C. 10143, 10222), with the result that the Secretary will be unable to perform contracts executed pursuant to section 302(a) of that Act with persons who generate or hold title to high level radioactive waste or spent nuclear fuel;

(3) there have been no orders for the development or construction of civilian nuclear power generating facilities since the enactment of the Nuclear Waste Policy Act of 1982; several such facilities that were anticipated when the Act was enacted are not operating now;

(4) it does not now appear that a deep geologic high level radioactive waste and spent nuclear fuel repository will be available before the year 2010 or later;

(5) by the time a deep geologic repository is available many currently operating commercial nuclear reactors will need spent fuel storage capacity beyond the maximum now available in at-reactor spent fuel storage pools; nuclear utilities have spent and will spend major sums to construct facilities, including dry cask spent fuel storage facilities, for use in the interim before a deep geologic repository is available;

(6) the sums spent for the purposes described in paragraph (5) are the same funds that commercial nuclear utilities intended to contribute to the Nuclear Waste Fund established by section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222 (c));

(7) the technology for long term storage of spent nuclear fuel, including the technology of dry cask storage, has improved dramatically since the enactment of the Nuclear Waste Policy Act of 1982;

(8) the existing statutory jurisdiction of the Commission, under the Atomic Energy Act of 1954 (42 U.S.C. 2001 et. seq.), the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et. seq.), Executive Order 11834 (42 U.S.C. 5801 note), the Nuclear Regulatory Commission Reorganization Plan No. 1 of 1980, and the Commission's various authorization Acts includes the jurisdiction to review and evaluate the spent fuel storage capability of commercial nuclear utilities that hold or seek licenses to receive and possess nuclear materials from the Commission;

(9) commercial nuclear utilities that hold licenses to receive and possess nuclear materials are generally well suited to maintain the institutional capability necessary to become stewards of spent nuclear fuel during a period of interim storage;

(10) the increased radioactive decay that will occur in spent nuclear fuel that has been stored for interim periods prior to delivery to the Secretary pursuant to section 123 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10143) will ease and facilitate its subsequent handling, transportation, and final disposal.

SEC. 5. AMENDMENTS TO THE NUCLEAR WASTE POLICY ACT OF 1982.

Section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222 (a)) is amended by inserting at the end thereof the following new subsection:

''(f)(1) After January 31, 1998, if the Secretary does not have a facility available to accept spent fuel from persons holding contracts under this section, those persons may, through credits on fee payments under subsection (a)(2), offset the expense of providing storage of spent fuel generated after that that (including expenses reasonably incurred before that date in anticipation of the necessary of providing such storage) and until the date of the Secretary's first acceptance of that person's spent fuel at a storage or disposal facility authorized by this Act.

''(2) The credits described in paragraph (1)—

''(A) shall be deducted from each remittance of a person's fee payments to the Nuclear Waste Fund from the time that the person meets the conditions of paragraph (1) until the time that the Secretary first accepts that person's spent fuel at a storage or disposal facility authorized by this Act; and

''(B) shall be in an amount determined by the Secretary to reflect the cost of storage qualifying under subsection (f)(1).''

AMENDMENT NO. 4675

On page 73, strike line 1 though line 13.

AMENDMENT NO. 4676

On page 40, strike line 9 through line 13.

AMENDMENT NO. 4677

On page 72, strike line 18 through line 25.

AMENDMENT NO. 4678

On page 41, line 6, strike ''unreasonable''.

AMENDMENT NO. 4679

On page 51, strike line 5 through page 54 line 15, and insert

''(a) ESTABLISHMENT OF COMMISSION.

(1) IN GENERAL.—The President, in consultation with the science advisor to the President and the council on environmental quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this act as the ''Commission'').

(2) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view toward providing representation from—

(A) Environmental groups;

(B) Consumer groups;

(C) Taxpayer groups;

(D) The scientific community, including nuclear-oriented and other fields such as biology and medicine;

(E) State and local governments;

(F) Indian tribes;

(G) Transportation experts;

(H) Management experts;

(I) Federal, State, and local regulatory agencies;

(J) Utilities; and

(K) Other affected industries.

(3) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.

(4) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.

(b) ISSUES TO BE CONSIDERED.

The Commission shall consider all issues related to United States policy concerning high-level, transuranic, low level waste, and other radioactive wastes including—

(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;

(2) evaluation of the experiences of other countries in storing and disposing of radioactive waste;

(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;

(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;

(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and

(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.

(c) REPORT.

Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.

(d) MORATORIUM ON ISSUANCE OF LICENSES.

No Federal agency may issue a license for a facility for the storage or disposal or radioactive waste (except a license for temporary on-site storage) until the date on which the Commission submits its report under section 6.

(e) TERMINATION OF COMMISSION.

The Commission shall terminate 30 days after the date on which the Commission submits its report under section 6.

(f) AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.''

AMENDMENT NO. 4680

On page 51, strike line 5 through page 54 line 15, and insert

''(a) ESTABLISHMENT OF COMMISSION.

(1) IN GENERAL.—The President, in consultation with the science advisor to the President and the Council on Environmental quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this Act as the ''Commission'').

(2) REPRESENTATION OF INTEREST GROUPS.—The Membership and structure of the Commission shall be determined by the President with a view toward providing representation from—

(A) Environmental Groups,

(B) Consumer groups;

(C) Taxpayer groups;

(D) The scientific community, including nuclear-oriented and other fields such as biology and medicine;

(E) State and local governments;

(F) Indian tribes;

(G) Transportation experts;

(H) Management experts;

(I) Federal, State, and local regulatory agencies;

(J) Utilities; and

(K) Other affected industries.

(3) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.

(4) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.

(b) ISSUES TO BE CONSIDERED.

The Commission shall consider all issues related to United States policy concerning high-level, traumatic, low-level waste, and other radioactive wastes including—

(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;

(2) evaluation of the experience of other countries in storing and disposing of radioactive waste;

(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;

(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;

(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and

(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.

(c). REPORT.

Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.

(d) TERMINATION OF COMMISSION.

The Commission shall terminate 30 days after the date on which the Commission submits its report under section 6.

(e) AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.''

AMENDMENT NO. 4681

On page 45, line 2, strike ''1,000'' and insert ''20,000''.

AMENDMENT NO. 4682

On page 45, line 2, strike ''1,000'' and insert ''15,000''.

AMENDMENT NO. 4683

On page 44, line 15, strike all after ''releases'' through the end of line 23.

AMENDMENT NO. 4684

On page 44, line 19, strike ''unreasonable''.

AMENDMENT NO. 4685

On page 44, line 1, strike ''not''.

AMENDMENT NO. 4686

On page 43, line 21, strike ''not''.

AMENDMENT NO. 4687

At the appropriate place, insert:

SEC. . TENTH AMENDMENT PROTECTION.

(a) FINDINGS.—The Congress finds that—

(1) in most areas of governmental concern, State governments possess both the Constitutional authority and the competence to discern the needs and the desires of the People and to govern accordingly;

(2) Federal laws and agency regulations, which have interfered with State powers in areas of State jurisdiction, should be restricted to powers delegated to the Federal Government by the Constitution;

(3) the framers of the Constitution intended to bestow upon the Federal Government only limited authority over the States and the People;

(4) under the Tenth Amendment to the Constitution, the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people; and

(5) the courts, which have in general construed the Tenth Amendment not to restrain the Federal Government's power to act in areas of State jurisdiction, should be directed to strictly construe Federal laws and regulations which interfere with State powers with a presumption in favor of State authority and against Federal preemption.

(b) LIMITATION.—No preemption of State law under this Act shall be effective until the Secretary has published in the Federal Register a determination demonstrating the Constitutional basis for the preemption. Such determination shall be subject to challenge through the federal court system.

AMENDMENT NO. 4688

On page 71, strike line 12 through line 21.

AMENDMENT NO. 4689

At the appropriate place, add:

SEC. . SAFE TRANSPORTATION ASSURANCE.

Notwithstanding any other provision of this Act, no transportation of spent nuclear fuel and high-level nuclear waste shall take place under this Act unless the Secretary has determined through rulemaking that all States, units of local governments, and Indian tribes through whose jurisdiction the Secretary plans to transport spent fuel or high-level radioactive waste have developed and implemented plans to ensure the public safety. Such plans shall include emergency response training, evacuation plans, and any other requirements the Secretary deems necessary. The Secretary shall include in such determination an analysis of the sources of funding for such plans.

AMENDMENT NO. 4690

Strike section 501.

AMENDMENT NO. 4691

On page 27, line 17, strike ''1998'' and insert ''2019''.

AMENDMENT NO. 4692

On page 27, line 17, strike ''1998'' and insert ''2018''.

AMENDMENT NO. 4693

On page 27, line 17, strike ''1998'' and insert ''2017''.

AMENDMENT NO. 4694

On page 27, line 17, strike ''1998'' and insert ''2016''.

AMENDMENT NO. 4695

On page 27, line 17, strike ''1998'' and insert ''2015''.

AMENDMENT NO. 4696

On page 27, line 17, strike ''1998'' and insert ''2014''.

AMENDMENT NO. 4697

On page 27, line 17, strike ''1998'' and insert ''2013''.

AMENDMENT NO. 4698

On page 27, line 17, strike ''1998'' and insert ''2012''.

AMENDMENT NO. 4699

On page 27, line 17, strike ''1998'' and insert ''2011''.

AMENDMENT NO. 4700

On page 27, line 17, strike ''1998'' and insert ''2010''.

AMENDMENT NO. 4701

Strike all after the enacting clause, and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Nuclear Waste Independent Review Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) despite the enactment of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.), ratepayer contributions to the Nuclear Waste Fund established by section 302 of the Act (42 U.S.C. 10222) of over $6,000,000,000, and expenditures of over $4,000,000,000, the high-level radioactive waste program is behind scheduled and is the subject of numerous fundamental controversies, including the very concept of deep geologic storage;

(2) the Federal Government's only proposed transuranic waste disposal facility, the Waste Isolation Pilot Plant (WIPP), is beset with unresolved engineering, geologic, and certification problems and suffers from cost overruns;

(3) Federal and State efforts to site low-level radioactive waste disposal sites have failed in many instances because of technical problems and public opposition; and

(4) there has never been a comprehensive independent review of Federal nuclear waste policies.

SEC. 3. PURPOSE.

The purpose of this Act is to establish a commission to conduct a full independent review of United States nuclear waste policy.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) IN GENERAL.—The President, in consultation with the science advisor to the President and the Council on Environmental Quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (referred to in this act as the ''Commission'').

(b) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view towards providing representation from—

(1) environmental groups;

(2) consumer groups;

(3) taxpayer groups;

(4) the scientific community, including nuclear-oriented and other fields such as biology and medicine;

(5) State and local governments;

(6) Indian tribes;

(7) transportation experts;

(8) management experts;

(9) Federal, State, and local regulatory agencies;

(10) utilities; and

(11) other affected industries.

(c) INDEPENDENT STATUS.—The Commission shall be independent of the Department of Energy and other Federal agencies.

(d) PARTICIPATION BY THE PUBLIC.—The Commission shall hold public meetings and provide full opportunities for participation by all interested parties.

SEC. 5. ISSUES TO BE CONSIDERED.

The Commission shall consider all issues related to United States policy concerning high-level, transuranic, low-level waste, and other radioactive wastes including—

(1) various options for high-level radioactive waste storage and disposal, including deep geologic disposal, on-site dry storage, monitored retrievable storage, centralized interim storage, or any other options;

(2) evaluation of the experiences of other countries in storing and disposing of radioactive waste;

(3) an analysis of funding through the Nuclear Waste Fund established by section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), including fee sufficiency and strategies for providing equity for ratepayer contributions to the Nuclear Waste Fund;

(4) the siting and characterization process for nuclear waste programs currently in effect and alternatives to those programs;

(5) technical, managerial, economic, and policy analyses of the nuclear waste inventory of the United States; and

(6) an examination of the classification system for nuclear waste currently in effect, and options for reclassification.

SEC. 6. REPORT.

Not later than 2 years after the date of enactment of this Act, the Commission shall submit to Congress a report on its review under this Act, including recommendations for legislative or other action.

SEC. 7 MORATORIUM ON ISSUANCE OF LICENSES.

No Federal agency may issue a license for a facility for the storage or disposal of radioactive waste (except a license for temporary on-site storage) until the date on which the Commission submits its report under section 6.

SEC. 8. TERMINATION OF COMMISSION.

The commission shall terminate 30 days after the date on which the Commission submits its report under section 6.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

AMENDMENT NO. 4702

At the appropriate place, insert:

SEC. . FISCAL RESPONSIBILITY LIMITATION.

Nothwithstanding any other provision of this Act, no funds authorized under this Act shall be expended in any fiscal year during which the Secretary does not publish in the Federal Register a fee sufficiency report which demonstrates that contract holders will pay the full cost of the storage and disposal of all spent nuclear fuel and high-level radioactive waste produced in relation to civilian nuclear power reactors. Such report shall include the estimated total life cycle cost of all expenditures authorized by this Act, the estimated total payments of contract holders to the Nuclear Waste Fund, the estimated proportionate share of the total life cycle cost attributable to disposal, storage, and transportation of spent nuclear fuel and high-level radioactive waste produced by contract holders, and the surplus or shortfall of contract holders' payments versus proportionate share of the costs.

AMENDMENT NO. 4703

SEC. . LIMITATION.

Notwithstanding any other provisions of this Act, no facility for the interim storage of spent nuclear fuel or high-level radioactive waste shall be sited in a State under consideration as a site for a permanent repository.

AMENDMENT NO. 4704

Strike section 502.

AMENDMENT NO. 4705

On page 74, strike line 1 through line 3.

AMENDMENT NO. 4706

On page 73, line 21, strike all after ''system.'' through page 74, line 3.

AMENDMENT NO. 4707

On page 73, strike line 17 through the word ''system.'' on line 21.

AMENDMENT NO. 4708

On page 72, strike section 404.

AMENDMENT NO. 4709

On page 27, line 8, strike ''1999'' and insert ''2025''.

AMENDMENT NO. 4710

On page 27, line 8, strike ''1999'' and insert ''2024''.

AMENDMENT NO. 4711

On page 27, line 8, strike ''1999'' and insert ''2023''.

AMENDMENT NO. 4712

On page 27, line 8, strike ''1999'' and insert ''2022''.

AMENDMENT NO. 4713

On page 27, line 8, strike ''1999'' and insert ''2021''.

AMENDMENT NO. 4714

On page 27, line 8, strike ''1999'' and insert ''2020''.

AMENDMENT NO. 4715

On page 27, line 8, strike ''1999'' and insert ''2019''.

AMENDMENT NO. 4716

On page 27, line 8, strike ''1999'' and insert ''2018''.

AMENDMENT NO. 4717

On page 27, line 8, strike ''1999'' and insert ''2017''.

AMENDMENT NO. 4718

On page 27, line 8, strike ''1999'' and insert ''2016''.

AMENDMENT NO. 4719

On page 31, line 5, strike ''1999'' and insert ''2021''.

AMENDMENT NO. 4720

On page 45, line 21, strike ''the average for''.

AMENDMENT NO. 4721

On page 45, line 22, strike all after ''site.'' through the end of line 25.

AMENDMENT NO. 4722

On page 34, strike from line 21 through page 35, line 12.

AMENDMENT NO. 4723

On page 45, line 1, strike ''reasonable''.

AMENDMENT NO. 4724

On page 45, line 10, strike ''not''.

AMENDMENT NO. 4725

On page 27, line 17, strike ''1998'' and insert ''2022''.

AMENDMENT NO. 4726

On page 31, line 5, strike ''1999'' and insert ''2017''.

AMENDMENT NO. 4727

On page 26, line 25, strike ''of spent nuclear fuel and''.

AMENDMENT NO. 4728

On page 27, line 7, strike all after ''Act.'' through page 32, line 18.

AMENDMENT NO. 4729

On page 34, strike line 15 through line 18.

AMENDMENT NO. 4730

On page 33, strike line 10 through line 19.

AMENDMENT NO. 4731

On page 31, line 5, strike ''1999'' and insert ''2025''.

AMENDMENT NO. 4732

On page 46, strike from line 1 through line 14.

AMENDMENT NO. 4733

On page 31, line 5, strike ''1999'' and insert ''2016''.

AMENDMENT NO. 4734

On page 27, line 17, strike ''1998'' and insert ''2020''.

AMENDMENT NO. 4735

On page 47, line 23, strike all after ''(b)(3).'' through page 48, line 10.

AMENDMENT NO. 4736

On page 47, line 12, strike ''not.''

AMENDMENT NO. 4737

On page 45, strike line 10 through 15.

AMENDMENT NO. 4738

On page 56, line 1, strike ''local''.

AMENDMENT NO. 4739

On page 55, line 23, strike ''local''.

AMENDMENT NO. 4740

On page 31, line 18, strike ''15,000'' and insert ''400''.

AMENDMENT NO. 4741

On page 63, strike line 7 through line 25.

AMENDMENT NO. 4742

On page 62, line 15, strike all after ''shall be'' through the word ''exceed'' on page 63, line 5.

AMENDMENT NO. 4743

On page 62, line 8, strike ''and sold between January 7, 1983, and September 30, 2002,''.

AMENDMENT NO. 4744

On page 60, line 9, strike ''the County of Nye,''.

AMENDMENT NO. 4745

On page 59, line 15, strike ''the County of Nye''.

AMENDMENT NO. 4746

On page 31, line 5, strike ''1999'' and insert ''2019''.

AMENDMENT NO. 4747

On page 27, line 17, strike ''1998'' and insert ''2021''.

AMENDMENT NO. 4748

On page 31, line 18, strike ''15,000'' and insert ''900''.

AMENDMENT NO. 4749

On page 57, line 19, strike ''local''.

AMENDMENT NO. 4750

On page 31, line 5, strike ''1999'' and insert ''2018''.

AMENDMENT NO. 4751

On page 31, line 18, strike ''15,000'' and insert ''750''.

AMENDMENT NO. 4752

On page 58, line 22, strike ''None of the''.

AMENDMENT NO. 4753

On page 58, strike line 1 through line 20.

AMENDMENT NO. 4754

On page 55, line 16, strike ''local''.

AMENDMENT NO. 4755

On page 56, line 22, strike ''local''.

AMENDMENT NO. 4756

On page 56, line 19, strike ''local''.

AMENDMENT NO. 4757

On page 56, line 14, strike ''local''.

AMENDMENT NO. 4758

On page 56, line 4, strike ''local''.

AMENDMENT NO. 4759

On page 31, line 5, strike ''1999'' and insert ''2020''.

AMENDMENT NO. 4760

On page 31, line 5, strike ''1999'' and insert ''2022''.

AMENDMENT NO. 4761

On page 31, line 18, strike ''15,000'' and insert ''320''.

AMENDMENT NO. 4762

On page 31, line 18, strike ''15,000'' and insert ''200''.

AMENDMENT NO. 4763

On page 31, line 18, strike ''15,000'' and insert ''100''.

AMENDMENT NO. 4764

On page 31, line 5, strike ''1999'' and insert ''2024''.

AMENDMENT NO. 4765

On page 31, line 5, strike ''1999'' and insert ''2023''.

AMENDMENT NO. 4766

On page 31, line 18, strike ''15,000'' and insert ''300''.

AMENDMENT NO. 4767

On page 65, line 1, strike ''long-term storage and''.

AMENDMENT NO. 4768

Strike from page 62, line 6 through page 63, page 22.

AMENDMENT NO. 4769

On page 63, strike line 7 through line 22.

AMENDMENT NO. 4770

On page 63, line 5, strike ''1.0'' and insert ''5.0''.

AMENDMENT NO. 4771

On page 64, line 21, strike ''2002'' and insert ''1996''.

AMENDMENT NO. 4772

On page 31, line 18, strike ''15,000'' and insert ''830''.

AMENDMENT NO. 4773

On page 31, line 18, strike ''15,000'' and insert ''240''.

AMENDMENT NO. 4774

On page 31, line 18, strike ''15,000'' and insert ''500''.

AMENDMENT NO. 4775

On page 27, line 8, strike ''1999'' and insert ''2015''.

AMENDMENT NO. 4776

On page 27, line 8, strike ''1999'' and insert ''2014''.

AMENDMENT NO. 4777

On page 27, line 8, strike ''1999'' and insert ''2013''.

AMENDMENT NO. 4778

On page 27, line 8, strike ''1999'' and insert ''2012''.

AMENDMENT NO. 4779

At the appropriate place, add

''SEC. . RATEPAYER EQUITY.

(a) After January 31, 1998, if the Secretary does not have a facility available to accept spent fuel from persons holding contracts under this section, those persons may, through credits on fee payments under subsection (b), offset the expenses of providing storage of spent fuel generated after that date (including expenses reasonably incurred before that date in anticipation of the necessity of providing such storage) and until the date of the Secretary's first acceptance of that person's spent fuel at a storage or disposal facility authorized by this Act.

(b) The credits described in paragraph (1)—

''(A) shall be deducted from each remittance of a person's fee payments to the Nuclear Waste Fund from the time that the person meets the conditions of paragraph (1) until the time that the Secretary first accepts that person's spent fuel at a storage or disposal facility authorized by this Act; and

''(B) shall be in an amount determined by the Secretary to reflect the cost of storage qualifying under subsection (a).''

AMENDMENT NO. 4780

At the appropriate place, add

''SEC. . INDEPENDENT REVIEW.

(a) ESTABLISHMENT OF COMMISSION.

(1) IN GENERAL.—The President, in consultation with the Science Advisor to the President and the Council on Environmental Quality, shall establish a commission to be known as the ''Nuclear Waste Policy Review Commission'' (Referred to in this act as the ''Commission'').

(2) REPRESENTATION OF INTEREST GROUPS.—The membership and structure of the Commission shall be determined by the President with a view towards providing representation from—

(A) Environmental groups;

(B) Consumer groups;

(C) Taxpayer groups;

(D) The scientific community, including nuclear-oriented and other fields such as biology and medicine;

(E) State and local governments;

(F) Indian tribes;

(G) Transportation experts;

(H) Management experts;

(I) Federal, state, and local regulatory agencies;

(J) Utilities; and

AMENDMENT NO. 4781

On page 31, line 5, strike ''1999'' and insert ''2015''.

AMENDMENT NO. 4782

On page 31, line 5, strike ''1999'' and insert ''2014''.

AMENDMENT NO. 4783

On page 31, line 5, strike ''1999'' and insert ''2013''.

AMENDMENT NO. 4784

On page 27, line 17, strike ''1998'' and insert ''2024''.

AMENDMENT NO. 4785

On page 31, line 18, strike all after ''MTU.'' through line 22.

AMENDMENT NO. 4786

On page 32, line 15, strike after ''2002.'' though the end of line 18.

AMENDMENT NO. 4787

On page 23, line 13, strike all after ''(g).'' though the end of line 15.

AMENDMENT NO. 4788

On page 44, line 17, strike ''100'' and insert ''15''.

AMENDMENT NO. 4789

On page 44, line 17, strike ''100'' and insert ''25''.

AMENDMENT NO. 4790

On page 44, strike line 11 through line 23, and insert ''(1) Notwithstanding any other provision of this Act, the Environmental Protection Agency, though its normal rule making process, shall develop standards for protection of the public from release of radioactive material or radioactivity from the repository or any other federal high-level waste facility, including the transportation of high-level waste, which protect, with a high level of confidence, the health and safety of all individuals potentially exposed to such radiation or radioactive materials. The Nuclear Regulatory Commission shall require compliance with such standard as a condition of approving any license for a high-level nuclear waste facility.''

AMENDMENT NO. 4791

On page 13, strike from line 22 through page 21, line 2.

AMENDMENT NO. 4792

Strike section 204.

AMENDMENT NO. 4793

On page 48, strike line 11 through line 14.

AMENDMENT NO. 4794

On page 48, strike section 206.

AMENDMENT NO. 4795

On page 31, line 18, strike ''15,000'' and insert ''800''.

AMENDMENT NO. 4796

On page 27, line 17, strike ''1998'' and insert ''2025''.

AMENDMENT NO. 4797

At the appropriate place, add the following: ''Notwithstanding any other provision of this Act, the Secretary shall not provide storage or disposal of spent fuel or high-level radioactive waste resulting from operation of civilian nuclear power reactors to any contract holder unless the provisions of this Act provide for full cost recovery to the Treasury of such storage or disposal.''

AMENDMENT NO. 4798

On page 65, at the end of line 4, add ''No provisions of Title II of this Act shall take effect until all such one-time fees have been paid to the Treasury.''

AMENDMENT NO. 4799

At the appropriate place, add ''No provision of Title II of this Act shall take effect until all fees under Title IV of this Act have been paid to the Treasury.''

AMENDMENT NO. 4800

On page 64, line 23, strike all after the ''paid.'' through page 65, line 4.

AMENDMENT NO. 4801

On page 65, strike line 21 through page 66, line 20.

AMENDMENT NO. 4802

On page 64, line 6, strike ''average''.

AMENDMENT NO. 4803

On page 11, line 16, strike ''storage and''.

AMENDMENT NO. 4804

On page 45, line 2, strike ''1,000'' and insert ''35,000''.

AMENDMENT NO. 4805

On page 45, line 2, strike ''1,000'' and insert ''50,000''.

AMENDMENT NO. 4806

On page 45, line 2, strike ''1,000'' and insert ''100,000''.

AMENDMENT NO. 4807

On page 45, line 2, strike ''1,000'' and insert ''15,000''.

AMENDMENT NO. 4808

On page 45, line 2, strike ''1,000'' and insert ''1,000,000''.

AMENDMENT NO. 4809

On page 41, line 10, strike ''substantial''.

AMENDMENT NO. 4810

On page 41, line 21, strike ''unreasonable''.

AMENDMENT NO. 4811

On page 42, line 18, strike ''unreasonable''.

AMENDMENT NO. 4812

On page 43, line 2, strike ''unreasonable''.

AMENDMENT NO. 4813

At the appropriate place, insert the following: ''No provision of this Act shall take effect until the Secretary has determined that contract holders will pay the full cost of the storage and disposal of spent fuel and high-level radioactive waste derived from spent nuclear fuel used to generate electricity in civilian power reactors.''

AMENDMENT NO. 4814

On page 45, line 2, strike ''1,000'' and insert ''10,000''.

AMENDMENT NO. 4815

On page 65, line 16, strike ''shall propose an adjustment to'' and insert ''shall adjust''.

AMENDMENT NO. 4816

On page 31, line 5, strike ''1999'' and insert ''2011''.

AMENDMENT NO. 4817

On page 31, line 18, strike ''15,000'' and insert ''600''.

AMENDMENT NO. 4818

On page 49, line 10, strike line 4 through line 9.

AMENDMENT NO. 4819

On page 50, strike line 21 through page 51, line 3.

AMENDMENT NO. 4820

Strike section 207.

AMENDMENT NO. 4821

On page 54, line 19, strike ''local''.

AMENDMENT NO. 4822

On page 54, line 21, strike ''local''.

AMENDMENT NO. 4823

On page 45, line 2, strike ''1,000'' and insert ''25,000''.

AMENDMENT NO. 4824

On page 45, line 2, strike ''1,000'' and insert ''30,000''.

WELLSTONE AMENDMENTS NOS. 4825–4828

(Ordered to lie on the table.)

Mr. WELLSTONE submitted four amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4825

On page 68, line 5 of the amendment, strike ''years.'' and insert the following: ''years.

''SEC. 800.—REQUIREMENT OF DISPOSAL FACILITY.

''(a)(1) Notwithstanding any other provision of law, no new civilian nuclear power reactor shall be built until such time as—

''(A) there is a facility licensed by the Federal Government for the permanent emplacement of spent nuclear fuel and high-level radioactive waste from the civilian nuclear power reactor; and

''(B) there is adequate volume of capacity within the emplacement facility to accept all of the spent nuclear fuel and high-level radioactive waste that will be generated by the civilian nuclear power reactor during the reasonably foreseeable operational lifetime of the civilian nuclear power reactor.

''(2) At no time shall the volume of spent fuel and high-level radioactive waste generated, or reasonably expected to be generated, by all civilian nuclear power reactors on which construction was begun after the date of enactment of this Act, exceed the volume of capacity available in facilities licensed by the Federal Government for the permanent emplacement of spent nuclear fuel and high-level radioactive waste.

''(b) Any affected citizen may enforce the provision in (a) by filing a claim in federal district court in the district in which they reside or in the U.S. District Court for the District of Columbia.''

AMENDMENT NO. 4826

On page 44 of the amendment, at the end of line 24, insert the following: ''The adjusted fee proposed by the Secretary shall be effective after a period of 90 days of continuous session have elapsed following the receipt of such transmittal unless during such 90-day period a law is enacted disapproving the Secretary's proposed adjustment.''

AMENDMENT NO. 4827

On page 57 of the amendment, strike lines 16 and 17 and insert in lieu thereof the following: ''Notwithstanding any other provision of this Act or other law or agreement, the Secretary shall not accept title to spent nuclear fuel or high-level nuclear waste generated by a commercial nuclear power reactor unless the Secretary determines that accepting title to the fuel or waste is necessary to enable the Secretary to protect adequately the public health or safety, or the environment. To the extent that the federal government is responsible for personal or property damages arising from such fuel or waste while in the federal government's possession, such liability shall be born by the federal government.''

AMENDMENT NO. 4828

On page 57 of the amendment, strike lines 16 and 17 and insert in lieu thereof the following: ''Notwithstanding any other provision of this Act (except subsection (b) of this section) or other law or agreement, the Secretary shall not accept title to spent nuclear fuel or high-level nuclear waste generated by a commercial nuclear power reactor unless the Secretary determines that accepting title to the fuel or waste is necessary to enable the Secretary to protect adequately the public health or safety, or the environment. To the extent that the federal government is responsible for personal or property damages arising from such fuel or waste while in the federal government's possession, such liability shall be born by the federal government.''

MOSELEY-BRAUN AMENDMENTS NOS. 4829–4830

(Ordered to lie on the table.)

Ms. MOSELEY-BRAUN submitted two amendments intended to be proposed by her to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4829

On page 21, beginning on line 6, strike ''transport'' and all that follows through the period on line 9 and insert ''transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent, transportation of spent nuclear fuel and high-level radioactive waste through populated areas or sensitive environmental areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures the safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not later than November 30, 1999.''.

AMENDMENT NO. 4830

On page 21, line 6, after ''transport'' insert ''safely''.

CHAFEE AMENDMENTS NOS. 4831–4835

(Ordered to lie on the table.)

Mr. CHAFEE submitted five amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4831

On page 35, lines 4 and 5, strike ''and facility use pursuant to paragraph (d)(2) of this section.''

AMENDMENT NO. 4832

Beginning on page 43, lines 19 and 20, strike ''Notwithstanding'' all that follows through the period on page 44, line 2.

AMENDMENT NO. 4833

On page 44, line 4, strike ''solely''.

AMENDMENT NO. 4834

Beginning on page 73, strike line 16 and all that follows through page 74, line 3, and insert the following:

''SEC. 501. COMPLIANCE WITH OTHER LAWS.

''If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system.

AMENDMENT NO. 4835

On page 35, line 3, strike ''the construction and operation of any facility,''.

MURKOWSKI AMENDMENTS NOS. 4836–4845

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted 10 amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4836

On page 24, beginning on line 8, strike ''(f) EMPLOYEE PROTECTION—'' and all that follows through ''and 232.'' on line 19, and insert:

''(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this act shall be subject to and comply fully with employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105; and qualified persons shall be designated to perform the inspection and testing of trains under the provisions of 49 CFR 215 and 232 and shall be trained pursuant to the standard required by section 203(g).''.

AMENDMENT NO. 4837

On page 3, lines 15–16, strike ''such a facility'' and insert ''an interim storage facility or a repository''.

AMENDMENT NO. 4838

On page 5, line 21, strike ''permit'' and insert ''permits''.

AMENDMENT NO. 4839

On page 11, line 12, strike ''respository'' and insert ''repository''.

AMENDMENT NO. 4840

On page 11, line 21, strike ''for storage''.

AMENDMENT NO. 4841

At page 68, beginning on line 2, strike ''subsection (d)'' and insert ''subsections (d) and (e)''.

AMENDMENT NO. 4842

On page 14, line 12, after ''Secretary,'' insert ''or along such other route designate by the Secretary,''.

AMENDMENT NO. 4843

On page 12, line 24, strike ''Spent Nuclear Fuel''.

AMENDMENT NO. 4844

On page 14, line 12, after ''Secretary,'' insert ''or along such other route designated by the Secretary,''.

——

AMENDMENT NO. 4845

Strike all after the enacting clause and insert in lieu thereof the following:
That the Nuclear Waste Policy Act of 1982 is amended to read as follows:

''SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

''(b) TABLE OF CONTENTS.—

''SECTION 2. DEFINITIONS.

''For purposes of this Act:

''(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

''(2) AFFECTED INDIAN TRIBE.—The term 'affected Indian tribe' means any Indian tribe—

''(A) whose reservation is surrounded by or borders an affected unit of local government, or

''(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

''(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

''(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

''(A) Naval reactors development.

''(B) Weapons activities including defense inertial confinement fusion.

''(C) Verification and control technology.

''(D) Defense nuclear materials production.

''(E) Defense nuclear waste and materials byproducts management.

''(F) Defense nuclear materials security and safeguards and security investigations.

''(G) Defense research and development.

''(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

''(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

''(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act.

''(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

''(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

''(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

''(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

''(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

''(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEMS AND COMPONENTS.—The terms 'engineered barriers' and 'engineered systems and components,' means man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

''(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

''(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly in reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

''(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

''(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

''(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

''(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

''(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

''(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within area 25 of the Nevada test site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

''(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

''(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or by-product material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)); and

''(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

''(21) METRIC TONS URANIUM.—The term 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

''(22) NUCLEAR WASTE FUND.—The term 'Nuclear Waste Fund' and 'waste fund' means the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302 (c) of the Nuclear Waste Policy Act of 1982.

''(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

''(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

''(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

''(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

''(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

''(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

''(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

''(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

''(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

''TITLE I—OBLIGATIONS

''SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

''(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

''(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders for storage at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

''(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

''(d) INTEGRATED MANAGEMENT SYSTEM.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practies.

''(e) PRIVATE SECTOR PARTICIPATION.—In administering the Integrated Spent Nuclear Fuel Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

''(f) PRE-EXISTING RIGHTS.—Nothing in this Act is intended to or shall be construed to modify—

''(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

''(2) obligations imposed upon the Federal Government by the United States District Court of Idaho in an order entered on October 17, 1995 in United States v. Batt (No. 91–0054–S–EJL).

''(g) LIABILITY.—Subject to any valid existing right under subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

''TITLE II—INTEGRATED MANAGEMENT SYSTEM

''SEC. 201. INTERMODAL TRANSFER.

''(a) ACCESS.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

''(b) CAPABILITY DATE.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

''(c) ACQUISITIONS.—The Secretary shall acquire lands and rights-of-way along the 'Chalk Mountain Heavy Haul Route' depicted on the map dated March 13, 1996, and on file with the Secretary, necessary to commence intermodal transfer at Caliente, Nevada.

''(d) REPLACEMENTS.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facilitate replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

''(e) NOTICE AND MAP.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

''(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council.

Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

''(f) IMPROVEMENTS.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

''(g) LOCAL GOVERNMENT INVOLVEMENT.—The Commission shall enter into a Memorandum of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

''(h) BENEFITS AGREEMENT.—

''(1) IN GENERAL.—The Secretary shall offer to enter into an agreement with Lincoln County, Nevada, concerning the integrated management system.

''(2) AGREEMENT CONTENT.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln County, Nevada.

''(3) AMENDMENT.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

''(4) TERMINATION.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

''(5) LIMITATION.—Only one agreement may be in effect at any one time.

''(6) JUDICIAL REVIEW.—Decisions of the Secretary under this section are not subject to judicial review.

''(i) CONTENT OF AGREEMENT.—

''(1) SCHEDULE.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

''BENEFITS SCHEDULE

''(Amounts in millions)

''Event	Payment
''(A) Annual payments prior to first receipt of spent fuel	$2.5
''(B) Annual payments beginning upon first spent fuel receipt	5
''(C) Payment upon closure of the intermodal transfer facility	5

''(2) DEFINITIONS.—For purposes of this section, the term—

''(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

''(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

''(3) ANNUAL PAYMENTS.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

''(4) REDUCTION.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to 1/12 of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

''(5) RESTRICTIONS.—The Secretary may not restrict the purposes for which the payments under this section may be used.

''(6) DISPUTE.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

''(7) CONSTRUCTION.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

''(j) INITIAL LAND CONVEYANCES.—

''(1) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of the Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(2) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10; Lincoln County, parcel M, industrial park site.

Map 11; Lincoln County, parcel F, mixed use industrial site.

Map 13; Lincoln County, parcel J, mixed use, Alamo Community Expansion Area.

Map 14; Lincoln County, parcel E, mixed use, Pioche Community Expansion Area.

Map 15; Lincoln County, parcel B, landfill expansion site.

''(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

''SEC. 202. TRANSPORTATION PLANNING.

''(a) TRANSPORTATION READINESS.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities beginning not later than November 30, 1999. As soon as is practicable following enactment of this Act, the Secretary shall analyze each specific reactor facility designated by contract holders in the order of priority established in the emplacement schedule, and develop a logistical plan to assure the Secretary's ability to transport spent nuclear fuel and high-level radioactive waste.

''(b) TRANSPORTATION PLANNING.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

''SEC. 203. TRANSPORTATION REQUIREMENTS.

''(a) PACKAGE CERTIFICATION.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

''(b) STATE NOTIFICATION.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

''(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

''(d) PUBLIC EDUCATION.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

''(e) COMPLIANCE WITH TRANSPORTATION REGULATIONS.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

''(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105. Carmen shall be designated to perform the inspection and testing of trains under the provisions of 49 CFR 215 and 232 at all initial terminals and intermediate inspection points. Members of an operating crew shall be trained to perform the cursory inspection and testing required on cars picked up at outlying points under the provisions of 49 CFR 215 appendix D and 232.

''(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that evidence of satisfaction of the applicable training standard, through certification or other means, be provided to an employer before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

''(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

''(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

''(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

''(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal, transportation, interim storage, and permanent disposal of spent nuclear fuel and high-level radioactive waste.

''(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

''SEC. 204. INTERIM STORAGE.

''(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

''(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

''(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

''(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

''(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include—

''(i) the preliminary design concept for the critical elements of the repository and waste package,

''(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the respository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act.

''(iii) a plan and cost estimate for the remaining work required to complete a license application, and

''(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept.

''(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19) of this Act shall be deemed to be approved by law for purposes of this section.

''(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

''(c) DESIGN.—

''(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

''(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

''(d) LICENSING.—

''(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

''(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

''(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not complete the viability assessment of the Yucca Mountain site by June 30, 1998, or submit the license application for construction of a respository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

''(e) ADDITIONAL AUTHORITY.—

''(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

''(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

''(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (i), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated Mar. 1995 (DOE/RW–0457), the Secretary shall accept, in an amount not less than 25 percent of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

''(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

''(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

''(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

''(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—

''(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction and operation of any facility, and facility use pursuant to paragraph (d)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

''(2) ENVIRONMENTAL IMPACT STATEMENT.—

''(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). In preparing such Environmental Impact Statement, the Commission—

''(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

''(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

''(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

''(i) the need for the interim storage facility, including any individual component thereof;

''(ii) the time of the initial availability of the interim storage facility;

''(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

''(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

''(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

''(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

''(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

''(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.).

''(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph (e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3) (A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

''(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

''SEC. 205. PERMANENT REPOSITORY.

''(a) REPOSITORY CHARACTERIZATION.—

''(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

''(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

''(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996. No later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

''(4) MAXIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

''(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spent nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

''(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(2) LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

''(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

''(A) breaching the repository's engineered or geologic barriers; or

''(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

''(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

''(d) REPOSITORY LICENSING STANDARDS.—Notwithstanding any other provision of law, the Administrator of the Environmental Protection Agency shall not promulgate, by rule or otherwise, standards for protection of the public from releases of radioactive materials or radioactivity from the repository and any such standards existing on the date of enactment of the Nuclear Waste Policy Act of 1996 shall not be incorporated in the Commission's licensing regulations. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2). The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

''(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

''(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

''(3) FACTORS.—For purposes of making the finding in paragraph (2)—

''(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

''(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site

means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

''(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

''(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

''(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

''(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

''(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

''(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

''(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

''(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

''(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

''SEC. 206. LAND WITHDRAWAL.

''(a) WITHDRAWAL AND RESERVATION.—

''(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

''(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

''(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

''(b) LAND DESCRIPTION.—

''(1) BOUNDARIES.—The boundaries depicted on the map entitled 'Interim Storage Facility Site Withdrawal Map,' dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

''(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

''(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

''(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

''(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''SEC. 207. PERMANENT DISPOSAL ALTERNATIVES.

''(a) STUDY.—Within 270 days after the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall report to Congress on alternatives for the permanent disposal of spent nuclear fuel and high-level radioactive waste. The report under this section shall include—

''(1) an assessment of the current state of knowledge of alternative technologies for the treatment and disposal of spent nuclear fuel and high-level radioactive waste;

''(2) an estimate of the costs of research and development of alternative technologies;

''(3) an analysis of institutional factors associated with alternative technologies, including international aspects of a decision of the United States to proceed with the development of alternative technologies (including nuclear proliferation concerns) as an option for nuclear waste management and disposal;

''(4) a full discussion of environmental and public health and safety aspects of alternative technologies;

''(5) recommendations on alternative ways to structure an effort in research, development, and demonstration with respect to alternative technologies; and

''(6) the recommendations of the Secretary with respect to research, development, and demonstration of the most promising alternative technologies for the treatment and disposal of spent nuclear fuel and high-level radioactive waste.

''(b) OFFICE OF NUCLEAR WASTE DISPOSAL RESEARCH.—(1) There is hereby established an Office of Nuclear Waste Disposal Research within the Office of Energy Research of the Department of Energy. The Office shall be headed by the Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Energy Research, and compensated at a rate determined by applicable law.

''(2) The Director of the Office of Nuclear Waste Research shall be responsible for carrying out research, development, and demonstration activities on alternative technologies for the treatment and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Director of the Office of Energy Research, and the first such Director shall be appointed within 30 days of the date of enactment of the Nuclear Waste Policy Act of 1996.

''(3) In carrying out his responsibilities under this Section, the Secretary may make grants to, or enter into contracts with, the Nuclear Waste Research Consortium described in paragraph (4) of this section and other persons.

''(4)(A) Within 60 days of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall establish a university-based Nuclear Waste Disposal Consortium involving leading universities and institutions, national laboratories, the commercial nuclear industry, and other organizations to investigate technical and institutional feasibility of alternative technologies for the treatment and disposal of spent nuclear fuel and high-level radioactive waste.

''(B) The Nuclear Waste Disposal Consortium shall develop a research plan and budget to achieve the following objectives by 2005:

''(i) identify promising alternative technologies for the treatment and disposal of spent nuclear fuel and high-level radioactive waste.

''(ii) conduct research and develop conceptual designs for promising alternative technologies, including estimated costs and institutional requirements for continued research and development; and

''(iii) identify and assess potential impacts of promising alternative technologies on the environment.

''(C) In 2000, and again in 2005, the Nuclear Waste Disposal Consortium shall report to Congress on the progress being made in achieving the objectives of paragraph (2).

''(5) The Director of the Office of Nuclear Waste Disposal Research shall annually prepare and submit a report to the Congress on the activities and expenditures of the Office.

''TITLE III—LOCAL RELATIONS

''SEC. 301. FINANCIAL ASSISTANCE.

''(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

''(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental

impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

''(2) to develop a request for impact assistance under subsection (c);

''(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

''(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

''(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

''(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

''(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

''(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

''(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

''(d) OTHER ASSISTANCE.—

''(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant to any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

''(2) TERMINATION.—Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

''(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OF LOCAL GOVERNMENT.—

''(A) PERIOD.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

''(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

''SEC. 302. ON-SITE REPRESENTATIVE.

''The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

''SEC. 303. ACCEPTANCE OF BENEFITS.

''(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

''(b) ARGUMENTS.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

''(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any government unit of Nevada premised solely upon the acceptance or use of benefits under this title.

''SEC. 304. RESTRICTIONS ON USE OF FUNDS.

''None of the funding provided under this title may be used—

''(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

''(2) for litigation purposes; and

''(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

''SEC. 305 LAND CONVEYANCES.

''(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under paragraph (1) to the County of Nye, Nevada:

Map 1; proposed Pahrump industrial park site.

Map 2; proposed Lathrop Wells (gate 510) industrial park site.

Map 3; Pahrump landfill sites.

Map 4; Amargosa Valley Regional Landfill site.

Map 5; Amargosa Valley Municipal Landfill site.

Map 6; Beatty Landfill/Transfer Station site.

Map 7; Round Mountain Landfill site.

Map 8; Tonopah Landfill site.

Map 9; Gabbs Landfill site.

''(c) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (l) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(d) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

''TITLE IV—FUNDING AND ORGANIZATION

''SEC. 401. PROGRAM FUNDING.

''(a) CONTRACTS.—

''(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

''(2) ANNUAL FEES.—

''(A) for electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt-hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatthour generated and sold.

''(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

''(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

''(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatthour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spent nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

''(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

''(b) ADVANCE CONTRACTING REQUIREMENT.

''(1) IN GENERAL.—

''(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

''(i) such person has entered into a contract under subsection (a) with the Secretary; or

''(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

''(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

''(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

''(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

''(c) NUCLEAR WASTE FUND.—

''(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

''(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

''(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

''(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsection (d) and (e), only for purposes of the integrated management system.

''(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

''(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

''(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

''(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

''(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

''(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

''(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

''SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.

''(a) CONTINUATION OF THE OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.—The Office of Civilian Radioactive Waste Management established under section 304(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

''(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

''SEC. 403. FEDERAL CONTRIBUTION.

''(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

''(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

''(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

''(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors as established under subsection (a).

''(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors requiring management in the integrated management system.

''(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors as established under subsection (a).

SEC. 404. BUDGET PRIORITIES.

''(a) THE SECRETARY.—For purposes of preparing annual requests for appropriations for the integrated management system and allocating funds among competing requirements, the Secretary shall give funding for the licensing, construction, and operation of the interim storage facility under section 204 and development of the transportation capability under sections 201, 202, and 203 the highest priority.

''(b) THE COMMISSION.—For purposes of preparing annual requests for appropriations for the integrated management system and allocating annual appropriations among competing requirements, the Commission shall allocate funds in accordance with the following prioritization:

''(1) The issuance of regulations for and the licensing of an interim storage facility under

section 204 and any associated storage and/or transport systems to be used in the integrated management system shall be accorded the highest priority; and

''(2) the licensing of the repository under section 205 shall be accorded the next highest priority.

''TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

''SEC. 501. COMPLIANCE WITH OTHER LAWS.

''If the requirements of any law are inconsistent with or duplicative of the requirements of the Atomic Energy Act and this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act and this Act in implementing the integrated management system. Any requirement of a State or political subdivision of a State is preempted if—

''(1) complying with such requirement and a requirement of this Act is impossible; or

''(2) such requirement, as applied or enforced, is an obstacle to accomplishing or carrying out this Act or a regulation under this Act.

''SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

''(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

''(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

''(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

''(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

''(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

''(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

''(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

''(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

''SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

''(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the Commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

''(b) ADJUDICATORY HEARING.—

''(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing only if it determines that—

''(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

''(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

''(2) DETERMINATION.—In making a determination under this subsection, the Commission—

''(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

''(B) shall not consider—

''(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

''(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site; unless

''(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

''(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

''(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

''(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

''(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

''(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

''(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

''SEC. 504. SITING A SECOND REPOSITORY.

''(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

''(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

''SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

''(a) FINANCIAL ARRANGEMENTS.—

''(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

''(2) BONDING, SURETY OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

''(b) TITLE AND CUSTODY.—

''(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

''(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee

involved and that such licensee is in compliance with the provisions of subsection (a);

''(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

''(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

''(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

''(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

''SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.

''The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

''SEC. 507. EMPLACEMENT SCHEDULE.

''(a) The emplacement schedule shall be implemented in accordance with the following:

''(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

''(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2,000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

''(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in paragraph (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

''(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

''(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

''SEC. 508. TRANSFER OF TITLE.

''(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

''(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site.

''SEC. 509. DECOMMISSIONING PILOT PROGRAM.

''(a) AUTHORIZATION.—The Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

''(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

''SEC. 501. WATER RIGHTS.

''(a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

''(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

''(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

''TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

''SEC. 601. DEFINITIONS.

''For purposes of this title—

''(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

''(2) Board.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

''SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.

''(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

''(b) MEMBERS.—

''(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

''(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

''(3) NATIONAL ACADEMY OF SCIENCES.—

''(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

''(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

''(C) NOMINEES.—

''(i) Each person nominated for appointment to the Board shall be—

''(I) eminent in a field of science or engineering, including environmental sciences; and

''(II) selected solely on the basis of established records of distinguished service.

''(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

''(iii) No person shall be nominated for appointment to the Board who is an employee of—

''(I) the Department of Energy;

''(II) a national laboratory under contract with the Department of Energy; or

''(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

''(4) VACANCIES.—Any vacancy on the Board shall be filled by the nomination and appointment process described in paragraphs (1) and (3).

''(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

''SEC. 603. FUNCTIONS.

''The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

''(1) site characterization activities; and

''(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

''SEC. 604. INVESTIGATORY POWERS.

''(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not be required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

''(b) PRODUCTION OF DOCUMENTS.—

''(1) RESPONSE TO INQUIRES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such record, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

''(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) shall be limited to final work products of the secretary, but may include drafts of such products and documentation of work in progress.

''SEC. 605. COMPENSATION OF MEMBERS.

''(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule

for each day (including travel time) such member is engaged in the work of the Board.

''(b) TRAVEL EXPENSES.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

''SEC. 606. STAFF.

''(a) CLERICAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

''(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

''(b) PROFESSIONAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

''(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

''(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

''SEC. 607. SUPPORT SERVICES.

''(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

''(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General, the Librarian of Congress, and the Director of the Office of Technology Assessment shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

''(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

''(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

''SEC. 608. REPORT.

''The Board shall report not less than two times per year to Congress and the Secretary its findings, conclusions, and recommendations.

''SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated for expenditures such sums as may be necessary to carry out the provisions of this title.

''SEC. 610. TERMINATION OF THE BOARD.

''The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

''TITLE VII—MANAGEMENT REFORM

''SEC. 701. MANAGEMENT REFORM INITIATIVES.

''(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, to the maximum extent practicable, in like manner as a private business. Notwithstanding any other provision of law, the civilian radioactive waste management program is not subject to laws or regulations concerning the civil service as described in this title.

''(b) OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT EMPLOYEES.—

''(1) COMPENSATION.—The Secretary shall, without regard to section 5301 of title 5, United States Code, fix the compensation of the Director and the Deputy Director of Office of Civilian Radioactive Waste Management. The Director shall, without regard to section 5301 of title 5, United States Code, fix the compensation for all other Federal employees assigned to the Office of Civilian Radioactive Waste Management, define their duties, and provide for a system of organization to fix responsibility and promote efficiency. The Deputy Director may be removed at the Director's discretion without regard to any laws, rules, or regulations concerning personnel actions in the Civil Service System or Senior Executive Service. Any other Federal employee assigned to the Office of Civilian Radioactive Waste Management may be removed at the discretion of the Secretary or Director without regard to any laws, rules, or regulations concerning personnel actions in the Civil Service System or Senior Executive Service. The Secretary shall ensure that Federal employees assigned to the Office of Civilian Radioactive Waste Management are appointed, promoted, and assigned on the basis of merit and fitness. Other personnel actions shall be consistent with the principles of fairness and due process specified in title 5 of the United States Code, but without regard to those provisions of said title governing appointments and other personnel actions in the competitive service.

''(2) APPLICATION.—The provisions of paragraph (1) shall not apply to Federal employees who may be, from time to time, temporarily assigned to the Office of Civilian Radioactive Waste Management. The use of temporary assignment of Federal employees to the Office of Civilian Radioactive Waste Management shall not be used in any manner to circumvent the full application of the provisions in paragraph (1).

''(3) TRANSITION.—The Secretary shall transition the Federal employees assigned to the Office of Civilian Radioactive Waste Management to the provisions of this section in an orderly manner allowing for the development of the needed procedures. Under no circumstances shall this transition take longer than 6 months from the date of enactment of this Section.

''(4) RETENTION OF BENEFITS.—Federal employees assigned to the Office of Civilian Radioactive Waste Management and transitioned to the provisions of this section shall retain employment benefits in effect immediately prior to the transition date. Transitioned employees will continue in the Civil Service System's retirement system.

''(c) AUDITS.—

''(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

''(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporation engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1995.

''(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

''(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

''(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

''(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

''(g) SITE CHARACTERIZATION.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

''SEC. 702. REPORTING.

''(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Management System. Such report shall include—

''(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the emplacement schedule;

''(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligation under this Act and the contracts;

''(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to meet the planned schedule and timeline; and

''(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

''(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annul reports shall be brief and shall notify the Congress of:

''(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

''(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

''(3) the Secretary's analysis of its funding needs for the ensuing 5 fiscal years.''.

LEVIN AMENDMENTS NOS. 4846–4847

(Ordered to lie on the table.)

Mr. LEVIN submitted two amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4846

On page 19, at the end of line 19, add the following: ''This subsection shall not apply to bar any action seeking declaratory or equitable relief or any other remedy or for a determination of financial liability limited to the total amount of the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, in addition to prospective fee collections and interest, that remain unexpended for storage and disposal activities under the Nuclear Waste Policy Act of 1982 and this Act, in the case of a material failure by the Secretary in meeting the deadlines established by this Act.''.

AMENDMENT NO. 4847

On page 13, strike lines 14 through 19.

INHOFE AMENDMENTS NOS. 4848–4849

(Ordered to lie on the table.)

Mr. INHOFE submitted two amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4848

At the appropriate place in the bill insert the following new section:

SEC. . LIMITATION ON PARTICIPATION BY MEMBERS OF CONGRESS IN FEDERAL RETIREMENT SYSTEMS.

(a) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—

(1) LIMITATION.—Chapter 84 of title 5, United States Code, is amended by inserting after section 8410 the following:

''§ 8410a. Limitation relating to Members

''(a)(1) This section shall apply with respect to any Member serving as—

''(A) a Member of the House of Representatives after completing 12 years of service as a Member of the House of Representatives; or

''(B) a Senator after completing 12 years of service as a Senator.

''(2) For purposes of this subsection—

''(A) only service performed after the 104th Congress shall be taken into account; and

''(B) service performed while subject to subchapter III of chapter 83 (if any) shall be treated in the same way as if it had been performed while subject to this chapter.

''(b) A Member to whom this section applies remains subject to this chapter, except as follows:

''(1)(A) Deductions under section 8422 shall not be made from any pay for service performed as such a Member.

''(B) Government contributions under section 8423 shall not be made with respect to any such Member.

''(C) Service performed as such a Member shall not be taken into account for purposes of any computation under section 8415.

''(2) Government contributions under section 8432(c) shall not be made with respect to any period of service performed as such a Member.

''(c) Nothing in subsection (b) shall be considered to prevent any period of service from being taken into account for purposes of determining whether any age and service requirements for entitlement to an annuity have been met.

''(d) For purposes of this section, the term 'Member of the House of Representatives' includes a Delegate to the House of Representatives and the Resident Commissioner from Puerto Rico.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting after the item relating to section 8410 the following:

''8410a. Limitation relating to Members.''.

(b) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) LIMITATION.—Chapter 83 of title 5, United States Code, is amended by inserting after section 8333 the following:

''§ 8333a. Limitation relating to Members

''(a)(1) This section shall apply with respect to any Member serving as—

''(A) a Member of the House of Representatives after completing 12 years of service as a Member of the House of Representatives; or

''(B) a Senator after completing 12 years of service as a Senator.

''(2) For purposes of subsection (a), only service performed after the 104th Congress shall be taken into account.

''(b)(1) A Member to whom this section applies remains subject to this subchapter, except as follows:

''(A) Deductions under the first sentence of section 8334(a) shall not be made from any pay for service performed as such a Member.

''(B) Government contributions under the second sentence of section 8334(a) shall not be made with respect to any such Member.

''(C) Service performed as such a Member shall not be taken into account for purposes of any computation under section 8339, except in the case of a disability annuity.

''(2) Nothing in this subsection shall be considered to prevent any period of service from being taken into account for purposes of determining whether any age and service requirements for entitlement to an annuity have been met.

''(c) Nothing in subsection (b) or (c) of section 8333 shall apply with respect to a Member who, at the time of separation, is a Member to whom this section applies.

''(d) For purposes of this section, the term 'Member of the House of Representatives' includes a delegate to the House of Representatives and the Resident Commissioner from Puerto Rico.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 83 of title 5, United States Code, is amended by inserting after the item relating to section 8333 the following:

''8333a. Limitation relating to Members of the House of Representatives.''.

AMENDMENT NO. 4849

At the appropriate plea, insert:

SEC. . FINDINGS.

The Congress finds that—

(1) over 10,000,000 people in the world are amputees, and each year more than 250,000 people become amputees;

(2) thousands of citizens of the United States depend on the availability of prosthetic devices in order to function fully in contemporary society;

(3) a sizable number of amputees are unable to afford adequate prosthetic care;

(4) used prosthetic devices could be recycled for reuse by amputees in the United States, but, because of the potential liability of providers of those prosthetic devices, the prosthetic devices are shipped to Third World countries;

(5) making recycled prosthetic devices available to economically disadvantaged amputees would enable those amputees to live more comfortably and function fully;

(6) nonprofit organizations would be uniquely suited to provided recycled prosthetic devices to amputees, if they could be enabled to do so in a cost-efficient manner;

(7) in order to enable nonprofit organizations to provide recycled prosthetic devices to amputees in a cost-efficient manner, immediate action is needed to—

(A) limit the liability of nonprofit organizations in serving as providers of recycled prosthetic devices; and

(B) minimize the cost of litigation against those providers by establishing expeditious procedures to dispose of unwarranted actions.

SEC. . DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) CLAIMANT.—

(A) IN GENERAL.—The term ''claimant'' means any person who brings a civil action, or on whose behalf such action is brought, arising from harm allegedly caused directly or indirectly by a recycled prosthetic device.

(B) ACTION BROUGHT ON BEHALF OF AN ESTATE.—With respect to an action arising from harm caused directly or indirectly by a recycled prosthetic device brought on behalf of or through the estate of an individual, such term includes the decedent that is the subject of the action.

(2) HARM.—With respect to harm caused by a recycled prosthetic device, the term ''harm'' includes any physical injury, illness, disease, or death or damage to property caused by that prosthetic device.

(3) NONPROFIT PROVIDER.—The term ''nonprofit provider'' means an organization that is—

(A) described in section 501(c) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of such Code; and

(B) established for the purpose of providing prosthetic devices to economically disadvantaged individuals.

(4) PRACTITIONER.—The term ''practitioner'' means a health care professional associated with, employed by, under contract with, or representing a nonprofit provider who—

(A) is required to be licensed, registered or certified under an applicable Federal or State law (including any applicable regulation) to provide health care services; or

(B) is certified to provide health care pursuant to a program of education, training, and examination by an accredited institution, professional board, or professional organization.

(5) PROSTHETIC DEVICE.—The term ''prosthetic device'' means a mechanical or other apparatus used as an artificial limb for amputees.

(6) RECYCLED PROSTHETIC DEVICE.—The term ''recycled prosthetic device'' means a previously used prosthetic device that—

(A) has been reconditioned for use by a different amputee;

(B) other than as provided under subparagraph (C), has not been materially altered; and

(C) if altered, has been altered only with respect to the socket, frame, or any additional materials used to attach the prosthetic device to the amputee.

SEC. . APPLICABILITY; PREEMPTION.

(a) APPLICABILITY.—Notwithstanding any other provision of law, this Act applies to any civil action brought by a claimant in a Federal or State court against a nonprofit provider or practitioner for harm allegedly caused by a recycled prosthetic device.

(b) PREEMPTION.—

(1) IN GENERAL.—This Act supersedes any State law (including any rule of procedure) applicable to the recovery of damages in an action brought against a nonprofit provider or practitioner for harm caused by a recycled prosthetic device.

(2) OTHER ISSUES.—Any issue that is not covered by this Act shall be governed by applicable Federal or State law.

SEC. . LIMITATION OF LIABILITY OF NONPROFIT PROVIDERS AND PRACTITIONERS.

(a) IN GENERAL.—Except as provided in paragraph (2), a nonprofit provider shall not be liable for harm to a claimant caused by a recycled prosthetic device.

(b) EXCEPTION.—A court shall find a nonprofit provider or practitioner liable for harm caused by a recycled prosthetic device only if the claimant establishes that, the nonprofit provider or practitioner engaged in an intentional wrongdoing (as determined under applicable State law) that was the proximate cause of such harm.

SEC. . PROCEDURES FOR DISMISSAL OF CIVIL ACTIONS AGAINST NONPROFIT PROVIDERS.

In any action that is subject to this Act, a nonprofit provider or practitioner who is a defendant in such action, may, at any time during which a motion to dismiss may be filed under applicable Federal or State law, move to dismiss the action.

PRESSLER AMENDMENTS NOS. 4850–4851

(Ordered to lie on the table.)

Mr. PRESSLER submitted two amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4850

Beginning on page 24, strike line 8 and all that follows through page 25.

AMENDMENT NO. 4851

Beginning on page 24, strike line 8 and all that follows through page 25, line 11, and insert the following:

''(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of sections 20109 and 31105 of title 49 United States Code. Qualified persons shall perform the inspection and testing of trains under the provisions of sections 215 and 232, Code of Federal Regulations, and shall be trained pursuant to the standard required by section 203(g).

''(g) TRAINING STANDARD.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require evidence of satisfaction of the applicable training standard before any individual may be employed in the removal or transportation of spent nuclear fuel and high-level radioactive waste.

THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

SIMON ANENDMENT NO. 4852

Mr. SIMON proposed an amendment to the bill, S. 1894, supra; as follows:

On page 88, between lines 7 and 8, insert the following:

SEC. 8099. (a) REPEAL OF TEMPORARY REQUIREMENT RELATING TO EMPLOYMENT.—Title VII of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 650), is amended under the heading ''NATIONAL SECURITY EDUCATION TRUST FUND'' by striking out the proviso.

(b) GENERAL PROGRAM REQUIREMENTS.—Subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1902) is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph (A):

''(A) awarding scholarships to undergraduate students who—

''(i) are United States citizens in order to enable such students to study, for at least one academic semester or equivalent term, in foreign countries that are critical countries (as determined under section 803(d)(4)(A) of this title) in those languages and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d) of this title); and

''(ii) pursuant to subsection (b)(2)(A) of this section, enter into an agreement to work for, and make their language skills available to, an agency or office of the Federal Government or work in the field of higher education in the area of study for which the scholarship was awarded;''; and

(2) in subparagraph (B)—

(A) in clause (i), by inserting ''relating to the national security interests of the United States'' after ''international fields''; and

(B) in clause (ii)—

(i) by striking out ''subsection (b)(2)'' and inserting in lieu thereof ''subsection (b)(2)(B)''; and

(ii) by striking out ''work for an agency or office of the Federal Government or in'' and inserting in lieu thereof ''work for, and make their language skills available to, an agency or office of the Federal Government or work in''.

(c) SERVICE AGREEMENT.—Subsection (b) of that section is amended—

(1) in the matter preceding paragraph (1), by striking out '', or of scholarships'' and all that follows through ''12 months or more,'' and inserting in lieu thereof ''or any scholarship''.

(2) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph (2):

''(2) will—

''(A) not later than eight years after such recipient's completion of the study for which scholarship assistance was provided under the program, and in accordance with regulations issued by the Secretary—

''(i) work in an agency or office of the Federal Government having national security responsibilities (as determined by the Secretary in consultation with the National Security Education Board) and make available such recipient's foreign language skills to an agency or office of the Federal Government approved by the Secretary (in consultation with the Board), upon the request of the agency or office, for a period specified by the Secretary, which period shall be no longer than the period for which scholarship assistance was provided; or

''(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no position in an agency or office of the Federal Government having national security responsibilities is available, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the scholarship was awarded, for a period specified by the Secretary, which period shall be determined in accordance with clause (i); or

''(B) upon completion of such recipient's education under the program, and in accordance with such regulations—

''(i) work in an agency or office of the Federal Government having national security responsibilities (as so determined) and make available such recipient's foreign language skills to an agency or office of the Federal Government approved by the Secretary (in consultation with the Board), upon the request of the agency or office, for a period specified by the Secretary, which period shall be not less than one and not more than three times the period for which the fellowship assistance was provided; or

''(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no position in an agency or office of the Federal Government having national security responsibilities is available upon the completion of the degree, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the fellowship was awarded, for a period specified by the Secretary, which period shall be established in accordance with clause (i); and''.

(d) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—Such section 802 is further amended by—

(1) redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

''(c) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—The Secretary shall, through the National Security Education Program office, administer a test of the foreign language skills of each recipient of a scholarship or fellowship under this title before the commencement of the study or education for which the scholarship or fellowship is awarded and after the completion of such study or education. The purpose of the tests is to evaluate the progress made by recipients of scholarships and fellowships in developing foreign language skills as a result of assistance under this title.''.

(e) FUNCTIONS OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803(d) of that Act (50 U.S.C. 1903(d)) is amended—

(1) in paragraph (1), by inserting '', including an order of priority in such awards that favors individuals expressing an interest in national security issues or pursuing a career in an agency or office of the Federal Government having national security responsibilities'' before the period;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking out ''Make recommendations'' and inserting in lieu thereof ''After taking into account the annual analyses of trends in language, international, and area studies under section 806(b)(1), make recommendations'';

(B) in subparagraph (A), by inserting ''and countries which are of importance to the national security interests of the United States'' after ''are studying''; and

(C) in subparagraph (B), by inserting ''relating to the national security interests of the United States'' after ''of this title'';

(3) by redesignating paragraph (5) as paragraph (7); and

(4) by inserting after paragraph (4) the following new paragraphs:

''(5) Encourage applications for fellowships under this title from graduate students having an educational background in disciplines relating to science or technology.

''(6) Provide the Secretary on an on-going basis with a list of scholarship recipients and fellowship recipients who are available to work for, or make their language skills available to, an agency or office of the Federal Government having national security responsibilities.''.

(f) REPORT ON PROGRAM.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report assessing the improvements to the program established under the David L. Boren National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1901 et seq.) that result from the amendments made by this section.

(2) The report shall also include an assessment of the contribution of the program, as so improved, in meeting the national security objectives of the United States.

THE NUCLEAR WASTE POLICY ACT OF 1982 AMENDMENT ACT OF 1996

MURKOWSKI AMENDMENTS NOS. 4853–4882

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted 30 amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 4853

On page 2, strike ''TITLE II—INTEGRATED SPENT NUCLEAR FUEL MANAGEMENT SYSTEM'' and insert ''TITLE II—INTEGRATED MANAGEMENT SYSTEM''

AMENDMENT NO. 4854

On page 18, line 17, strike ''plan'' and insert ''agreement''.

AMENDMENT NO. 4855

On page 20, line 3, strike ''date'' and insert ''dated''.

AMENDMENT NO. 4856

On page 20, beginning on line 16, after ''descriptions'' insert ''of''.

AMENDMENT NO. 4857

On page 22, line 5, strike ''nuclear waste;'' and insert ''high level radioactive waste,''.

AMENDMENT NO. 4858

On page 22, line 22, after ''waste for'' insert ''training for''.

AMENDMENT NO. 4859

Beginning on page 24, line 20, strike ''(g) TRAINING STANDARD.—'' and all that follows through line 23 on page 25, and insert—

''(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. the regulation shall require that evidence of satisfaction of the applicable training standard, through certification or other means, be provided to an employer before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.''.

AMENDMENT NO. 4860

On page 38, line 12, strike ''(d)(3)(A)'' and insert ''(e)(3)(A)''.

AMENDMENT NO. 4861

On page 39, line 20, strike ''. No'' and insert '', no''.

AMENDMENT NO. 4862

Beginning on page 24, line 20, strike ''(g) TRAINING STANDARD.—'' and all that follows through line 23 on page 25, and insert—

''(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that evidence of satisfaction of the applicable training standard, through certification or other means, be provided to an employer before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.''

AMENDMENT NO. 4863

At page 27, line 8, strike ''by January 31, 1999'' and insert ''in accordance with subsection (b)''.

AMENDMENT NO. 4864

On page 27, line 11, strike ''accepting'' and insert ''storing''.

AMENDMENT NO. 4865

On page 28, line 1, strike ''size,'' and insert ''size''.

AMENDMENT NO. 4866

On page 29, line 21, strike ''accepting'' and insert ''storing''.

AMENDMENT NO. 4867

On page 32, line 21, strike ''subsection (a)'' and insert ''this section''.

AMENDMENT NO. 4868

On page 34, line 1, after ''1996,'' insert ''as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW–0457),''.

AMENDMENT NO. 4869

On page 55, line after ''system'' insert ''on''.

AMENDMENT NO. 4780

On page 57, beginning on line 24, strike ''representatives'' and insert ''representatives''.

AMENDMENT NO. 4871

On page 58, line 5 strike ''denied'' and insert ''implied''.

AMENDMENT NO. 4872

On page 60, line 22, strike ''special conveyances referred to in paragraph (2)'' and insert ''of special conveyances referred to in subsection (b)''.

AMENDMENT NO. 4873

On page 72, beginning on line 1, strike ''costs of the management'' and all that follows through line 16, and insert the following—

''costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors as established under subsection (a).

''(c) REPORT.—In conjunction with the annual report submitted to Congress under section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors requiring management in the integrated management system.

''(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors as established under subsection (a).''.

AMENDMENT NO. 4874

On page 73, beginning on line 2, strike ''from the Nuclear Waste Fund'' and insert ''for the integrated management system''.

AMENDMENT NO. 4875

On page 73, beginning on line 9, strike ''205 and'' and all that follows through ''priority.'' on line 13, and insert—

''204 and any associated storage and/or transport systems to be used in the integrated management system shall be accorded the highest priority, and

''(2) the licensing of the repository under section 205 shall be accorded the next highest priority.''.

AMENDMENT NO. 4876

On page 84, beginning on line 21, strike ''(b) If the Secretary'' and all that follows through ''paragraph (a),'' on line 25 and insert—

''(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a)''.

AMENDMENT NO. 4877

On page 86, line 3, strike ''DOE'' and all that follows through ''site.'' on line 4, and insert ''the Secretary removes the spent nuclear fuel from the La Crosse Reactor site.''.

AMENDMENT NO. 4878

On page 86, line 4, strike the quotation mark following ''site.''.

AMENDMENT NO. 4881

Beginning on page 100, line 4, strike ''(1) an analysis'' and all that follows through line 19, and insert—

''(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the emplacement schedule;

''(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

''(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to meet the planned schedule and timeline; and

''(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.''.

AMENDMENT NO. 4882

On page 101, line 8, strike ''ensuring'' and insert ''ensuing''.

THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

GORTON AMENDMENT NO. 4883

Mr. GORTON proposed an amendment to the bill, S. 1894, supra; as follows:

On page 29, line 20, strike out ''Forces.'' and insert in lieu thereof ''Forces: *Provided further*, That of the funds appropriated in this paragraph, $7,500,000 shall be available for 1.5 ship years in the university research fleet under the Oceanographic and Atmospheric Technology program.''.

FEINSTEIN AMENDMENT NO. 4884

Mr. INOUYE (for Mrs. FEINSTEIN) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 29, line 20, strike out ''Forces.'' and insert in lieu thereof ''Forces: *Provided further*, That of the funds available under this paragraph, $12,000,000 is available for the Pulse Doppler Upgrade modification to the AN/SPS–48E radar system.''.

HEFLIN (AND SHELBY) AMENDMENT NO. 4885

Mr. INOUYE (for Mr. HEFLIN, for himself and Mr. SHELBY) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 31, line 6, strike out ''1998.'' and insert in lieu thereof ''1998: *Provided*, That of the funds appropriated in this paragraph, $3,000,000 is available for the Operational Field Assessment Program.''.

SANTORUM AMENDMENT NO. 4886

Mr. STEVENS (for Mr. SANTORUM) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 30, line 2, before the period at the end insert '': *Provided*, That of the funds appropriated in this heading, $3,000,000 shall be available for acceleration of a program to develop thermally stable jet fuels using chemicals derived from coal''.

BENNETT AMENDMENT NO. 4887

Mr. STEVENS (for Mr. BENNETT) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 29, line 20, strike ''Forces'' and insert in lieu thereof ''Forces: *Provided further*, That of the funds available under this heading, $1,000,000 is available for evaluation of a non-developmental Doppler sonar velocity log''.

BYRD AMENDMENT NO. 4888

Mr. INOUYE (for Mr. BYRD) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 33, line 2, before the period at the end insert '': *Provided, further*, That of the funds appropriated under this heading, $10,000,000 shall be available for scientific research to be carried out by entities independent of the Federal Government on possible causal relationships between the complex of illnesses and symptoms commonly known as ''Gulf War syndrome'' and the possible exposures of members of the Armed Forces to chemical warfare agents or other hazardous materials during service on active duty as a member of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War''.

THE GAMBLING IMPACT STUDY COMMISSION ACT

STEVENS AMENDMENT NO. 4889

Mr. LOTT (for Mr. STEVENS) proposed an amendment to the bill (S. 704) to establish the Gambling Impact Study Commission; as follows:

Beginning on page 16, line 25, strike ''as the'' and all the follows through ''(b)(2)'' on page 17, line 2.

THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

DODD AMENDMENT NO. 4890

Mr. INOUYE (for Mr. DODD) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 29 on line 20 strike the period and insert in lieu thereof: '': Provided further that up to $10 million of funds appropriated in this paragraph may be used to initiate engineering and manufacturing development for the winning airborne mine countermeasure system.''

BUMPERS (AND OTHERS) AMENDMENT NO. 4891

Mr. BUMPERS (for himself, Mr. FEINGOLD, and Mr. KOHL) proposed an amendment to the bill, S. 1894, supra; as follows:

On page 22, strike lines 3 through 4, and insert in lieu thereof the following : ''$7,005,704,000, to remain available for obligation until September 30, 1999: Provided, that of the funds made available under this heading, no more than $225,000,000 shall be expended or obligated for F/A–18C/D aircraft.''

FEINGOLD (AND OTHERS) AMENDMENT NO. 4892

Mr. STEVENS (for Mr. FEINGOLD, for himself, Mr. KOHL, Mr. BUMPERS, Mr. STEVENS, and Mr. INOUYE) proposed an amendment to the bill, S. 1894, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. 8099. (a) Not more than 90 percent of the funds appropriated or otherwise made available by this Act for the procurement of F/A–18E/F aircraft may be obligated or expended for the procurement of such aircraft until 30 days after the Secretary of Defense has submitted to the Congressional defense committees a report on the F/A–18E/F aircraft program which contains the following:

(1) A review of the F/A–18E/F aircraft program.

(2) An analysis and estimate of the production costs of the program for the total number of aircraft realistically expected to be procured at each of four annual production rates as follows:

(a) 18 aircraft.

(b) 24 aircraft.

(c) 36 aircraft.

(d) 48 aircraft.

(3) A comparison of the costs and benefits of the F/A–18E/F program with the costs and benefits of the F/A–18C/D aircraft program talking into account the operational combat effectiveness of the aircraft.

(b) Not later than 30 days after the Secretary of Defense has submitted the report required by subsection (a), the Comptroller General of the United States shall submit to the congressional defense committees an analysis of the report submitted by the Secretary.

LEVIN AMENDMENT NO. 4893

Mr. LEVIN proposed an amendment to the bill, S. 1894, supra; as follows:

On page 26, line 10, strike out ''$6,630,370,000'' and insert in lieu thereof ''$6,582,370,000''.

SEC. 8100. None of the funds appropriated under title III of this Act may be obligated or expended for more than six new production F-16 aircraft.

SEC. . The $48,000,000 reduction of funds for F-16 aircraft in excess of six new production aircraft shall be made available for funding for the emergency anti-terrorism program element established in Sec. 8099 of this Act.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Thursday, July 18, 1996, beginning at 9:30 a.m. to conduct a markup and hearing on the following: Committee markup of S. 1264, the Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1995; S. 1834, the Indian Environmental General Assistance Program Act of 1992, Reauthorization; S. 1869, the Indian Health Care Improvement Technical Corrections Act of 1996; and the Indian Child Welfare Act Amendments of 1996, to be followed immediately by a hearing on H.R. 2464, Utah

Schools and Land Improvement Act, Amendment, and S. 1893, the Torres-Martinez Desert Cahuilla Indians Claims Settlement Act. The markup/hearing will be held in Room 485 of the Russell Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs.

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will meet on Wednesday, July 24, 1996 at 9:30 a.m. in SR–328A to markup S. 1166, the Food Quality Protection Act.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, July 24, 1996, at 9:30 a.m. to hold a hearing on Public Access to Government Information in the 21st Century, Title 44/GPO.

For further information concerning this hearing, please contact Joy Wilson of the Rules Committee staff.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 17, 1996, to conduct a hearing on S. 1009, the Financial Instruments Anti-Fraud Act.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Wednesday, July 17, 1996, session of the Senate for the purpose of conducting a hearing on Federal Aviation Administration safety oversight.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 17, at 10:30 a.m.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, July 17, at 3 p.m. for a hearing on the National Fine Center.

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 17, 1996, at 10 a.m. to hold a hearing on the Development of State Criminal Identification Systems.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, July 17, 1996, at 9:30 a.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 17, 1996, at 9:30 a.m. to hold an open hearing on Intelligence Matters and at 2 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT AND THE DISTRICT OF COLUMBIA

Mr. STEVENS. Mr. President I ask unanimous consent that the Subcommittee on Oversight of Government Management and the District of Columbia, Committee on Government Affairs, be permitted to meet during a session of the Senate, Wednesday, July 17, 1996, at 9:30, to hold a hearing on oversight of the implementation of the Information Technology Management Reform Act of 1996.

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

ADDITIONAL STATEMENTS

A TRIBUTE TO JOHN CHANCELLOR

● Mr. MOYNIHAN. Mr. President, as the Senate knows, John Chancellor died last Friday at age 68. He was so much a part of our lives for over 40 years as an NBC news commentator and anchor. We are diminished by his death, and yet, as Tom Brokaw suggested, enhanced by the realization of just how great a legacy he leaves. A legacy, Mr. Brokaw stated, that ''will always be secure.''

He was in some measure Irish; at least he once told me of a grandmother who had taught him to hate Oliver Cromwell. Which he must have done, and in so doing, evidently used up all the hate he had in him. For there was nothing else but love: for the life he lived, and the people he lived it with. Most especially, of course, his wife Barbara and their three children. Yeats once wrote of a man who was blessed and had the power to bless. Such a man was John Chancellor.

He was a friend of 30 years and more. From first to last, one sensed in him a deep confidence that American democracy would prove itself in whatever crisis it faced; just as he would do. He faced many; always with grace and afterward, grand ''rollicking'' recollections, as Tom Brokaw put it. David Broder captures that quality in his column this morning.

Many of us in print journalism lost a great friend last week in John Chancellor. He hung out with the political reporters who had nowhere near his celebrity because he always thought of himself as a reporter and he wanted to be with people who were more interested in the stories they were covering than in stroking their own reputations. He was modest and funny and generous in his praise. No journalist of his era enjoyed greater trust and affection from his colleagues—or the people he covered. And none deserved it more.

The Senate honors his memory and salutes his legacy.●

KOREA VISA WAIVER PILOT PROGRAM

● Mr. D'AMATO. I am pleased to join as co-sponsor of the Korea Visa Waiver Pilot Program, S. 1616. This bill authorizes the United States to allow tourists from South Korea to enter the United States without a visa. This Korea visa waiver will create a new and easier system for Korean citizens that want to visit the United States. The usual delays that presently accompany a request for a U.S. visa from the U.S. Embassy in Seoul will now be avoided.

The Visa Waiver Pilot Program was first established in 1986 in order to encourage growth in the tourism industry. Since its inception, citizens from certain countries are able to enjoy travel to the United States for short visits without the hassles of waiting for a visa. This legislation will extend this treatment to the Republic of Korea, in addition to the three countries in the Asia-Pacific region.

The bill would allow certain travel agencies in Korea to issue temporary travel permits to tour groups, of stays no longer than 15 days. The visitor must possess a round-trip ticket and certain other requirements are imposed to insure that these visitors return home. These requirements should satisfy the critics who are fearful of the overstayers.

Overseas tourism must be encouraged, for our culture and for our economy. The boost by travelers to the United States will benefit everyone. South Korean travelers will have this positive impact on the travel industry in this country.

When Canada and New Zealand relaxed their visas for South Korean citizens, those nations saw a massive increase in tourism. According to 1994 estimates cited by the American Chamber of Commerce in Korea, Koreans ranked 10th out of all nations in terms of the number of visitors to the United States. This visa-free travel from South Korea will only serve this country's interest.

Korea is important to the United States: Korea has been the 6th largest

United States trading partner and has the 11th largest economy in the world. The Chamber of Commerce in Korea expects that demand for travel to the United States by Koreans may increase. This should be encouraged, rather than discouraged, especially when other countries are offering Korean travelers visa-free travel.

I encourage my colleagues to look into the merits of this legislation and support its ultimate passage.●

COMMANDER JOHN J. JASKOT

Mr. JOHNSTON. Mr. President, I rise today on behalf of myself and Senator BREAUX to say thank you to a dedicated public servant whose career serves to remind us that it is honest hard work and devotion to duty that makes this Government work.

Comdr. John J. Jaskot, United States Coast Guard, has served on Capitol Hill since 1992, first as a Coast Guard Congressional Fellow to the Senate Appropriations Subcommittee on Transportation and most recently as the Coast Guard's Liaison Officer to the U.S. Senate. During his tenure on Capitol Hill, Commander Jaskot has proven his unquestionable integrity and steadfast loyalty while demonstrating the tireless commitment to putting forth the effort required to make a difference.

Mr. President, Senator BREAUX and I, and our staffs, have worked extensively with Commander Jaskot in achieving our shared objectives. In cases where those objectives were not mutually shared, it has been Commander Jaskot who has helped bridge the gap between the Senate and the Coast Guard. His untiring work ethic and creativity have helped find solutions to some challenging problems which would otherwise have tarnished the already embattled reputation of the Federal Government.

On issues specific to Louisiana, Commander Jaskot has ensured that a proper dialog has been maintained on tough issues such as the enforcement of the use of the contentious Turtle Excluder Devices [TEDs] by the Gulf Coast shrimping fleet, the placement of aides to navigation on the newly opened Red River Waterway, and the replacement of the dangerous Florida Avenue Bridge. He has made similar efforts on issues of national and international scope such as the implementation of the Oil Pollution Act of 1990, the Haitian and Cuban refuge crises, and maintaining funding to help keep our waterways operating safely.

More importantly, Mr. President, through his hard work, ingenuity, integrity, and genuine good nature, Commander Jaskot has proven that it is people who really make the difference between a government that works for its people and one that fails. We can all learn from his example, that on local, as well as national issues, an individual can make a difference. Commander Jaskot certainly has.

Commander Jaskot is retiring after 20 years of highly decorated public service in the United States Coast Guard. Senator BREAUX and I thank him for his dedication to our country and wish he and his family ''fair winds and following seas'' in their future endeavors.

SYCAMORES HAVE BEEN FELLED; WE WILL GROW CEDARS INSTEAD

● Mr. MOYNIHAN. Mr. President, the Members of the Senate are familiar with Rabbi Adin Steinsaltz's historic contribution both to the field of Jewish scholarship and to the resurgence of Jewish life in the former Soviet Union. In 1989, Rabbi Steinsaltz founded the Judaic Studies Center and synagogue in the Kunseva section of Moscow, the first such new school in the Soviet Union since the 1917 Bolshevik Revolution. I am privileged to serve on the center's board of advisors and to have hosted Rabbi Steinsaltz on his all-too-infrequent trips to Washington, DC.

It is my unpleasant duty to share with the Senate the disturbing news that a fire of undetermined nature broke out last Friday night, July 12, in Rabbi Steinsaltz's Judaic Studies Center. All 50 students and worshipers in the building at the time were safely evacuated. Except for the Torah scrolls which were saved from the raging flames, the entire building was destroyed, including thousands of books and other equipment.

The center had been a focal point of Russian Jewish life since its establishment. It was the key spiritual center for thousands and the first Jewish institution of learning officially permitted to function during the Glasnost period. During its years of operation, more than 1,000 Russian Jews were enrolled in intensive Judaic studies courses and many thousands more attended seminars and workshops. On Jewish holidays hundreds of Jews flocked there for communal celebrations.

When the fire broke out, the center was hosting a seminar for Jewish communal workers from cities and towns throughout the Commonwealth of Independent States (CIS). Cities such as Chellabinsk, Siberia, Berditchev, Ukraine, and Vitebsk, Belarus, had sent one representative each for an intensive 3-month course in Jewish and communal service studies. Graduates of this program are expected to return to their native cities—far from the major Jewish centers—and apply what they have learned.

Rabbi Steinsaltz, who is best known for his monumental modern commentary on the Talmud, was recently given the title of Duchovny Ravin—an historic title connoting the spiritual leader of Russian Jewry.

In Jerusalem, Rabbi Steinsaltz responded to the news by quoting Isaiah 9:9. ''Bricks have fallen—we will rebuild with dressed stone. Sycamores have been felled—we will grow cedars instead.''

I know I speak for the entire Senate and for all Americans who cherish religious freedom and scholarship when I add my words of consolation and encouragement to Rabbi Steinsaltz on this occasion.●

MEASURE HELD AT THE DESK—S. 1965

Mr. STEVENS. On behalf of the leader, I ask unanimous consent that S. 1965, introduced earlier today by Senator HATCH, be held at the desk and printed in the RECORD.

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

TO RECOGNIZE AND HONOR FILIPINO WORLD WAR II VETERANS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be immediately discharged from further consideration of Senate Concurrent Resolution 64 and that the Senate proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 64) to recognize and honor the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

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

Mr. STEVENS. I ask unanimous consent the concurrent resolution be agreed to, the motion to reconsider be laid on the table, and any statements relating to the concurrent resolution appear in the appropriate place in the RECORD.

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

The concurrent resolution (S. Con. Res. 64) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 64

Whereas the Commonwealth of the Philippines was strategically located and thus vital to the defense of the United States during World War II;

Whereas the military forces of the Commonwealth of the Philippines were called into the United States Armed Forces during World War II by Executive order and were put under the command of General Douglas MacArthur;

Whereas the participation of the military forces of the Commonwealth of the Philippines in the battles of Bataan and Corregidor and in other smaller skirmishes delayed and disrupted the initial Japanese effort to conquer the Western Pacific;

Whereas that delay and disruption allowed the United States the vital time to prepare the forces which were needed to drive the Japanese from the Western Pacific and to defeat Japan;

Whereas after the recovery of the Philippine Islands from Japan, the United States

was able to use the strategically located Commonwealth of the Philippines as a base from which to launch the final efforts to defeat Japan;

Whereas every American deserves to know the important contribution that the military forces of the Commonwealth of the Philippines made to the outcome of World War II; and

Whereas the Filipino World War II veterans deserve recognition and honor for their important contribution to the outcome of World War II: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should issue a proclamation which recognizes and honors the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. INOUYE. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 575 and all nominations placed on the Secretary's desk.

I ask further unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

Mr. STEVENS. Reserving the right to object, I might add this confirms the nomination of Charles Clevert, Jr, of Wisconsin, and the nominations placed on the Secretary's desk are in the Public Health Service area.

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

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Charles N. Clevert, Jr., of Wisconsin, to be U.S. District Judge for the Eastern District of Wisconsin vice Terence T. Evans, elevated.

IN THE PUBLIC HEALTH SERVICE

Public Health Service nominations beginning Michael M. Gottesman, and ending Willard E. Dause, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 1, 1996.

Public Health Service nominations beginning John M. Balintona, and ending Kimberly S. Stolz, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 10, 1996.

NOMINATION OF CHARLES N. CLEVERT, JR., TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WISCONSIN

Mr. FEINGOLD. Mr. President, I rise today to lend my strong support to the nomination of Charles N. Clevert to be United States District Court Judge for the Eastern District of Wisconsin.

I am pleased that the full Senate has joined with me, Senator KOHL and my colleagues on Judiciary Committee in recognizing Charles Clevert's qualifications for the Federal bench. I attended Judge Clevert's confirmation hearing before the Judiciary Committee and the fact that he will be a worthy jurist was clearly evident at that time. His is a career of dedicated and unwavering service, not only to the legal community, but to the people of Wisconsin as well.

Throughout his legal career, Charles Clevert has worked on behalf of the people of Wisconsin in a number of important ways. He has served as a prosecutor both in the Milwaukee County District Attorney's office as well as in the United States Attorney's Office. His career has taken him to courtrooms in both Federal and State courts throughout Wisconsin and he has practiced in both the criminal and civil arenas. For the past nineteen years he has been a United States Bankruptcy Judge. In 1986, Judge Clevert became the Chief Bankruptcy Judge for Wisconsin's Eastern District. Clearly Mr. President, these experiences will serve him well on the Federal bench.

However Mr. President, these accomplishments do not fully recognize the contribution of Charles Clevert to his profession and his community. In addition to being active in various Wisconsin Bar Associations and lecturing at the University of Wisconsin Law School, Judge Clevert has been active in working with young people in my state of Wisconsin for over 20 years.

Judge Clevert takes the time to meet and talk with school children in and around Milwaukee about the importance of education and the role of the courts in our society. He stresses the need to emphasize education, not drugs and alcohol. His simple message of hard work and respect for the law is a positive and important one for the young people of Wisconsin. I was pleased to hear Judge Clevert indicate that it is his intention to continue his activities throughout Milwaukee and the State of Wisconsin following his confirmation to the federal bench.

Mr. President, Charles Clevert's nomination was recommended to President Clinton by a nominating committee that my colleague, Senator KOHL and I have established to help ensure that the citizens of our State receive quality judicial representation. I am pleased that the full Senate has joined with that advisory committee, the President and the Judiciary Committee in recognizing Charles Clevert's qualifications and confirming his nomination to be a United States District Judge for the Eastern District of Wisconsin. I want to wish Judge Clevert, and his family, well in this new and important phase of his career. Although the responsibility that awaits him is great, it is a responsibility that Charles Clevert will no doubt handle with the competence and professionalism that has to date marked his distinguished career.

Mr. KOHL. Mr. President, Charles Clevert has accomplished a number of ''firsts'' in his life. He was the first member of his family to go to college. He was the first African-American assistant U.S. Attorney in Wisconsin. When he was appointed in 1977, he was the youngest bankruptcy judge in the country.

Today, as he is confirmed by the Senate, he becomes the first African-American Federal district court judge in Wisconsin history. In my opinion, it is critical that our Federal judiciary try to reflect the diversity that is America. But while we are gratified that Judge Clevert will add diversity to our Federal bench, he was nominated for one simple reason: he was the most qualified.

Let me tell you why President Clinton could not have made a better choice to fill the vacancy created when Terry Evans—himself an outstanding judge—was elevated to the Seventh Circuit.

First, Charles Clevert is a jurist of extraordinary intelligence and unquestioned skill. Practicing lawyers consistently rank him among the finest judges in Wisconsin. Attorneys who appear before Judge Clevert repeatedly praise him for his integrity, fairness and demeanor. He received similar high marks from members of the nonpartisan nominating commission—which Senator FEINGOLD and I established with the State bar—who made Judge Clevert one of the finalists for the Eastern District vacancy. The ABA gave him a ''well-qualified'' rating, the highest grade possible for any nominee.

And don't take my word for it, ask the Milwaukee Journal-Sentinel: it called Judge Clevert's selection a ''wise choice'' and a ''milestone.''

Second, Judge Clevert is a person of extraordinary achievement and generosity. He grew up working class in Richmond, where he attended a segregated high school. He went to a small college in West Virginia, and then graduated from Georgetown Law School. He has spent more than 20 years in Wisconsin as a prosecutor and a bankruptcy judge—he is now the Chief Bankruptcy Judge of the Eastern District. Judge Clevert's reputation is exceptional even among his colleagues: several years ago they honored him by appointing him President of the National Conference of Bankruptcy Judges.

Let me also mention that Judge Clevert and his wife Leslie have two lovely children, Chip and Melanie, both of whom are in high school. What little free time Judge Clevert has away from his job and his family he spends working with his church and with charities. For example, he sits on the board of the Anvil Housing Corporation, which provides subsidized housing for senior and handicapped citizens. And he is involved with a group called Men of Tomorrow, an organization that mentors young men between the ages of 11 and 18.

Mr. President, no one can read the story of Judge Clevert's life and not be impressed. It is eloquent testimony to our country's ability to create opportunity for all from a social compact some claim was written for a few.

From any perspective—prosecutor or defense lawyer, corporate litigator or consumer advocate, debtor or creditor—Charles N. Clevert is already a

terrific bankruptcy court judge. He is someone who will faithfully apply Supreme Court precedent. He is a pragmatist, not an ideologue. And his career demonstrates a proven record of fairness and toughness.

I congratulate the Senate on a wise decision today, and I am sure that Judge Clevert will be as distinguished on the district court as he has been on the bankruptcy bench.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ORDERS FOR THURSDAY, JULY 18, 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m. on Thursday, July 18; that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate immediately resume consideration of our defense appropriations as under the previous order.

PROGRAM

Mr. STEVENS. For the information of all Senators, there is a rollcall vote at 9:30 on or in relation to the Harkin amendment to the defense appropriations bill. There now will be three votes—two votes on amendments and one vote on final passage.

There will be 2 minutes before each vote on amendments.

Following those two votes, there will be 5 minutes for Senator DORGAN and 5 minutes equally divided between the Senator from Hawaii and myself.

We will then go to final passage under the previous unanimous consent agreement that all of the arrangements concerning the transfer to the House bill and the passage of that bill have already been agreed to.

Following the votes, the Senate will begin consideration of the reconciliation bill. Additional votes can be expected throughout the day and into the evening in order to make substantial progress on that bill. There is a statutory limit of 20 hours on the reconciliation bill. However, the leader expresses the hope that we may be able to yield back some of that time and complete action on that bill as early as possible.

Let me ask the Parliamentarian. Do I have to do anything further to assure that we follow the procedure outlined under the previous unanimous-consent agreement for the passage of the House bill?

The PRESIDING OFFICER. No further action is required according to our previous agreement.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on final passage of the bill itself tomorrow.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. STEVENS. Mr. President, if there are no further amendments, I ask that we stand in adjournment in accordance with the previous order.

There being no objection, the Senate, at 8:15 p.m., adjourned until Thursday, July 18, 1996, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 17, 1996:

IN THE ARMY

THE FOLLOWING U.S. ARMY NATIONAL GUARD OFFICER FOR PROMOTION IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 3385, 3392 AND 12203(A):

To be major general

BRIG. GEN. GERALD A. RUDISILL, JR., 000–00–0000.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR APPOINTMENT IN THE REGULAR AIR FORCE IN ACCORDANCE WITH SECTION 531 OF TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION IN ACCORDANCE WITH SECTION 8067 OF TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A HIGHER GRADE THAN THAT INDICATED.

MEDICAL CORPS

To be colonel

JEFFREY I. ROLLER, 000–00–0000
MICHAEL L. ROSENBERG, 000–00–0000
JAMES A. WASHINGTON, 000–00–0000

To be lieutenant colonel

THOMAS F. BABSON, 000–00–0000
GEORGE V. BLACKWOOD, 000–00–0000
ROBERT D. BRADSHAW, 000–00–0000
WILLIAM P. BUTLER, 000–00–0000
GLENN C. COCKERHAM, 000–00–0000
DAVID E. GEYER, 000–00–0000
HARRY W. KUBERG, 000–00–0000
BRUCE D. SMITH, 000–00–0000
GREGORY J. TOUSSAINT, 000–00–0000

DENTAL CORPS

To be lieutenant colonel

JESSE T. MC VAY, 000–00–0000
WILLIAM F. PIERPONT, 000–00–0000
MARIE Y.A. WILLIAMS, 000–00–0000

MEDICAL CORPS

To be major

RICHARD H. NGUYEN, 000–00–0000

DENTAL CORPS

To be major

RICHARD M. BEDINGHAUS, 000–00–0000
MICHAEL H. BETO, 000–00–0000
PAUL M. ROGERS, 000–00–0000

THE FOLLOWING-NAMED INDIVIDUALS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, IN GRADES INDICATED, UNDER SECTIONS 8067 AND 12203 OF TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be colonel

JOHN C. STONER, 000–00–0000

To be lieutenant colonel

HARRY D. ELSHIRE, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS PERMANENT PROFESSOR, U.S. AIR FORCE ACADEMY, UNDER SECTION 9333(B) OF TITLE 10, UNITED STATES CODE.

LINE

To be colonel

DAVID B. PORTER, 000–00–0000

IN THE ARMY

THE FOLLOWING-NAMED INDIVIDUAL FOR RESERVE OF THE ARMY APPOINTMENT, WITHOUT CONCURRENT ORDER TO ACTIVE DUTY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 12203(A), 12204(A), 3353, AND 3359:

MEDICAL CORPS

To be lieutenant colonel

DONALD G. HIGGINS, 000–00–0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. NAVY IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE.

UNRESTRICTED LINE OFFICERS

To be commander

RUFUS S. ABERNETHY III, 000–00–0000
JOSEPH C. ADAN, 000–00–0000
JOHN D. ALEXANDER, 000–00–0000
SCOTT D. ALTMAN, 000–00–0000
PAUL F. ANDERSON, 000–00–0000
ROBERT S. ANDERSON, 000–00–0000
CHRISTOPHER P. ARENDT, 000–00–0000
WAYNE D. ATWOOD, 000–00–0000
DAVID T. BAILEY, 000–00–0000
KELLY B. BARAGAR, 000–00–0000
ANTHONY P. BARNES, 000–00–0000
BRIAN E. BARRINGTON, 000–00–0000
MICHAEL G. BARRINGTON, 000–00–0000
JOHN P. BARRON, 000–00–0000
ROLAND W. BATTEN, JR., 000–00–0000
WAYNE R. BAUERS, JR., 000–00–0000
SCOTT B. BAWDEN, 000–00–0000
VERNON D. BEACH, 000–00–0000
FRED T. BECKHAM, JR., 000–00–0000
MICHAEL J. BECKNELL, 000–00–0000
JOHN R. BEGLEY, 000–00–0000
ROBERT A. BELLITTO, 000–00–0000
CHRISTOPHER R. BERGEY, 000–00–0000
JONATHAN C. BESS, 000–00–0000
GREGORY M. BILLY, 000–00–0000
HAROLD F. BISHOP II, 000–00–0000
MARTIN J. BODROG, 000–00–0000
JON R. BOE, 000–00–0000
DAVID P. BOETTCHER, 000–00–0000
MC WILLIAM V. BOLLMAN, 000–00–0000
EDMOND L. BOULLIANNE, 000–00–0000
RANDALL G. BOWDISH, 000–00–0000
TODD A. BOYERS, 000–00–0000
JAMES D. BRADFORD, 000–00–0000
KENT D. BRADSHAW, 000–00–0000
JOHN F. BRANDEAU, 000–00–0000
JOHN D. BRAZIL, 000–00–0000
WILLIAM S. BRINKMAN, 000–00–0000
JOHN B. BROOMFIELD, 000–00–0000
ROBERT W. BROWN, 000–00–0000
BARRY L. BRUNER, 000–00–0000
JOHN E. BRUNS, 000–00–0000
JOSEPH A. BULGER III, 000–00–0000
DONALD J. BURGER, JR., 000–00–0000
JAMES R. BURKE, 000–00–0000
WILLIE BURKE, JR., 000–00–0000
LAWRENCE D. BURT, 000–00–0000
BRUCE K. BUTLER, 000–00–0000
ALFRED D. BYRNE, 000–00–0000
RORY J. CALHOUN, 000–00–0000
WILLIAM H. CAMERON, 000–00–0000
THOMAS A. CAMPION III, 000–00–0000
JOEL M. CANTRELL, 000–00–0000
MICHAEL J. CARLIN, 000–00–0000
THOMAS S. CARLSON, 000–00–0000
THOMAS F. CARNEY, JR., 000–00–0000
TED W. CARTER, 000–00–0000
DAVID A. CATE, 000–00–0000
JOSEPH CEREOLA, 000–00–0000
JOHN M. CHANDLER, 000–00–0000
JAMES L. CHAPPELL, 000–00–0000
HENRI L. CHASE, 000–00–0000
MICHAEL B. CHASE, 000–00–0000
EDWARD M. CHICOINE, 000–00–0000
JAMES B. CLARK, 000–00–0000
JOSEPH M. CLARKSON, 000–00–0000
JOHN E. CLAY, 000–00–0000
TERENCE L. CLEVELAND, 000–00–0000
WILLIAM R. CLOUGHLEY, 000–00–0000
RANDALL B. COHN, 000–00–0000
GEORGE A. COLEMAN, 000–00–0000
WILLIAM L. CONE, 000–00–0000
THOMAS H. COPEMAN III, 000–00–0000
KEVEN L. CORCORAN, 000–00–0000
BRIAN S. COVAL, 000–00–0000
JAMES A. CRABBE, 000–00–0000
SCOTT T. CRAIG, 000–00–0000
CARL W. CRAMB, 000–00–0000
RICHARD T. CREANGE, 000–00–0000
MICHAEL E. CROSS, 000–00–0000
PATRICK K. CROTZER, 000–00–0000
WILLIAM P. CUILIK, 000–00–0000
RICHARD W. DANIEL, 000–00–0000
RAYMOND J. DEPTULA, 000–00–0000
MICHAEL R. DESROSIERS, 000–00–0000
JOHN Q. DICKMANN, JR., 000–00–0000
STEVEN J. DINOBILE, 000–00–0000
MICHAEL F. DIONIAN, 000–00–0000
DAVID B. DITTMER, 000–00–0000
PHILIP K. DOUGHERTY, 000–00–0000
JAMES P. DRISCOLL, 000–00–0000
RANDY S. DUHRKOPF, 000–00–0000
STEVEN P. DUNKLE, 000–00–0000
MICHAEL J. DUPREY, 000–00–0000

DANIEL C. DUQUETTE, 000–00–0000
JOSEPH M. FARBO, 000–00–0000
CHRISTOPHER P. FEDYSCHYN, 000–00–0000
JOHN E. FIELD II, 000–00–0000
ROBERT C. FIELD, 000–00–0000
MICHAEL R. FIERRO, 000–00–0000
SCOTT R. FINN, 000–00–0000
DAVID K. FLESNER, 000–00–0000
FREDERIC P. FLIGHT, 000–00–0000
KENT V. FLOWERS, 000–00–0000
JAMES G. FOGGO III, 000–00–0000
DONALD C. FORBES, 000–00–0000
STUART T. FORSYTH, 000–00–0000
MICHAEL T. FRANKEN, 000–00–0000
PETER S. FRANO, 000–00–0000
JAY S. GALLAMORE, 000–00–0000
TIMOTHY J. GALPIN, 000–00–0000
DAVID G. GAMBLE, 000–00–0000
CHARLES M. GAOUETTE, 000–00–0000
MATTHEW J. GARSIDE, 000–00–0000
MICHAEL A. GARZA, 000–00–0000
EDWARD W. GEHRKE, 000–00–0000
CHARLES A. GERRINGER, 000–00–0000
MICHAEL F. GIANCATARINO, 000–00–0000
JOHN L. GIFFIN, JR., 000–00–0000
JAMES J. GILLCRIST, 000–00–0000
SHAUN GILLILLAND, 000–00–0000
MARK S. GINDA, 000–00–0000
MICHAEL K. GLEASON, 000–00–0000
RICHARD W. GOODWYN, 000–00–0000
BRIAN A. GOULDING, 000–00–0000
JAUN M. GRADO, 000–00–0000
SCOTT C. GRANT, 000–00–0000
BENNY G. GREEN, 000–00–0000
ROBERT E. GREEN, 000–00–0000
THOMAS A. GREEN, 000–00–0000
STEPHEN GREENE, 000–00–0000
ROBERT J. GREGG, JR., 000–00–0000
NATHAN M. GRIMES, 000–00–0000
JOEL T. GRINER, JR., 000–00–0000
JEFFREY K. GRUETZMACHER, 000–00–0000
THEODORE GUILLORY, 000–00–0000
PETER A. GUMATAOTAO, 000–00–0000
THOMAS C. GURNEY, 000–00–0000
WILLIAM B. HAFLICH, 000–00–0000
LAWRENCE C. HALE, 000–00–0000
WILLIAM M. HALSEY, 000–00–0000
MICHAEL D. HAMELE, 000–00–0000
JAMES W. HAMILL, 000–00–0000
WILLIAM C. HAMMILL, JR., 000–00–0000
EARL K. HAMPTON, JR., 000–00–0000
STEPHEN W. HAMPTON, 000–00–0000
KEVIN J. HANEY, 000–00–0000
JEFFREY HARBESON, 000–00–0000
WILLIAM E. HARDY, 000–00–0000
STEVEN R. HARPER, 000–00–0000
JOHN H. HART, 000–00–0000
JOHN R. HATTEN, 000–00–0000
MICHAEL D. HAWLEY, 000–00–0000
SAMUEL H. HAWLEY, 000–00–0000
JAMES D. HEFFERNAN, 000–00–0000
GERALD L. HEHE, 000–00–0000
GEORGE B. HENDRICKSON, 000–00–0000
THOMAS J. HENNING, 000–00–0000
JEFFREY A. HESTERMAN, 000–00–0000
JOSEPH M. HINSON, JR., 000–00–0000
KEVIN J. HOGAN, 000–00–0000
NEIL W. T. HOGG, 000–00–0000
DAVID P. HOLT, 000–00–0000
HAROLD H. HOWARD III, 000–00–0000
SCOTT J. HOWE, 000–00–0000
JAMES A. HUBBARD, 000–00–0000
GERARD P. HUEBER, 000–00–0000
KEVIN C. HUTCHESON, 000–00–0000
KERRY D. INGALLS, 000–00–0000
KURT T. IRGENS, 000–00–0000
RAYMOND C. IVIE, 000–00–0000
WALTER B. JACKSON, 000–00–0000
JACK B. JAMES, 000–00–0000
TIMOTHY A. JARA, 000–00–0000
MARK D. JENKINS, 000–00–0000
MICHAEL R. JOHNSON, 000–00–0000
DOUGLAS W. JOHNSTON, JR., 000–00–0000
JEFFERY S. JONES, 000–00–0000
MICHAEL L. JORDAN, 000–00–0000
STEPHEN W. JORDON, 000–00–0000
ERIC J. KASISKI, 000–00–0000
JON W. KAUFMANN, 000–00–0000
STEPHEN Z. KELETY, 000–00–0000
DANIEL P. KELLER, 000–00–0000
PATRICK D. KELLER, 000–00–0000
DAVID J. KERN, 000–00–0000
CHARLES P. KING, 000–00–0000
RANDY H. KING, 000–00–0000
THOMAS S. KING, 000–00–0000
ROSS L. KIRKPATRICK, 000–00–0000
MARGARET D. KLEIN, 000–00–0000
BRADFORD M. KLEMSTINE, 000–00–0000
ROBERT L. KLOSTERMAN, 000–00–0000
MATTHEW L. KLUNDER, 000–00–0000
JOHN B. KRATOVIL, 000–00–0000
RONALD A. KRATZKE, 000–00–0000
KAREN M. KRAUSE, 000–00–0000
JOSEPH A. KUPCHA, 000–00–0000
ROBERT A. KURZAWA, 000–00–0000
JOSEPH W. KUZMICK, 000–00–0000
GREGORY F. LABUDA, 000–00–0000
LANNIE R. LAKE, 000–00–0000
RICHARD B. LANDOLT, 000–00–0000
ARTHUR L. LANGSTON, 000–00–0000
RONALD A. LASALVIA, 000–00–0000
BRIAN M. LEWIS, 000–00–0000
PORTER W. LEWIS, 000–00–0000
KIRK S. LIPPOLD, 000–00–0000
DALE E. LITTLE, 000–00–0000
ROBERT L. LOEH, 000–00–0000
DONALD F. LOGAR, 000–00–0000
LEONARD A. LOLLAR, 000–00–0000
PATRICK J. LORGE, 000–00–0000
SPOTRIZANO D. LUGTU, 000–00–0000
GREGORY N. LUTTRELL, 000–00–0000
DANIEL G. LYNCH, 000–00–0000
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GARRY R. MACE, 000–00–0000
DAVID L. MAC PHERSON, 000–00–0000
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PAUL R. MARTINEZ, 000–00–0000
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STEPHANIE S. ORAM, 000–00–0000
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SVEND E. PEDERSEN, 000–00–0000
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RAYMOND K. WYNNE, 000–00–0000
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MARC S. DEANGELIS, 000–00–0000
WILLIAM D. DONER, 000–00–0000
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MICHAEL J. GALLET, 000–00–0000
JOSEPH GIAQUINTO, 000–00–0000
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JOSEPH P. HEIL, 000–00–0000
RICHARD W. HOOPER, 000–00–0000
JAMES R. HUSS, 000–00–0000
DENNIS C. LOGAN, 000–00–0000
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BRIAN S. MILLER, 000–00–0000

JARRATT M. MOWERY, 000–00–0000
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AMY R. SMITH, 000–00–0000
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JOSEPH A. SYCHTERZ, III, 000–00–0000
KEVIN B. TAYLOR, 000–00–0000
FRANK J. WEINGARTNER, 000–00–0000
EDWARD D. WHITE, III, 000–00–0000
MICHAEL A. ZIEGLER, 000–00–0000

AEROSPACE ENGINEERING DUTY OFFICERS (ENGINEERING)

EDMUNDO F. BELLINI, 000–00–0000
KIM D. BLAKE, 000–00–0000
STEPHEN A. BURRIS, 000–00–0000
JAMES M. CLIFTON, 000–00–0000
DAVID CULBERTSON, 000–00–0000
DAVID A. DUNAWAY, 000–00–0000
ROBERT K. FINLAYSON II, 000–00–0000
THOMAS P. GARRISON III, 000–00–0000
DANIEL M. LEE, 000–00–0000
JEFFREY B. MAURO, 000–00–0000
DAVID C. STUART, 000–00–0000
KEVIN T. WILHELM, 000–00–0000

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE)

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MICHAEL G. BERKIN, 000–00–0000
T. G. BOYER II, 000–00–0000
STEVEN J. COBB, 000–00–0000
SAMUEL G. COWARD, 000–00–0000
DONALD D. FATHKE, 000–00–0000
BRIAN A. FORSYTH, 000–00–0000
THOMAS F. GLASS, 000–00–0000
ANTHONY S. HANKINS, 000–00–0000
JOHN M. HINE, 000–00–0000
DAVID J. MCNAMARA, 000–00–0000
DENZIL E. OVERFELT, 000–00–0000
JAMES M. TUNG, 000–00–0000
JAMES W. WIRWILLE, JR, 000–00–0000

AVIATION DUTY OFFICERS

ROBERT M. FIELD, 000–00–0000
MARK FRANEY, 000–00–0000
MICHAEL J. SCHIFFER, 000–00–0000

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

KATHLEEN J. BRANCH, 000–00–0000
GERALD T. BURNETTE, 000–00–0000
WILLIAM CALDERWOOD, 000–00–0000
FLORENCIO L. CAMPELLO, 000–00–0000
PHILLIP F. FIORILLI, 000–00–0000
RONALD L. FURLONG, 000–00–0000
JAMES P. HARGROVE, 000–00–0000
PAUL J. JAEGER, 000–00–0000
MICHAEL L. MAKFINSKY, 000–00–0000
STEPHANIE A. MARKAM, 000–00–0000
MICHAEL S. ROGERS, 000–00–0000
FRANCIS R. SLATTERY, 000–00–0000
GARE M. WRAGG, 000–00–0000

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THOMAS C. BAUS, 000–00–0000
PAUL F. BURKEY, 000–00–0000
ALEXANDER P. BUTTERFIELD, 000–00–0000
THOMAS R. CROMPTON, JR., 000–00–0000
ERIK J. DAHL, 000–00–0000
MARTIN J. DEWING, 000–00–0000
PATRICK F. DONOHUE, 000–00–0000
TIMOTHY L. DUVALL, 000–00–0000
MICHAEL S. EDINGER, 000–00–0000
JOE G. ESTILL, 000–00–0000
DEBRA A. GUSTOWSKI, 000–00–0000
JAMES M. HAM, 000–00–0000
MIRIAM N. HARRIS, 000–00–0000
JOSEPH B. HOEING, JR., 000–00–0000
DOUGLAS M. HOWARD, 000–00–0000
JOHN I. KITTLE, 000–00–0000
SARAH B. KOVEL, 000–00–0000
THOMAS P. MEEK, 000–00–0000
MICHAEL R. MICHAELS, 000–00–0000
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DIANE H. OLSON, 000–00–0000
DANIEL W. PROCTOR, 000–00–0000
CRAIG W. PRUDEN, 000–00–0000
JUDY M. SLAGHT, 000–00–0000
DANIEL J. SMITH, 000–00–0000
PETER F. SMITH, 000–00–0000
ELIZABETH L. TRAIN, 000–00–0000
WILLIAM D. TREADWAY, 000–00–0000

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FREDERIC A. HENNEY, JR., 000–00–0000
JOHN J. PAPP, 000–00–0000
JOHN H. SINGLEY, 000–00–0000
GREGORY J. SMITH, 000–00–0000

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MAUREEN ALEXANDER, 000–00–0000
DAVID R. ARNOLD, 000–00–0000
TERESA A. BARRETT, 000–00–0000
SALLY A. BENSON, 000–00–0000
DEBRA K. BISHOP, 000–00–0000
MARY S. BLANKENSHIP, 000–00–0000
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ELLEN S. BRISTOW, 000–00–0000
JILL BROWNE, 000–00–0000
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PATRICIA A. CALER, 000–00–0000
JAY W. CHESKY, 000–00–0000
LOURDES M. CORTES, 000–00–0000
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MARGARET Y. HALL, 000–00–0000
SUSAN L. HEON, 000–00–0000
LEYDA J. HILERA, 000–00–0000
MARGARET M. HODASWALSH, 000–00–0000
AVA M.A. HOWARD, 000–00–0000
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KATHLEEN C. MC CARTHY, 000–00–0000
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ROBERTA STEIN, 000–00–0000
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LAWRENCE J. GORDON, 000–00–0000
BRUCE M. HAGAMAN, 000–00–0000
RICHARD J. KREN, 000–00–0000
ARTHUR R. PARSONS, 000–00–0000
MICHAEL D. PASHKEVICH, 000–00–0000
RYAN R. SCHULTZ, 000–00–0000
FREDRICK M. TETTELBACH, II, 000–00–0000
ZDENKA S. WILLIS, 000–00–0000

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WILLIAM W. COMBS, 000–00–0000
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ALAN P. DANAHER, 000–00–0000
GEORGE W. DAVIDSON, 000–00–0000
MICHAEL A. DIMMICK, 000–00–0000
STEPHEN J. ELLIS, 000–00–0000
RICHARD J. ELVROM, 000–00–0000
LEO O. FALARDEAU, 000–00–0000
ROBERT J. FIEGEL, JR., 000–00–0000
DARRYL S. GIRTZ, 000–00–0000
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GUIDO E. MANGIANTINI, 000–00–0000
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JOHN S. MIKELL, JR., 000–00–0000
HOWARD P. MILLER, 000–00–0000
CYRUS B. MURPHY, 000–00–0000
DAVID B. ODENWELDER, 000–00–0000
WILLIAM PAPPAS, 000–00–0000
MONTE R. PERAU, 000–00–0000
HAROLD L. RICKETTS, JR., 000–00–0000
JIM O. ROMANO, 000–00–0000
MICHAEL J. SCHARF, 000–00–0000
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JAMES A. THOMPSON, JR., 000–00–0000
WARREN E. TUTHILL, JR., 000–00–0000
ROBERT E. VANIDERSTINE, 000–00–0000
IRVING, VELEZ, 000–00–0000
JAMES A. WESELIS, 000–00–0000

CONFIRMATIONS

Executive Nominations Confirmed by the Senate July 17, 1996:

THE JUDICIARY

CHARLES N. CLEVERT, JR., OF WISCONSIN, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WISCONSIN.

PUBLIC HEALTH SERVICE

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING MICHAEL M. GOTTESMAN, AND ENDING WILLARD E. DAUSE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 1, 1996.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING JOHN M. BALINTONA, AND ENDING KIMBERLY S. STOLZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 10, 1996.

EXTENSIONS OF REMARKS

OUR FLAWED ENCRYPTION POLICIES

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Ms. ESHOO. Mr. Speaker, today we are considering the Export Control Act, which governs the export of dual use technologies. Ironically, it does not govern the export of encryption software, which is considered a munition, and is regulated under the Arms Export Control Act. In fact, encryption software is absolutely vital in national security, electronic commerce, and personal privacy applications. I can't imagine a technology that has more civilian as well as defense applications—the very definition of dual use.

I am very concerned that current Federal controls are holding American high tech companies back from developing and marketing superior encryption products. While I understand that these controls are aimed at keeping powerful encryption out of the hands of terrorists and hostile nations, they are succeeding only in keeping foreign customers away from American products.

As you know, current U.S. policy only allows export of software with 40-bit encryption, while most encryption users prefer stronger 56-bit products that are already available on the Internet and from foreign manufacturers. In fact, over 200 foreign encryption programs are now available in 21 countries.

This imbalance between what the market wants and U.S. law allows is creating a major economic problem for American companies. An industry study found that current export restrictions could cost U.S. businesses $30 billion to $60 billion by the year 2000.

Further, current restrictions on U.S. encryption exports limit the types of products available here at home. It can be prohibitively expensive for companies to make two versions of the same software—a weak package for export and a strong package for domestic consumption. As a result, Americans often only have access to weaker encryption products.

The administration has responded to this situation with a proposal that is inadequate at best. It would let U.S. companies export software with stronger encryption—up to 64-bits—but only if a key escrow system is attached. This key escrow system would require a third party located in the United States (or where we have bilateral escrow agreements) to have the key to encrypted material so the American Government could gain access to it if the United States determines that our national security is at stake.

This plan is flawed for several reasons. Few foreign consumers are going to buy American encryption software that's compromised by our Government. Further, without stringent safeguards, the administration plan opens the door to potential Government violations of personal privacy. And it ignores the fact that foreign encryption programs without key escrow requirements are already widely available.

I support a stronger, bipartisan effort to relax U.S. export restrictions while protecting our national security interests. The Security and Freedom Through Encryption Act [SAFE] would ensure that Americans are free to use any encryption package anywhere, prohibit mandatory key escrow schemes, guarantee companies the ability to sell any encryption package within the United States, and make it unlawful to use encryption to commit a crime.

Most important, it would allow U.S. businesses to export encryption software if products with comparable security capabilities are commercially available from a foreign supplier. In effect, American encryption exports would be stronger, but offer no greater threat to the United States than other products already being used abroad.

Reforming America's encryption export policy is important for high tech companies hoping to increase their sales, businesses that want better security for their computers, online entrepreneurs looking to tap a global market for their services, and e-mail users who desire more privacy for their electronic messages. SAFE offers a way to achieve all these goals and protect our national security interests at the same time.

LAWMAKER TRANSCENDED TYPICAL WASHINGTON POLITICS

HON. PAT DANNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Ms. DANNER. Mr. Speaker, this opinion piece by Ken Newton of the St. Joseph News-Press summarizes the feelings of so many people who have admired the late Congressman Bill Emerson of Missouri. I would like to place this article in the CONGRESSIONAL RECORD so it can be recorded in history with the other fine tributes to Bill Emerson.

[From the St. Joseph News-Press, June 30, 1996]

LAWMAKER TRANSCENDED TYPICAL WASHINGTON POLITICS

(By Ken Newton)

Here's a note from my career filed as a missed opportunity.

The congressman was in his home district conducting a farm tour, and I drew the reporting assignment, a warm morning at a university livestock facility. The school's agriculture chairman was anxious to show off the prize boar, which seemed more than up to the task as it trotted out of its pen, strode up to its guest and, as if scripted, relieved itself at the congressman's feet.

Oblivious to the affront, the hog became the only creature present not caught up in embarrassment or surprise. I slapped my forehead, wishing I had a camera ready.

Bill Emerson, diminished to a fireplug by an incontinent animal, took it well, shaking off his shoes and moving on to whatever came next. Life in Washington teaches you to roll with the punches.

I remembered this when I learned Congressman Emerson, who represented Southeast Missouri in Congress 15 years, died last weekend at age 58.

He was elected U.S. representative five months after I became a newspaperman, and our career paths crossed numerous times. Helped into office by Ronald Reagan's coattails in 1980, he beat a long-time incumbent whom constituents believed cared more for Jimmy Carter's attention than their interests.

Thus, Mr. Emerson became the first non-Democrat to hold the Southeast Missouri congressional seat in four decades. In the cotton-rich reaches of New Madrid County, where I grew up, they tolerated boll weevils more readily than Republicans, yet the congressman managed to win seven subsequent elections. The nick-name for the growing legion of crossover voters was ''Emercrats.''

Other Republican congressional hopefuls didn't have such luck in those days, and Mr. Emerson became a working-stiff representative in the out-numbered party. He paid attention to his agricultural constituency, went about the business of serving his district and occasionally called out back-bencher objections to Tip O'Neill and Jim Wright and Tom Foley, the power brokers of his chamber.

Defying the stereotype of the GOP as compassionless, Mr. Emerson adopted world hunger issues as his own. He championed the international aid program known as Food for Peace, and struck up an unlikely alliance with House colleague Mickey Leland, the Houston Democrat who died when his plane crashed during a fact-finding mission to Ethiopia in 1989.

The urban African-American and rural Republican were strange bedfellows who traveled together to famine-stricken areas a number of times, bound by a cause and not separated by partisanship. When Mr. Leland died, the Missourian's eulogy was among the most moving.

The glorious irony of Mr. Emerson's tenure in Congress is that his success as a lawmaker grew from inaccessibility to power. For his first seven terms, he waded into his duties without the necessity of kissing up to leadership or the lure of landing committee chairmanships; only majority members needed to apply. Instead he became a representative in the true sense of that title.

The accompanying sad irony is that 10 months into the Newt Revolution, when his party finally had the power, Mr. Emerson was diagnosed with the lung cancer that would kill him.

It is fashionable to regard members of Congress cynically, as hogs gone to trough, greedy souls looking only to perpetuate their political careers and attendant perks. No doubt, those views are justified with some. With many, the names that might not make the Sunday morning programs or vice presidential short lists, the call to public service is enough of a job and a reward.

Bill Emerson, a good Missourian of low profile in life, should be remembered that way.

WISCONSIN WELFARE PLAN

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. PACKARD. Mr. Speaker, it was not long ago President Clinton expressed his strong support of the Wisconsin welfare reform plan. I applaud the President's decision to support Governor Thompson's ambitious plan—but actions speak louder than words.

Reforming a welfare system that encourages dependence and continued vulnerability is a top priority of this Republican-led Congress. Welfare was designed to be a safety net for those in crises, not the virtual hammock that it has now become.

The Wisconsin welfare reform proposal is very similar to the Republican welfare reform bill. The Republican plan provides real reform that will lift families out of a destructive cycle of poverty and dependency. The current welfare system only serves to make welfare children welfare parents. For too many people, welfare has become a way of life; the Republican welfare reform plan makes welfare a way of work.

Mr. Speaker, welfare weakens the American family. President Clinton has voiced support for a comprehensive welfare overhaul that will help take people off the welfare rolls and put them on the payrolls. I urge the President to sign the waiver for the Wisconsin welfare reform plan and support the Republican welfare reform bill.

ANNE E. KEARNS HONORED

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. ENGEL. Mr. Speaker, public service is the most honorable profession when it is done honestly and well. Anne E. Kearns epitomizes the public servant who has served honestly and well for the citizens in the New York City area.

She has lived all of her life in New York and for the past 20 years has worked for the Federal Government. Her duties in that time included working in the security and engineering departments of the Veteran's Administration Hospital in the Bronx and working at the New York Maritime College where she provided support services to uniformed members of the U.S. Navy and Marine Corps. She also made significant contributions to the efficient operation of the Naval Reserve Officers Training Corps.

Anne Kearns is the consummate public servant who embodies the highest ideals of government service. I am proud to congratulate her on her retirement. We are losing a distinguished public servant.

SALUTE TO CAPTAIN METROS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mrs. SCHROEDER. Mr. Speaker, on Monday, July 15, 1996, the professional and dedicated services of a Denver police officer ended. Capt. Steve Metros will be fulfilling a life-time aspiration of 41 years of constant, faithful service to the citizens of the city and county of Denver, CO.

Captain Metros was appointed to the rank of patrolman with the Denver Police Department on January 3, 1956. He has served in virtually every capacity as a Denver police officer but is especially noted for his superb dedication to battling crime and uncompromising code of ethics. Captain Metros has served as a role model to innumerable police officers and his distinguished career leaves a legacy of dedicated service and commitment.

His pride, reputation, and continued belief in the performance of members of the department have revered him throughout the department and the community as well.

His willingness to share his knowledge and words of wisdom and encouragement have rendered him a mentor to many of his subordinates and associates and to many who will follow in his footsteps.

With 41 years of service, he is a part of the foundation of the Denver Police Department and he will be sorely missed.

PARTIAL BIRTH, VETO—HEARTS WAXED COLD

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. DORNAN. Mr. Speaker, some citizens are moved to write very moving poetry about the major moral issue of our time—the horror of abortion.

PARTIAL BIRTH, VETO—HEARTS WAXED COLD

(By Dawn M. Thomas)

It is pitiful to see ''We the people' caught up in our everyday cares to the extent we let a small minority of citizens and the permanent government dictate changes and laws without the bat of an eyelash as to our plight. Our apathy testifies against us! We wait until it's almost too late, and the damage has been done.

The love of money shroud in ''A Woman's Right to Choose'' and ''A Woman's Health at Risk'' has duped us into a lack of compassion for those who cannot defend themselves. Will the deceitfulness of riches which motivates the morally ignorant be allowed to wax our hearts cold? We can't let it happen. It is time to let those silent screams be heard!

The Partial Birth Abortion Ban Veto is a disgrace to ''We the Register readers'' and a slap in the face to what America stands for ''One Nation under God indivisible with Liberty and Justice for All!'' Thanks to Bill Clinton the word All has been neologized to mean, only those who live outside the womb. If a baby's head has not emerged it's not a baby. I'm abhorred! The disastrous, devastating, and disgraceful Clinton veto of the partial-birth infanticide ban is best summed up in my poem ''Auspicious Dissension'', (The promise of good fortune but receiving strife in it's stead.) My baby daughter, Sarah, 19 months old was the only love which could quiet my bleeding soul and quell the tears which poured down my cheeks after being slapped with the horrifying news of Clinton's veto of the ban. I look in my baby's eyes, then, grasping her close, heartbeat to heartbeat—birthed our poem ''Auspicious Dissension''.

AUSPICIOUS DISSENSION

Oh! This grandiouse baby in my arms compels my heart with all her charms;
A well-spring of love deep within quelling the din of blood-laden sin, of the silent lives capriciously seized, wringing exuberance from the wrought now bereaved.
Fallicious in their imperious ways neologizing life—for neokeynsian pays;
Rationalizing all along with dispersive power of a vascular-throng.
Dismantling truth with impertinent jargon; false consciousness reeling duress through pardon;
Take Heed and Alarm: For the writ that's been script has kept us alive through bridle and bit.
If not for the distal and disparage of many, our land would be peaceful and filled with plenty;
Take Heed and Alarm: The fey who are fickle God won't be mocked for he comes with His Sickle.

Culminating my poem is the fact that Abraham Lincoln our 16th president, in 1863 admonishes the whole American people, in his ''Thanksgiving Proclamation'', to confess their sins and transgressions in humble sorrow with assured hope and genuine repentance that it will lead to mercy and pardon. Also to recognize the sublime truth announced in the Holy Scriptures and proven by all history, that those nations are blessed whose God is the Lord. Mr. Lincoln goes on to warn us that the calamities of the day could very well be the result of our presumptuous sins. He brings to light the peace and prosperity we've enjoyed as a result of God. But Lincoln reiterates how we have forgotten the gracious hand which preserved us in peace and multiplied and enriched and strengthened us, and how in the deceitfulness of our hearts, we have vainly imagined that all these blessings were produced by some superior wisdom or virtue of our own. Lincoln saw that we the people get intoxicated by unbroken success and become to self-sufficient to feel the necessity of redeeming and preserving grace and become to proud to pray to the God who made us. So it seemed fit and proper for President Abraham Lincoln to invite his fellow citizens in every part of the United States, at sea and sojourning in foreign lands, to observe a day of thanksgiving and praise to our beneficent Father who dwelleth in the heavens.

I hope we (voters) will be those respondent people when we vote. And I hope that next Thanksgiving we'll have shown true honor to our country by the manner in which we voted on Nov. 5, 1996. Have our hearts waxed cold? As it is today we stand in danger of becoming a third world nation! It is due time to stand up and be counted in ''the number!''

TRIBUTE TO ALEXANNA PADILLA HEINEMANN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. RICHARDSON. Mr. Speaker, it is with great respect and admiration that I honor today a fellow New Mexican, good friend and great American, Alexanna Padilla Heinemann.

Alexanna Padilla Heinemann is a fifth-generation New Mexican. Her father, Alex Padilla, now deceased, was a respected and committed Santa Fe City Councilman, who was a courageous advocate for the common citizen. Alexanna is continuing in the family tradition of responding to the needs of those whose circumstances have placed their lives in harm's way. She has been especially attentive to the

troubled conditions of young children by serving as a founding member, committee chairman, and board member of the acclaimed Buckaroo Ball, an annual event held in Santa Fe, NM, that aids children at risk.

In its 3-year existence, the Buckaroo Ball has donated a total of $1.3 million to charitable entities. Only the 11-year-old Santa Fe Opera annual fundraiser in Santa Fe rivals the financial success of the Buckaroo Ball. Alexanna Padilla Heinemann recently served as cochairman of this June 22 event, and a lion's share of the credit can be given to her for its success. Her leadership, combined with tireless, dedicated and skillfull efforts, resulted in a $500,000 net profit. The funds will be donated to painstakingly chosen programs and agencies that provide food, clothing, shelter, protection, and love to children in jeopardy.

I am including an article which was published in the Santa Fe New Mexican on June 27, 1996, in order to provide my esteemed colleagues in the House of Representatives additional information about the Buckaroo Ball.

In addition, I am sharing a July 1, 1996, commentary by Alexanna Padilla Heinemann, which was also published in the Santa Fe New Mexican. I provide it to my colleagues because it demonstrates Alexanna's unselfish spirit and unifying philosophy.

I am extremely proud and grateful to know Alexanna Padilla Heinemann. I respectfully invite all of my colleagues in the House of Representatives to join me in giving tribute to this esteemed New Mexican.

The article follows:

BUCKAROO BALL NETS $500,000 FOR CHARITY

(By Hollis Walker)

For the third year in a row, the 80 women who put on the Buckaroo Ball proved they could do a better job than they predicted.

Preliminary accounting shows last Saturday's ball, a three-year-old charity benefiting Santa Fe County children, netted about $500,000–$200,000 more than the Buckaroo Ball Committee pledged to raise.

After this year's contributions are made, the ball will have donated nearly $1.3 million to charities.

Buckaroo Ball co-chair: Alexanna Padilla Heinemann said she could not credit any single aspect of the multi-faceted fund-raising effort for the increased success this year.

''But this party had a particularly good feeling about it,'' she said. ''Everybody's spirits were so high; Pam Tillis was an incredibly energetic performer, the tent decorations, which only cost $500, looked great.

''And it even rained for us, just before the party,'' she said. ''It was perfectly cool and wonderful.''

Regular sales of 1,000 tickets to the event (at $200 apiece and up for sponsors) raise only about $70,000, she said. Private and corporate donors contribute the rest.

This year's largest single donor was Ron and Susie Dubin, a Connecticut couple who have a home in Santa Fe. The Dubins contributed $25,000 toward the entertainers' fees, Heinemann said.

The only other fund-raiser in Santa Fe that rivals the financial success of the Buckaroo Ball is the 11-year-old Santa Fe Opera gala weekend, which begins tonight with its annual ball at Eldorado Hotel. The gala weekend raises at least $500,000 a year for the opera's apprentice program.

Heinemann said the Buckaroo Ball committee soon will begin conducting its usual research to develop its list of charities to which it will contribute next year. That research also will be used to determine to which charities the extra $200,000 raised at this year's ball will be donated, she said. Decisions will be made by late August.

Charity projects already slated to receive money from the proceeds of this year's ball are:

The renovation of the Teen Center at the Santa Fe Boys & Girls Club;

A salary for an adult leader for an after-school program offered by Girls Inc.;

Children's educational opportunities and pediatric dental equipment for La Familia Medical/Dental Center, which serves primarily low-income families;

The expansion of grief support and counseling for youth in 10 Santa Fe County elementary schools offered by the Life Center for Youth and Adults;

And a program to identify and treat children and teen-agers with eating disorders coordinated by Women's Health Services.

NEWCOMERS, NATIVES BOTH HAVE THE SOLUTIONS

(By Alexanna Padilla Heinemann)

Santa Fe. A place of astonishing beauty and startling anger, with plenty of printed space locally and nationally, devoted to both. Stories abound about the divisions between races and classes, between native and newcomer, with almost celebratory coverage given to this purported fissure. But there is a seed of change being planted in Santa Fe and I have seen it up close and personal.

On a clear, starry night, June 22, the citizens of Santa Fe had reason to cheer. The plight of children at risk mobilized this community and a committee of 80 women volunteers to produce the third annual Buckaroo Ball. The count came in a couple of days later: the Buckaroo Ball had netted $500,000, which it would hand over to meticulously researched children's programs and agencies.

As Buckaroo Ball co-chair this year along with Elizabeth Smith, I can be proud of a committee and grateful for a community that could make it possible to pour this unprecedented amount into a cause that desperately needs it. But there is a subtle dynamic at play here, no less profound than the splashy party or abundant funding the Buckaroo Ball affords.

As a fifth-generation New Mexican with a father who was a city councilman and an uncle who designed the state license plate, my regional roots are firm. I have had my turn at a lamenting, divisive frame of mind. But those years of criticizing and complaining were fed by an erroneous notion: that newcomers are coming here to leave their cash and build their flash without giving one crumb beyond self-serving consumption. The error and harm that lie in this notion hold the potential to undo this community.

What I have seen as a founding member, committee head, board member and, finally, co-chair of the Buckaroo Ball is a vision that totally disputes that erroneous notion; one that should command the attention and inspire the reflection of the community: there are newcomers with the means and energy who, not content with simply writing a check, want to use their resources to better the community. They are searching for ways to help.

In a perfect position to guide them are the native and longtime local Santa Feans who, keyed-in to their community, can shape the incoming resources in an informed and professional manner. One may have a bed the size of a ship; the other, a desk the size of a file folder, but each have talents essential to the process. It is a waste of time for the native or newcomer to show anything but appreciation for the other's assets.

Short-term, righteous anger may satisfy. But how far can that take us in getting the job done? The surge of adrenaline may serve as a motivating force but being either the victim or the blamed leaves neither in the position to help the community.

Conversely, an idea driven by a clear understanding, appreciation, and implementation of all the resources in the community has a life of its own.

The questions then become, ''Who has a good idea?'' and ''Who has the ability to get it done?''

In one arena at least, the walls have come down and, three years later, the children of Santa Fe are over a million dollars richer for it. You don't have to have an agenda, you simply have to love children and feel that gnawing sickness in your gut when you encounter a little one who doesn't have enough: enough food, or safety or love.

You don't have to be either rich or have roots embedded in this dusty soil, to make a big difference in this town. You simply have to be a clever funnel of talent, energy, and resources. The more ideas brought to the pot, the better.

Think of the children who might have lost these benefits had we not chosen to keep our eyes open to possibilities.

TRIBUTE TO DELAWARE COUNTY'S SWEETHEART

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay tribute to an outstanding singer-comedienne, woman, mother, grandmother, and wife, Mrs. Julie DeJohn Patterson, who passed away Sunday, July 14, 1996, at the age of 68. Julie was born and raised in Chester, PA, and spent most of her adult life residing in Concord Township, PA, with her husband, David, and their two sons, David and Patrick, who is a longtime member of my congressional staff.

Known to many as Delaware County's Sweetheart, Julie had a career in show business which lasted for over 40 years. Her career took her around the world to the most popular night clubs and concert halls in Canada, Europe, Australia, and the United States, including an engagement at Carnegie Hall. Julie's television career included the ''Ed Sullivan Show,'' the ''Tonight Show,'' and a record 77 appearances on the ''Mike Douglas Show.'' But some of her brightest moments came when she was performing locally before audiences in Delaware County and the New Jersey Shore.

Even though it would have been easy to remain totally absorbed in her career in show business, Julie's greatest pleasure in life was being a wife, mother, and good neighbor in Delaware County. She was a role model for many women today who seek to balance the pressures of a demanding career and the challenges of raising a family. In addition, her involvement in her community was exemplary. She helped raise money for various youth clubs, local charities and also produced and directed youth variety shows and presented benefit concerts to raise money for uniforms and equipment for community sports organizations.

Julie will not only be missed by her family, but by her countless friends in and out of show business, and by the many people and

organizations she touched throughout her life. The Philadelphia area and, indeed, the Nation has lost a great talent and role model.

TRIBUTE TO SUTTER COMMUNITY HOSPITALS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the commitment Sutter Community Hospitals has made to the good health of millions of northern Californians. For over 70 years, this institution has earned a reputation throughout this region for superior medical care and an unparalleled record of advancement and innovation.

In this spirit, I am proud to announce the opening of the new Sutter Cancer Center, which brings together the talent, resources, and technologies necessary to offer an all inclusive program of care to residents of the greater Sacramento region and establishes northern California's most comprehensive cancer center.

The Sutter Cancer Center, established in 1942, serves as a regional oncology center to more than 1 million northern California residents. The center has 100,000 visits per year and treats more than 2,000 new patients annually. Sutter Cancer Center's research activities have yielded important medical breakthroughs, including development of many new treatment options. Each year, the cancer center is an active participant in the prestigious National Cancer Institute clinical and prevention trials, and serves as one of the 10 registries for cancer surveillance. Recognized for innovation and clinical excellence, the Sutter Cancer Center's treatment program is on par with many of the Nation's renowned cancer centers and provides Sacramento area residents with vital community health resources to help prevent and detect cancer.

This new facility is the culmination of Sutter's vision for a comprehensive, patient-focused center which brings together all the necessary resources to fight cancer in a single location. Designed as a healing environment, this premiere center provides the full compliment of cancer care services all under one roof, which Sutter believes will make the critical quality of life difference for cancer patients and their families. Committed to patient-centered care, the center has been designed to benefit patients in a variety of ways: Attendant-assisted parking, a separate entry-way, a one-stop registration center and linked information systems all will streamline the seemingly bureaucratic maze of medical services, help minimize travel and mitigate the accompanying stress associated with patients' therapy and rehabilitation. In all, the cancer center increases efficiency, eliminates duplication and enhances collaborative activities among our physicians and allied health professionals.

Mr. Speaker, I ask my colleagues to join me in celebrating a new era of treatment for cancer patients in this region. The Sutter Cancer Center is a spectacular testament to the spirit of institution and individual, and represents a cornerstone in the foundation of Sutter's vision for the fight against this deadly disease.

THE 25TH ANNIVERSARY OF BAYVIEW HUNTERS POINT MULTIPURPOSE SENIOR CENTER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Ms. PELOSI. Mr. Speaker, I rise today to acknowledge the 25th anniversary of the Bayview Hunters Point Multipurpose Senior Center.

On July 7, 1971, an extraordinary group of San Francisco citizens recognized the need to provide services dedicated to the senior residents in the Hunters Point neighborhood of San Francisco. The vision of mother Mattie Kemp and the center's founders has grown into a center that provides comprehensive services for the Bayview senior community.

The center is a compassionate environment where seniors can receive basic health screening, legal assistance and social and recreational opportunities. For the past 18 years the center has flourished under the dedicated and caring stewardship of Dr. George Davis, Ph.D. His boundless commitment to providing quality programs for the elderly has led the Bayview Multipurpose Senior Center to be a model program in the city of San Francisco.

The efforts of Dr. Davis, the staff and clients of the senior center remind us that we cannot forget the critical need for centers such as the Bayview Hunters Point Multipurpose Center. Our seniors provide an important thread in the fabric of our communities. It is imperative that we continue to support the work of the Bayview Hunters Point Center to ensure the continued vitality of these special individuals.

Mr. Speaker, on Saturday, July 13, 1996, the Bayview Hunters Point Community will hold a parade and street fair to recognize the contributions of this important community resource. Let us join the Bayview Hunters Point community in their celebration of the community's seniors and the people dedicated to continuing the legacy of the Bayview Hunters Point Multipurpose Senior Center.

LEGISLATION TO AMEND THE NATIONAL PARK FOUNDATION ESTABLISHMENT ACT

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. HANSEN. Mr. Speaker, America's National Parks preserve our historical past, celebrate our cultural traditions, and protect the natural wonders God created.

My own State is a great example. Utah is home to the sculpted rock scenery in Arches National Park, the brilliant colors and intricrite shapes of Bryce Canyon National Park, and the spectacular cliff and canyon landscapes found in Zion National Park. Unfortunately these unique places and the other units of the National Park System need help.

Congressional appropriations have not been able to keep pace with the needs of the national parks. With a severe strain on its finances and dedicated staff, the park service is struggling to provide a quality, educational and recreational experience for the park visitor, while also protecting the natural resources and the cultural heritage in the parks.

This summer, visitors to the national parks have found closed campgrounds, garbage piling up, historic buildings needing repairs and reduced visitor services. Some specific examples: two museums and a campground are closed at Yellowstone; Padre Island National Seashore in Texas won't paint its campground bathrooms this year; and the number of rangers patrolling Yosemite's back country has been reduced from 19 to 3.

The parks clearly need help. This legislation offers important assistance in dramatically boosting National Park funding before it is too late. This bill could increase funding for the National Park Service by as much as $1 billion over the next 10 years at no cost to park visitors or taxpayers. This money will supplement—not replace—regular appropriations from Congress for the parks.

This bill enjoys strong bipartisan support on both sides of the Hill. I am pleased that Representative RICHARDSON, the ranking minority member of this subcommittee, has joined me in introducing this legislation.

This legislation would grant the National Park Foundation several new authorities. First, it would modify the current prohibition on the Foundation engaging in business. The Foundation's limitation on conducting business is unique amongst congressionally chartered foundations. In fact, two sister organizations that Congress created—the National Fish and Wildlife Foundation and the National Forest Foundation—are allowed to engage in business.

In addition, this bill would grant the Foundation some of the same powers first pioneered with the Amateur Sports Act in 1950. Under this legislation, the Park Foundation would have the authority to offer a limited number of companies the opportunity and privilege of becoming an official sponsor of the National Park System.

This bill contains multiple safeguards to make sure the images of the National Parks are not tarnished and the reputation of the National Park Service is not sullied. There will be no sponsors of individual units of the National Park System. An official sponsor could not present that its goods or services were endorsed by the National Park Service. There would be no corporate advertising in the National Parks. The Secretary of the Interior must approve in writing each official sponsor.

The list of safeguards goes on, but the bottom line is that there will not be commercialization of our National Parks.

With these grants of authority from Congress, the National Park Foundation will pursue new revenue-generating opportunities outside the parks in partnership with private enterprises. These proposals will make it possible for the Foundation to play the role originally intended by Congress in 1967—making a significant contribution to preserving America's National Parks through partnerships between Government, private business, and individuals.

WALTER AND HELEN LUCAS CELEBRATE 50 YEARS IN BUSINESS

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. VOLKMER. Mr. Speaker, I rise today to offer my hearty congratulations to Walter L. Lucas, Jr., and his wife, Helen Lucas, of Shelbina, MO, who are celebrating their 50th year in business. Walter and Helen were married on July 26, 1940. After serving his country during World War II, Walter returned to Shelbina to start Lucas True Value Hardware in Shelbina. On March 6, 1946, Walter and Helen opened the doors of their hardware store and they have been providing quality service to their customers for over 50 years.

Walter has also devoted his considerable talents to helping his friends and neighbors in Shelbina. In 1956, he established the Walt Lucas Outstanding Scholar Athlete Award as a way to honor academic and athletic excellence by local high school students. Walter has also worked closely with the Boy Scouts, where he has served as a Cub Master and a Scout Master. In addition, Walter served as the president of the Shelbina Chamber of Commerce and he is active in the Shelbina First Christian Church.

Walter and Helen are shining examples of why small business owners are the backbone of our economy. Not only have they prospered economically, they have helped many of their friends and neighbors through their involvement in the community, and I wish to congratulate them on their success in business and in life.

DEFENSE OF MARRIAGE ACT

SPEECH OF

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3396) to define and protect the institution of marriage.

Ms. Velázquez. Mr. Speaker, too many Americans are worrying about how they are going to pay for their children's education and their parents' health care. Yet, instead of working for real change, we are voting on legislation that will do little more than increase the amount of hate and division in this country.

The Defense of Marriage Act, H.R. 3396, will ban homosexual marriages. Proponents of this destructive legislation argue that same-sex marriage is an assault on the sanctity and integrity of heterosexual marriages. The argument is irrational. Homosexual couples do not influence heterosexual marriage choices. Marriage protection proponents also argue that this legislation promotes tradition and family values. These arguments are strikingly similar to those raised less than 30 years ago in resistance to repealing miscegenation laws.

Like its hate-driven predecessor, the Defense of Marriage Act sends a dangerous message to society. We are legitimizing hate and discrimination. Intense prejudice against lesbians and gay men remains prevalent in our society. Homosexuals are victims of extensive discrimination, prejudice, and violence due to their sexual orientation.

Discrimination against gay people in such critical areas as employment and housing remains widespread in many jurisdictions. Even more alarming, high rates of antigay violence or hate crimes abound. Society communicates particular values and attitudes to its members in many ways, but primarily through laws. Instead of working to reduce discrimination, this body is pushing legislation that will reinforce intolerance and hostility toward gay people.

Discrimination against homosexuals is unfair, unjust and appalling. Let's end this charade! I urge my colleagues to vote for fairness and equality and oppose this shameful legislation.

MARY MASI IS HONORED

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. ENGEL. Mr. Speaker, a house of worship not only brings sustenance to its parishioners, it draws sustenance from them. In Mount Vernon, Our Lady of Mount Carmel Church has given aid and comfort to its parishioners for a century and for 40 of those years Mary Masi has been office manager and church secretary, giving of herself to help her church and her fellow parishioners. In that time the church has had eight pastors and it was Mary Masi who provided the continuity for them serving as a link from the past to the future. She is always the first to volunteer for church events and is usually the driving force behind them. She is a member of many church organizations and for Mount Carmel, Mary Masi has become a symbol of loyalty, unselfishness, and devotion on whom the church and its parishioners have come to rely. I offer her my congratulations for her years of giving to her church and her neighbors.

DEFENSE OF MARRIAGE ACT

SPEECH OF

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3396) to define and protect the institution of marriage:

Mr. WAXMAN. Mr. Chairman, I rise in strong opposition to H.R. 3396, the so-called Defense of Marriage Act, and ask my colleagues to reject this mean-spirited legislation.

The proponents of H.R. 3396 would have us believe that this legislation is necessary to save the institution of marriage. The real purpose of H.R. 3396 is to create a wedge issue for Republicans for the upcoming elections.

In a shameless attempt to divide the American public, the Republican Party is espousing official bigotry. It is promoting discrimination against individuals who seek the same responsibilities and opportunities other Americans seek when they form a lifelong union with someone they love. It is scapegoating a segment of our society to fan the flames of intolerance and prejudice. And it is doing this to try to improve its standings in the polls.

Discrimination against people who are gay and committed to one another does nothing to defend marriage or to strengthen family values. It does, however, continue to deny them legal rights that married couples simply take for granted—inclusion in a spouse's health insurance plan, pension and tax benefits, the ability to participate in medical decisions, and the right to visit a dying spouse in the hospital.

Our Nation's families deserve better from their leaders than this cynical effort to raise fears and create divisions for political gain. They need leaders who will recognize the true needs of families and who are willing to work for adequate healthcare, access to educational opportunities, a decent wage, and a livable environment.

Let's work together on the real challenges we face as a nation. Let's not allow our Republican leaders to create scapegoats to distract the public's attention from the failure of this Congress to address issues the American public cares about.

I urge my colleagues to stand up to bigotry and discrimination. I urge you to vote against this mean-spirited legislation.

PRESIDENTIAL ADVISORY BOARD ON ARMS PROLIFERATION POLICY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. HAMILTON. Mr. Speaker, over many years the United States and the international community have made important progress in arms control, especially concerning weapons of mass destruction. But there has been little progress in controlling or containing the proliferation of conventional arms.

Therefore, I welcome the recent report of the Presidential Advisory Board on Arms Proliferation Policy, issued on June 25. Its findings and recommendations provide fresh thinking on the question of conventional arms control, and merit careful study by both Congress and the executive branch. I commend the work of Dr. Janne E. Nolan, the Board's Chair and the Board's other members—Edward Randolph Jayne II, Ronald F. Lehman, David E. McGiffert, and Paul C. Warnke.

I would like to bring to the attention of my colleagues the report's summary and recommendations. The text follows:

SUMMARY

Advisory Boards such as ours invariably grapple with broad mandates, changing circumstances, and widely diverse interests concerned with the substance of Board charters. As we have noted, our approach has been to review and offer recommendations on both policy and process. We have endeavored to review the Administration's current policies regarding conventional arms control, and have commented only where we concluded it appropriate. We are under no illusions as to our limitations in addressing but a few of the myriad interests and issues of great concern to the various parties concerned with arms proliferation policy.

At the core of our recommendations is our belief in the value, indeed the necessity, of strong U.S. leadership in the quest for more

effective arms control in the nation's interest. This leadership must come from the top, involving the President, his Cabinet, and the Congress. As we have stated, within the Executive Branch that initiative requires in the first instance, more policy-oriented interagency coordination and execution of policy, which in turn requires a strong focal point of administration leadership. We believe that leadership can and must come from the National Security Council's long-standing interagency process. That NSC-led process, in addition to selecting and implementing the kind of advanced conventional arms restraint regime postulated here, must also address the thorny question of governmental process the Board has highlighted. There is no doubt that how we make policy and how we make individual arms or technology transfer decisions is absolutely critical to achieving U.S. arms control goals.

We believe that it is of great importance to reemphasize a point about focus. The Board's recommendations for both policy and process are built on a long-term commitment to improvement and progress, rather than on any discrete preferred regime or proposed organizational realignment. The world struggles today with the implications of advanced conventional weapons. It will in the future be confronted with yet another generation of weapons, whose destructive power, size, cost, and availability can raise many more problems even than their predecessors today. These challenges will require a new culture among nations, one that accepts increased responsibility for control and restraint, despite short-term economic and political factors pulling in other directions. While the image of a ''journey'' has become almost trite in today's culture, it is just such a concept that perhaps best describes the strategy for success in achieving necessary restraint on conventional arms and strategic technologies, and the resulting increase in international security.

The Administration has in recent months, in parallel with the Board's deliberations, taken steps such as the Wassenaar Arrangement, which could be the key to more enduring and comprehensive successes in restraint and control. Leaders in the Administration and in the Congress should be heartened to know that there is no shortage of individuals, in and out of government, whose energy and commitment can contribute to the ongoing effort. We are proud to have been a part of that dialogue, and are committed to continuing our participation. We summarize here the major recommendations put forward in our report:

Effective restraint requires international cooperation. U.S. leadership is essential to this end.

The fundamental principles of national security, international and regional security, and arms control must be the basis for international agreement. The inevitable economic pressures that will confront individual states should not be allowed to subvert these principles.

Sustainable, multilateral negotiations over an issue as controversial as arms transfers are best served by beginning with modest objectives that can be expanded over time. The Wassenaar Arrangement represents the most practical and promising forum to date in which to address the dangers of conventional weapons and technology proliferation.

New international export control policies are needed for a technology market where there are numerous channels of supply and where many advanced technologies relevant to weapons development are commercial in origin. This requires augmenting controls on the supply of a technology, with a greater emphasis on disclosing and monitoring end-use.

U.S. arms transfer policy can and should be developed and executed separate from policies for maintenance of the defense industrial base. It is not only appropriate but essential that the United States and other nations handle legitimate domestic economic and defense industrial base issues through such separate policies and actions, rather than use them to abrogate or subvert arms control agreements for particular weapons and technologies.

Arms and weapons technology transfers should take place without the price-distorting mechanism of government subsidies or penalties. The R&D recoupment charge, which is inconsistent with the federal government's treatment of sunk investment costs in any other area of policy or budget expenditure, should be eliminated. Arms exports should not receive subsidized financing; rather, the effort should be to eliminate such distortions internationally.

There should not be governmental constraints on direct and indirect offsets other than the review, under established standards, of any arms/technology transfer involved. The overall economic and employment impact of foreign trade is highly positive, and any attempt to dictate or curtail pricing, workshare, or ''countertrade'' agreements between buyer and seller is counterproductive.

The current fragmentation of U.S. government controls on transfers leads to great inefficiency and uncertain policy implementation, to the detriment of proliferation controls on the one hand and to the disadvantage of legitimate U.S. commerce on the other. Administration, information systems, and routine decisionmaking should be consolidated. An integrated management information system should be developed as soon as possible for use by all agencies involved in the export control process. In the longer run, statutory revisions to integrate the entire process in a single office should be pursued.

Within the U.S. government, the NSC should give substantially greater priority to leading and improving the interagency arms export control process.

The Administration should increase the intelligence community's focus and capabilities to understand and monitor conventional weapons and technologies developments and transfers.

68-YEAR-OLD SIKH LEADER BRUTALLY BEATEN IN INDIA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. BURTON of Indiana. Mr. Speaker, when we debated my amendment last month to freeze development aid to India, a few of my colleagues had the audacity to suggest that India had cleaned up it human rights problems. They said that reports of continuing human rights abuses were questionable.

Mr. Speaker, everyone who follows human rights developments around the world knows that India's abuses against Sikhs, Kashmiris, and others continue unabated. Some defenders of India praised its government for letting its notorious ''TADA'' law expire last year. This law, the ''Terrorist and Disruptive Activities Act,'' gave the Indian Government blanket authority to arrest almost anyone and hold them in prison for 2 years without filing any charges. My colleagues will be interested to know that, even though the law was not renewed, tens of thousands of Sikhs continue to be held in prison without charge in Punjab. Asia Watch has reported that ''virtually everyone detained in Punjab is tortured.'' This says a great deal about the rule of law in India.

Now I would like to inform my colleagues about an incident that occurred at the airport in New Delhi just 2 weeks ago. A 68-year-old Sikh, a citizen of England who had to get off an international flight because of heart problems, was severely beaten by India's intelligence service. His injuries were confirmed by the Medical Foundation for the Care of Victims of Torture in London.

Dr. Jagjit Singh Chohan was traveling to Bangkok from London. He was experiencing an acute heart condition on the flight, so during a layover in New Delhi, he was taken off the flight in a wheelchair to receive medical care. Instead, Dr. Chohan, who has been a peaceful advocate of an independent Sikh homeland called Khalistan, received a severe beating.

India's immigration officials refused to allow him to go to a hospital. While he was being held at the airport, roughly 20 officials from the Research and Analysis Wing [RAW], India's intelligence service came into the waiting area and beat this elderly man with their fists, kicked him, and whipped him with a leather belt. The beating lasted for about 10 minutes. He was then put back on the plane without any regard for his injuries or his problems and sent on to Thailand.

Dr. Chohan was quickly returned to London, where he was examined by Dr. Forrest of the Medical Foundation for the Care of Victims of Torture. Dr. Forrest identified 28 separate injuries. In his report, the Doctor reported, ''there was scarcely an area of his body that could be touched without causing pain.''

Mr. Speaker, the beating suffered by this 68-year-old man is just one example of the types of abuses suffered by the Sikhs of Punjab, the Muslims of Kashmir, the Christians of Nagaland, and others. Young men are picked up by security forces and disappear forever. Young women are gang-raped. Thousands are tortured.

A prominent Sikh human rights activist, Jaswant Singh Khalra was arrested 10 months ago and has not been seen since. Despite the change in governments, his whereabouts are completely unknown. Many believe that he is being tortured in one of the many prisons in Punjab. These abuses happened under the Rao government. They are continuing under the new government. And they will continue to happen until the United States and other governments around the world take a strong stand against them.

Mr. Speaker, I ask unanimous consent that the report from the Medical Foundation for the Care of Victims of Torture be included in the RECORD at the conclusion of my remarks.

I urge all of my colleagues who opposed my amendment to freeze our aid to India to pay close attention to the reports of human rights abuses that continue to flow out of India and really think hard about their position on this issue. India is not going to end its wide-scale abuses until we take a very firm stand and send a very strong message that they will not be tolerated.

MEDICAL REPORT ON DR. JAGJIT SINGH CHOHAL

(By Dr. D.M. Forrest, MB ChB, FRCS.)

I am a retired Consultant Surgeon. Until the end of 1987 I held Consultant appointments at three London Teaching Hospitals,

where my clinical duties included the diagnosis and treatment of many forms of trauma and deliberate abuse. During my consultant career I served as an examiner for the Diploma of Child Health at the Royal College of Physicians, and was President of the British Association of Paediatric Surgeons, the Society for Research into Hydrocephalus, and the Paediatric Section of the Royal Society of Medicine.

Since my retirement, I have devoted myself to the documentation and management of torture survivors and have studied the patterns of abuse currently practiced in many countries. I have written and lectured extensively on the subject of torture. I have edited and partly written ''Glimpses of Hell: Reports on Torture Worldwide,'' a textbook on torture. I have made a special study of Sikhs from the Punjab and have published a paper on the subject in the ''Lancet.''

I examined Dr. Jagjit Singh Choha at the Medical Foundation on 8:7:96.

The following is his history as related to me.

HISTORY

He told me that he came to live in the UK 17 years ago, having retired from medical practice in a private clinic in India. On 6:7:96 he set out for a holiday in Thailand, flying on Thai Airways, flight 915. After eating a vegetarian meal on the first leg of the journey, he suffered chest and stomach pains. Fearing that the was suffering a heart attack, he alerted the crew. A doctor sitting next to him advised getting off the plane at the scheduled stop in Delhi. Arrangements were made for an ambulance to take him to hospital. On landing he was taken to the medical room, but just before he was taken to the ambulance in a wheelchair, about 20 plainclothes officers burst in and began to abuse and threaten him verbally. They pulled off his turban and shoes but not his other clothes and commenced beating him with fists, slaps and kicks and whipping with a leather belt about the head, back of the neck, limbs and lower trunk. They pulled his hair and beard, pulled him along the rough concrete floor, twisted his arms and ankles, concentrating on the left ankle when they learned that it had recently been fractured, and squeezed his testicles. The assault lasted about ten minutes and then his wrists were tied behind his back and he was bundled onto the plane which had delayed take off for half an hour waiting for him. After the two hour journey to Bangkok he was taken to the immigration Department and left for eighteen hours in a room with about 30 detained immigrants with no facilities and no medical attention. He was put on the next Thai Airline flight to Heathrow.

PAST HISTORY

He claimed to be healthy and active for his age, though aware of the possibility of hypertension and a heart attack. He took medication to avert this. He practised Yoga every day and was supple and physically active. He suffered amputation of the right hand many years ago and wears an artificial hand. Four months ago he suffered a fracture of the left fibula at the ankle, treated at the Chelsea and Westminster Hospital.

ON EXAMINATION

I examined him about eight hours after he landed. He had had no sleep since leaving Heathrow two days previously. He was in some distress and moved with great difficulty, having trouble climbing stairs and in removing his vest.

There was scarcely an area of his body that could be touched without causing pain.

Over the right temple there was an area of scalp 7x7cm that was reddened, with boggy swelling.

There were similar areas 7x7cm on the left temple and, in front of this, 6x2cm at the left hairline.

There was swelling and tenderness of the skin at the back of the neck.

There was diffuse reddening and tenderness on the chin under the beard.

There were faint contusions (bruises) on the tip of the right shoulder and point of the right elbow.

On the left upper arm, just above the elbow there was a pair of very sharply and vividly demarcated red purple parallel contusions 5x1cm and 2x1cm 3cm apart, lesser surrounding bruising (a ''tramline'' bruise).

There were three well defined circular contusions 1.5cm in diameter on the lateral aspect of the left wrist, each over a bony prominence.

There was a small bruise on the middle of the left forearm.

There was a vertical abrasion 5cm long on the back of the left wrist and a similar one 6cm long on the back of the forearm just below the elbow.

There was a small abrasion on the right forearm just above the prosthesis.

There were no bruises on the trunk, but the ribs were tender and there was pain on compression of the chest.

There was tenderness, swelling and slight bruising on the outer aspect of the left thigh.

There was tenderness and diffuse bruising on the other aspect of the right thigh just above the knee.

Both patellae were bruised, swollen and tender.

There was a bruise 4x3cm on the inner aspect of the left shin 10cm below the knee and a similar one 4x7cm on the inner aspect of the right shin 25cm below the knee.

All movements of the neck and spine were limited by pain.

The shoulders were tender and he was unable to raise the arms above the horizontal. Rotation, particularly internal rotation was grossly limited by pain.

Flexion of both knees was limited by pain.

Both ankles were swollen and extremely tender. All movements were limited, especially twisting of the left ankle.

INTERPRETATION

He attributes all his pain and bruising to a beating at Delhi airport.

The reddening and swelling in the scalp was due to punches and pulling of the hair, and that on the chin to pulling of the beard. They are consistent with this.

He believes that the ''tramline'' bruise on the left arm was the result of a blow from a leather belt. The appearance is absolutely typical of a lesion inflicted with a stiff, flat weapon approximately 3cm wide.

A leather belt would fit this description. It is not in a position to have been caused by ropes binding him.

The abrasions on the forearm below the elbow and on the back of the wrist are attributed to being dragged across a rough concrete floor. They are of a nature and distribution to fit in with this explanation.

He believes that the pain and stiffness of the shoulder and ankle joints resulted from the deliberate twisting as well as the beating. The treatment he describes would account for this.

OPINION

If it is true that this elderly man was previously fit and able to practice yoga, then his present condition must indicate a number of very severe injuries.

All the numerous bruises are recent, showing no signs of yellowing. They appear to be contemporaneous and the most likely dating for all of them is within a very few days.

The lack of bruising on the trunk would be satisfactorily explained by his statement that his clothing, including a substantial jacket, were not removed. The tenderness of the ribs indicates severe injury such as would be caused by kicking.

He has severe limitation of movement, especially of the neck, spine, shoulders, knees and ankles. This is consistent with his story of beating and twisting of the limbs. No routine medical or rheumatic disease would satisfactorily explain the findings.

In my opinion, the medical findings amply support Dr. Chohan's account of his treatment at Delhi airport, and no other reasonable single explanation would cover all his lesions.

A TRIBUTE TO JOAQUIN ''JACK'' LUJAN

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. UNDERWOOD. Mr. Speaker, with respect and great admiration, I would like to commend Joaquin ''Jack'' Lujan for his outstanding skill of blacksmithing which has become an important link to Guam's past. This unique island art legacy has made him a recipient to the 1996 National Heritage Fellowship, the highest honor in folk and traditional arts.

Jack, also know as ''Kin Bitud,'' was the only one of his brothers to learn his father's skills. He mastered the graceful lines and fine finishes of the short Guamanian machete with inlaid buffalo horn or imported Philippine hardwood handles. On the basic tools that he fashioned, he hammered in the roots of the Chamorro culture into the future. This includes the fusiños, or thrust hoe which is unique to the Marianas, and the kamyu or coconut grater.

Blacksmithing was not only an art tradition but played an essential role to the livelihood of Guam's farming community in pre-World War II and post era. People needed tools to aid them during work. Despite this time-consuming work and its diminishing economic incentive today, Jack continues to handforge tools as a heritage bloodline.

Jack worked as a welder before World War II and as a U.S. immigration officer after the war. Clearly seeing the value of his blacksmithing tradition to the future of his community and his culture, he once again took up blacksmithing and in 1985, he taught three apprentices, all members of the Guam Fire Department. He has demonstrated his craft at festivals, at schools, and at other public events. He also has shared this heritage with people across oceans in Australia, Taiwan, and mainland United States.

Jack Lugan has received numerous tributes, including the annual Governor's Art Award, as well as the Governor's Lifetime Cultural Achievement Award in 1996. The Consortium of Pacific Arts and Cultures honored him by including his work in their American-Pacific crafts exhibition, ''Living Traditions.'' I believe that the greatest award he has received in his lifetime is the vision of a flourishing tradition of blacksmithing still present in the island of Guam. We are very proud of this blacksmith who has helped iron-cast the culture of the Chamorro people on the hands of the new and future generations.

22D ANNIVERSARY OF THE INVASION OF CYPRUS

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. COYNE. Mr. Speaker, I rise today to commemorate the 22d anniversary of the invasion of Cyprus by Turkish military forces.

This illegal invasion has been roundly condemned by the international community for the last 22 years. And yet, for the last 22 years, the Turkish Cypriot minority under Rauf Dentkash has refused to negotiate in good faith or to alter its goal of permanently partitioning the island. Today, 22 years later, 30,000 Turkish troops still occupy the northern third of Cyprus.

Since 1974, the United Nations has attempted to resolve the conflict and reunify the island as an independent state under a single central government. The Turkish Cypriots have consistently rejected such a solution, insisting instead on an independent sovereign Cypriot state in the northern third of the island. The United Nations has consistently recognized the Greek Cypriot Government in Nicosia as the only legitimate Cypriot Government. Turkey is the only country that recognizes the Turkish Cypriot Government as a sovereign state.

The United Nations has repeatedly attempted to mediate an agreement between the interested parties, but recalcitrance on the part of the Turkish Cypriots and their supporters in Turkey has thwarted any notable progress. Just last month, the U.N. Security Council extended the mandate of the U.N. Peacekeeping Force in Cyprus [UNFICYP] again and reiterated its concern that negotiations have dragged on for too long without resolution. And yet, today, the Turkish Cypriots still obstinately refuse to comply with the U.N. Security Council resolutions addressing Cyprus, and 30,000 Turkish troops still occupy military positions in northern Cyprus.

In 22 years, tensions on the divided island have not dropped appreciably. The Green line—the U.N.-supervised zone separating northern Cyprus from the rest of the island—is one of the most heavily militarized areas in the world. As recently as last month, a Turkish Cypriot soldier shot and killed a Greek Cypriot guardsman in the zone.

Last month, the Clinton administration initiated another attempt to resolve the conflict over the Turkish occupation of northern Cyprus by sending Special Presidential Emissary Richard Beattie to the region. While domestic turmoil in Turkey suggests that the prospects for a breakthrough are slim, the need to address the recent increase in tension between Greece and Turkey provides a compelling reason to make the effort. Nevertheless, it seems clear that the Turkish Cypriots will show no flexibility in their position until the Turkish Government—and the Turkish military in particular—decides that the cost of maintaining the military occupation of northern Cyprus is unacceptably high. Facilitating such a decision must be the goal of the world community.

It is my belief that the international community can compel Turkey to remove its occupation troops by actions like denying Turkey membership in the European Union until it takes such action. Such an approach is entirely appropriate. The European Union has every right to withhold economic privileges from a state that maintains a military occupation of another European country. The question is whether such action alone will suffice, or whether other economic incentives like cuts in United States aid to Turkey are necessary as well. Finally, I hope that the United States special emissary, Mr. Beattie, will strongly emphasize to the Turkish Government that the United States' patience on this matter has worn thin.

Mr. Speaker, the people of Cyprus have suffered long enough.

TRIBUTE TO THE FIRST ARMENIAN PRESBYTERIAN CHURCH OF FRESNO

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. RADANOVICH. Mr. Speaker, I rise today to honor the First Armenian Presbyterian Church of Fresno, which is preparing to celebrate its 99th anniversary on Sunday, July 28, 1996. It is indeed an honor and a pleasure for me to bring this time of celebration to the attention of my colleagues in the House of Representatives.

The First Armenian Presbyterian Church was originally founded on July 25, 1897, by 34 men and women from the Fresno area. The church was the first Armenian church to be founded in California and was received into the fellowship of the Presbytery of Stockton in October 1897. From 1897 to the present, the First Armenian Presbyterian Church has continued to grow in faith and numbers to nearly 300 members.

Over the years, the First Armenian Presbyterian Church has continued to be a source of inspiration and strength to the Fresno Armenian community. The foundations and teachings are passed from generation to generation within the church and children continue to learn about the traditions and lives of their ancestors. As a place of sanctuary, the church has offered people comfort during times of trial and hardship. Under the leadership of Senior Pastor Rev. Bernard Guekguezian, the church has offered continuous guidance and support. I am proud to have someone of Rev. Guekguezian's ability and knowledge in the 19th Congressional District.

Mr. Speaker, the First Armenian Presbyterian Church of Fresno has been a remarkable organization of unity and vitality for 99 years. This congregation exemplifies perseverance and dedication to their families, the community of Fresno, and the State of California. I offer my sincere congratulations to the First Armenian Presbyterian Church on this special day.

MOLLIE BEATTIE HONORED

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. SAXTON. Mr. Speaker, I rise today to memorialize a great public servant and a good person, Ms. Mollie Beattie, director of the U.S. Fish and Wildlife Service on the occasion of the unanimous passage in the House of Representatives of the Mollie Beattie Wilderness Area, S. 1899.

Mollie Beattie was unfortunately struck down in the prime of her life by a dreadful illness and we shall all miss the humor, hard work, good sense, and dedication she brought to her post. It is unfortunate to lose her for so many different reasons. Sadly enough, she leaves behind a husband and family.

Mollie Beattie also leaves behind a group of dedicated wildlife protectors in this Congress who felt a kinship in working with her. I know I am one of those Members of Congress who will miss her greatly.

I remember a meeting with Mollie not too long ago. We are discussing an issue important to my district that has been dragging on and on for 5, 6, 7 years. Mollie turned to my constituents during that meeting and so succinctly expressed their concerns that they were stunned. They were delighted because they knew they were dealing with a representative of the Federal Government who understood their interest in providing habitat for species. Mollie then turned to me and told me what needed to be done and what she would do about it. She was a no nonsense, cut-to-the-chase type of thinker and we all appreciate that around here. And we all appreciated that quality in her. I know that she will be greatly missed by the members of her staff and of her Agency. She will be missed in the Halls of Congress.

It is with great pleasure and much sadness that I join in the dedication of the Arctic Refuge Wilderness Area as the Mollie Beattie Wilderness Area. God Bless her and her family.

REPORT FROM INDIANA—A PATRIOTIC CELEBRATION

HON. DAVID M. McINTOSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. McINTOSH. Mr. Speaker, today I would like to give my Report from Indiana for the week of July 17, 1996.

This week I would like to share with you the program of a very, very special celebration that my wife Ruthie and I were so honored to attend over the Independence Day recess—''A Patriotic Celebration,'' music performed by the staff and residents of the Henry County Youth Shelter in New Castle, IN.

As the children performed, their young faces glowed with pride. Their deep love of country resonated in my heart as they sang so eloquently. Being included truly moved me. It brought tears to my eyes, put a lump in my throat, and filled my heart with hope.

Words cannot adequately convey the sincere and heartfelt appreciation for what it was like to be a part of their event. From the bottom of my heart, I would like to say thank you. Each and every one of the residents and staff of the Henry County Youth Shelter should be commended.

The performance was spectacular. And I would like to include the attached program into the CONGRESSIONAL RECORD for my colleagues to review:

''A PATRIOTIC CELEBRATION'' PRESENTED BY THE RESIDENTS AND STAFF OF THE HENRY COUNTY YOUTH CENTER FOR U.S. CONGRESSMAN AND MRS. DAVID M. MCINTOSH, JULY 2, 1996

PROGRAM

National Anthem: ''Star Spangled Banner''
Resident Dawn B.: What Is The ''Pledge of Allegiance?''
Resident Darren W.: Leads The ''Pledge of Allegiance''
''God Bless America''
Residents Lamontta R. and Virgil R.: History of ''America The Beautiful''
''America The Beautiful''
''God Bless The U.S.A.''
''This Land is Your Land''
Resident Freddie M.: ''Children Learn What They Live''
''Battle Hymn of the Republic''

Special and Talented Participating Residents:

Krystal B., Gabe H., Stacy N., Dawn B., Jeremy I., Brandy R., Brandi C., Summer J., Lamontta R., Floyd C., Rocky L., Virgil R., Tianna D., Freddie M., Darren W., Matthew F., Nathan M., and Jeremy M.

''STAR SPANGLED BANNER''

Oh say! can you see, by the dawn's early light
What so proudly we hailed at the twilight's last gleaming,
Whose broad stripes and bright stars thru, the perilous fight.
O'er the ramparts we watched, were so gallantly streaming
And the rockets' red glare, the bombs bursting in air,
Gave proof thru' the night that our flag was still there.
Oh, say, does that Star Spangled Banner yet wave,
O'er the land of the free, and the home of the brave!

WHAT IS THE ''PLEDGE OF ALLEGIANCE''?

The ''Pledge of Allegiance'' to the flag is a pledge to the ideals of our forefathers; the men who fought and died in the building of this great nation.

It's a pledge to fulfill our duties and obligations as citizens of the united States, and to uphold the principles of our constitution.

And last, but not least, it's a pledge to maintain the four great freedoms cherished by all Americans: freedom of speech, freedom of Religion, freedom from Want, and freedom from Fear.

PLEDGE OF ALLEGIANCE

I pledge allegiance to the flag of the United States of America and to the Republic for which it stands: One nations, under God, indivisible, with liberty and justice for all.

''GOD BLESS AMERICA''

Oh, God bless America, land that I love
Stand beside her, and guide her
Through the night with a light from above.
From the mountains, to the prairies
To the oceans, white with foam
God bless America, my home sweet home.

HISTORY OF ''AMERICA THE BEAUTIFUL''

(Words by Katharine Lee Bates, Music by Samuel A. Ward)

In 1893 an English teacher at Wellesley College wrote a poem that was to become the lyrics for one of the most beautiful of American patriotic songs.

Katharine Lee Bates had been asked to lecture at Colorado College in Colorado Springs, and it was during that summer that she penned ''America the Beautiful.'' On her trip west she saw for the first time the abundant glories of America, and later said that the chief inspiration for her poem had been the magnificent view from the top of Pikes Peak. Standing in that rarified atmosphere she saw ''spacious skies,'' and ''purple mountain majesties'' and such an expanse of fertile country that she was moved with an exalted pride that cried out for poetic expression.

Soon after the poem was printed in 1895—in The Congregationalist, a church magazine—it was set to various tunes and printed in hymnals. But by the 1920's it had become permanently associated with the tune ''Materna,'' which Samuel Augustus Ward had composed in 1882 for the hymn ''O Mother Dear, Jerusalem.''

Many modern-day Americans feel that the lyrical hymn written by Miss Bates and set to Ward's fine, singable tune should have been chosen as the national anthem of the United States.

''AMERICA THE BEAUTIFUL''

O beautiful for spacious skies, For amber waves of grain,
For purple mountain majesties, Above the fruited plain.
America! America! God shed his grace on thee,
Oh, and crown thy good with brotherhood
From sea to shining sea.
Oh beautiful for heroes proved, in liberating strife;
Who more than self, their country loved;
And mercy more than life.
America! America! may God thy gold refine.
Till all success, be nobleness and every gain divine.
Oh, beautiful for patriot dream, that sees beyond the years
Thine alabaster cities gleam, undimmed by human tears.
America! America! God shed His grace on thee;
And crown thy good with brotherhood,
From sea to shining sea.

''GOD BLESS THE USA''

If tomorrow all things were gone, I'd worked for all my life
And I had to start again with just my children and my wife;
I'd thank my lucky stars to be living here today,
'Cause the flag still stands for freedom and they can't take that away;
And I'm proud to be an American where at least I know I'm free
And I won't forget the men who died who gave that right to me;
And I gladly stand up next to you and defend Her still today
'Cause there ain't no doubt I love this land God bless the USA.
From the lakes of Minnesota to the hills of Tennessee,
Across the plains of Texas from sea to shining sea.
From Detroit down to Houston and New York to LA,
Well, there's pride in every American heart and it's time we stand and say:
That I'm proud to be an American where at least I know I'm free,
And I won't forget the men who dies who gave that right to me.
And I gladly stand up next to you and defend Her still today,
'Cause there ain't no doubt I love this land God bless the USA.
And I'm proud to be an American where at least I know I'm free,
And I won't forget the men who died who gave that right to me;
And I gladly stand up next to you and defend Her still today;
'Cause there ain't no doubt I love this land God bless the USA.

''THIS LAND IS YOUR LAND''

This land is your land, this land is my land
From California, to the New York Islands
From the Redwood forests, to the Gulf Stream waters,
Hey this land was made for you and me.
As I was walking, that ribbon of highway
I saw above me, endless skyways
I saw below me, that golden valley
The land was made for you and me.
I've roamed and rambled, and followed my footsteps
To the sparkling sands of, the diamond deserts
And all around me, a voice was sounding
Saying, ''This land was made for you and me''.
This land is your land, this land is my land
From California, to the New York Islands
From the Redwood Forests, to the Gulf Stream waters
Hey this land was made for you and me.
When the sun comes shining, and I was strolling
And the wheat fields waving, and the dust clouds blowing
As the fog was lifting, a voice was chanting,
''This land was made for you and me''.
This land is your land, and this land is my land
From California, to the New York Islands
From the Redwood Forests, to the Gulf Stream waters
Hey this land was made for you and me.
WELL, this land was made for you and me.

CHILDREN LEARN WHAT THEY LIVE

If a child lives with criticism, He learns to condemn.
If a child lives with hostility, He learns to fight.
If a child lives with ridicule, He learns to be shy.
If a child lives with shame, He learns to feel guilty.
If a child lives with tolerance, He learns to be patient.
If a child lives with encouragement, He learns confidence.
If a child lives with praise, He learns to appreciate.
If a child lives with fairness, He learns justice.
If a child lives with security, He learns to have faith.
If a child lives with approval, He learns to like himself.
If a child lives with acceptance, He learns to find love in the world.

"BATTLE HYMN OF THE REPUBLIC"

Mine eyes have seen the glory of the coming of the Lord;
He is trampling out the vintage where the grapes of wrath are stored;
He has loosed the fatefull lightning of His terrible swift sword.
His truth is marching on.
I have seen Him in the watchfires of a hundred circling camps;
They have builded Him an altar in the evening dews and damps;
I have read His righteous sentence by the dim and flaring lamps.
His day is marching on.
Glory, glory hallelujah!
Glory, glory hallelujah!
Glory, glory hallelujah!
His truth is marching on.

I have read a fiery gospel writ in burnished rows of steel:
''As ye deal with My contempters, so with you My grace shall deal'';
Let the Hero born of woman crush the serpent with His heel,
Since my God is marching on.

He has sounded forth the trumpet that shall never call retreat;
He is sifting out the hearts of men before His judgement seat;
Oh, be swift, my soul, to answer Him! Be jubilant my feet!
Our God is marching on.

Glory, glory hallelujah!
Glory, glory hallelujah!
Oh! Glory, glory hallelujah!
His truth is marching on.

CONGRATULATIONS TO SKIP ENTERTAINMENT

HON. ROBERT A UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. UNDERWOOD. Mr. Speaker, I would like to take this occasion to commend the SKIP Entertainment Co. Based on Guam and comprised of local talents, this dance group recently won the 1996 International Choreographic Award at the 6th Annual Jazz Dance World Congress.

The annual event includes workshops conducted by world renowned dance artists and was presented by Gus Giordano and the Kennedy Center. Out of the 79 groups from around the world that auditioned, 17 were selected to perform and compete at the Kennedy Center event. Five judges representing different countries selected SKIP over groups from Japan, Russia, and the United States.

As a result these kids from Guam will start appearing in national media campaigns for Leo's Dancewear. In addition, SKIP will once again perform at the 1997 Jazz World Congress to be held next year at Weisbaden, Germany. Having been present during their performance, I have to admit that these kids are outstanding artists and entertainers. They truly deserve the honors bestowed upon them.

This was truly a team effort. Terri Knapp, the costume designer, and Ray Leeper, the choreographer, deserve a special commendation for having made all this possible. In the same respect, we must make mention of the SKIP kids who performed that night. The incredible talents of Jason Anderson, Justina Caguioa, Kimberly Davis, Karina Dolorin, Renee Eucogo, Kimberlee Gogue, John Hetzel, Lesley Hongyee, Chad Knapp, Tara Leon Guerrero, Michael Lommeka, Kristan McCauley, Dolores Perez, Tristan Rebanal, Francine Saymo, and Matthew Wolff are good examples of what Guam has to offer.

Through their exceptional talents and notable achievements, the SKIP kids have brought recognition upon themselves and the island of Guam. On behalf of the people of Guam, I would like to commend everyone who played a part in the success of this most recent venture of the SKIP kids. I wish them continued success and the best of luck as they represent Guam at the Starpower National Dance finals to be held at Ocean City, MD.

CONGRATULATIONS TO SARAH BRACHMAN

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. FROST. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a very special day for Sarah Brachman of Fort Worth, TX. On August 24, 1996, 13-year-old Sarah will have her Bat Mitzvah

A Bat Mitzvah is a milestone event for every Jewish child at the age of 13. It marks the passage from childhood to adulthood according to the Jewish religion. During a Bat Mitzvah, the child will lead her congregation in services and will read from the Torah.

While the occasion of a Bar or Bat Mitzvah is always significant, this one carries extra weight and meaning. Sarah is a child with Down syndrome who, with the support of her family and community, has studied for years in order to be able to lead her congregation's services on this momentous day.

This Bat Mitzvah is a tribute to the will and perseverance of a loving child who has overcome significant handicaps to accomplish wonderful things.

TRIBUTE TO PHILANTHROPIST ALEX MANOOGIAN

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. RADANOVICH. Mr. Speaker, I rise today to honor the memory of Armenian philanthropist Alex Manoogian. After a long and prosperous life, Mr. Manoogian passed away July 10, at the age of 95.

Mr. Manoogian was born in 1901 and came to the United States at the age of 24, after completing his primary and secondary education. Manoogian relocated to Bridgeport, CT, and sought employment in a factory during the day, while he taught Armenian classes during the evenings.

Eventually, Mr. Manoogian made Detroit his home in 1924. He worked in a manufacturing plant, and eventually combined his formal education and his work experience to found his own company which became the MASCO Corp., the first company owned by an Armenian to be listed on the American Stock Exchange. Today his company reports annual sales of over $3 billion.

In addition to his company, Manoogian was active in many philanthropic and service organizations. He will probably be most remembered for the work he did for the Armenia General Benevolent Union [AGBU]. After joining the organization in the 1930's, he served the AGBU in numerous capacities including the Avak Sbarabed (national commander), as a member of the board of directors, and international president. Manoogian served as international president for 17 years and was voted life president in 1970 and in 1989, was voted as honorary life president when his daughter assumed presidential duties.

On an International level, Manoogian has also contributed to a wide array of Armenian, American, Dutch, Latin American, Australian and Lebanese museums, schools, libraries, hospitals, and universities. Although there is an exhaustive list, just a few include: the Marie Manoogian School in Los Angeles, the Armenian Church in Amsterdam, Holland and the Alex Manoogian Center in Zaleh, Lebanon. He is the recipient of honorary doctorate degrees from Wayne University in Detroit, American Armenian International College in La Verne, Lawrence Technological University in Southfield, MI, and Yerev State University in Armenia.

Alex Manoogian possessed the determination, drive, and ingenuity, our forefathers founded this country on, over 200 years ago. I wish today to extent my sympathies to the Manoogian family and the Armenian community worldwide on the passing of a wonderful leader.

EXTENDING BENEFITS TO VETERANS EXPOSED TO AGENT ORANGE

SPEECH OF

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. QUINN. Mr. Speaker, I rise today in support of H.R. 3643 and to commend my fellow members of the House Veterans' Affairs Committee for their hard work this year. I am pleased to be a member of a committee that has put forth many beneficial revisions for our Nation's veterans. I especially want to thank Chairman BOB STUMP for his tenacious advocacy for servicemen and women and his fine ability to expedite veterans' legislation.

H.R. 3643 improves health care delivery to minority groups within our Nation's veterans population such as women veterans and those who served the country in the Persian Gulf war.

The bill also includes provisions which I introduced earlier this year. For one, the bill extends priority healthcare to those service men and women who were stationed in Israel and Turkey during the Persian Gulf war from August 2, 1990 to July 31, 1991.

Currently, veterans of these regions are experiencing undiagnosed medical problems similar to those who served in the theater of operations. Israel experienced repeated SCUD attacks. Military members stationed in Turkey supported aircraft missions into the Persian Gulf, served as a transportation point for returning personnel and equipment and rendered assistance to the Kurds.

Thus, the possibility for contamination or exposure by military members stationed in Turkey and Israel was extremely high. Medical records of many veterans stationed in and around the Persian Gulf fail to accurately identify medications distributed and inoculations administered.

Since no definitive diagnosis has been determined in the cases of Persian Gulf illness, these veterans stationed in Turkey and Israel exhibiting similar medical problems should also be granted health care from the Department of Veterans Affairs.

This provision is a technical correction, since these countries should have been included in the original bill.

The bill also includes a provision to set mammography quality standards. Women make up 5 percent of the veterans' population. While the veterans' population is decreasing, female representation is increasing. As a society, we must quickly adapt to this change and better serve women veterans.

I am pleased to see that we were able to work in a bipartisan fashion to make improvements in women's health care services.

ENCRYPTION

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Ms. ESHOO. Mr. Speaker, yesterday the House of Representatives passed the Omnibus Export Administration Act of 1995 to improve export opportunities for American businesses.

Unfortunately, this legislation did not address the limits placed on overseas sales of encryption products.

Encryption technology can make electronic information indecipherable to anyone lacking the mathematical formula, or key, to unlock the data. It offers companies the promise of protection against hackers, the Government the promise of protection from terrorists, and for e-mail users the promise of privacy against prying eyes.

It also offers the promise of $60 billion in potential export sales for American high tech companies by the year 2000. But these sales will remain out of reach unless the U.S. Government loosens restrictions on encryption exports to reflect the ready availability of powerful encryption products on the foreign market and through the Internet.

Mr. Speaker, Congress needs to pass the Security and Freedom through Encryption Act. It's a bipartisan, commonsense approach to resolving a trade problem that's costing the high tech industry billions of dollars, and costing American citizens their right to privacy.

AIRCRAFT REPAIR STATION SAFETY ACT OF 1996

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. BORSKI. Mr. Speaker, today I am introducing the Aircraft Repair Station Safety Act of 1996, a bill designed to ensure that foreign repair stations that perform work on aircraft owned by U.S.-based airlines meet the same or equivalent safety standards as U.S. repair stations.

This legislation is absolutely essential to make sure that, in the interest of the bottom line, U.S. airlines are not tempted to transfer work abroad to repair stations that do not meet the same standards as domestic repair stations.

The bill specifically addresses serious safety concern: The 1988 Federal Aviation Administration regulations, part 145, which eased the rules for certification of foreign aircraft repair facilities. As a result of those regulations, there are repair enterprises around the world actively seeking to secure the lucrative maintenance work for U.S. aircraft and components.

The FAA's 1988 regulations needlessly changed the rules for worldwide maintenance. Previously, U.S. aircraft were required to be repaired in the United States except in emergencies or if the plane was being used solely in international operations. Today, regularly scheduled maintenance is being performed abroad, even if standards for those foreign repair stations are not as high as those for U.S. stations and regardless of the impact on the U.S. work force.

If facilities in countries such as Mexico and Costa Rica succeed in attracting large amounts of work for United States aircraft, I fear that aviation safety standards will erode and high-wage, high-skill United States workers may see their jobs move overseas to take advantage of low wages in Third World nations. This bill will prevent the loss of jobs in the United States to foreign repair stations with lower standards.

This issue is much like the issue of the application of U.S. safety standards to foreign airlines, a matter which I examined intensively as chairman of the Subcommittee on Investigations and Oversight in the 102d and 103d Congresses. I was disappointed at that time by the FAA's slow response to the need of application of U.S. safety standards to foreign airlines, just as I am disappointed today by FAA's failure to respond to the need to revise the 1988 regulations.

With the heightened national attention to aviation safety issues that exists today, this bill focus on the need to ensure that foreign aircraft repair stations meet the highest possible safety standards by operating under the same rules as U.S. domestic facilities.

This bill will promote safe skies, require uniform aircraft repair standards around the world, and shield an important, high wage American job sector from attempts to ship jobs overseas to low-wage countries.

With passage of this legislation, we will ensure that foreign repair facilitate do not obtain FAA certification unless they meet the same standards that our Government imposes on U.S. facilities.

The Aircraft Repair Station Safety Act of 1996 consists of three main provisions:

First, the bill nullifies the November, 1988 FAA regulations which made it far too easy for foreign aircraft repair facilities to obtain FAA certification regardless of need;

Second, the bill levels the playing field by requiring foreign facilities to fulfill the same standards as those imposed on domestic repair stations by the FAA; and

Third, the bill requires FAA to take strong action against those who would knowingly employ the use of substandard or uncertificated parts.

These issues are especially important and timely in the wake of the Valujet tragedy where we discovered a confusing maze of 56 contractors and subcontractors used to handle aircraft maintenance normally performed in-house by the major air carriers. It is clear that there were serious problems with the regulatory system's ability to conduct adequate surveillance of domestic contract operators. At the same time, we cannot ignore the potential regulatory and enforcement problems associated with oversight of foreign facilities.

Unless overturned, the current FAA regulations could inspire U.S. air carriers to send high-wage mechanics jobs to low-wage countries. FAA-certified facilities in Mexico and Costa Rica, as well as other countries, employ workers who, in comparison to U.S. workers, earn extremely low wages to perform highly specialized, sensitive jobs.

In Tijuana, Mexico, a massive FAA-certified facility is ready to take on aircraft maintenance work even though there is sufficient capacity with thousands of skilled American workers ready to handle this safety-sensitive work. The purpose of the Tijuana facility is clear: to lure lucrative aircraft repair business from the United States at the expense of high-wage American jobs.

Congress and the FAA have the clear responsibility to ensure that the traveling public does not face unnecessary risks caused by the expansion of globalization of air transport to the area of aircraft maintenance. This expansion must not result in the reduction of safety standards.

We also have the duty to discourage the movement of high-skill mechanics jobs overseas and to make sure that any unscrupulous company that would knowingly use bogus parts faces a loss of certification.

The Aircraft Repair Station Safety Act of 1996 brings common sense and equity to the FAA's aircraft repair facility certification program. I urge my colleagues to join me in support of the Aircraft Repair Station Safety Act of 1996.

SOCIAL SECURITY FAIRNESS ACT OF 1996

HON. TIM HOLDEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. HOLDEN. Mr. Speaker, I rise today to ask my colleagues to cosponsor the bill I will introduce today, the Social Security Benefits Fairness Act of 1996.

Under current law, no Social Security benefits are paid for the month of death. When a person dies, their family is not entitled to the benefits and must send back the Social Security check—even if they lived for most of the month. This happens to many families in my district.

For example, Mrs. Phyllis Strunk's husband, Royden, died on May 31, 1996, at 7:04 p.m., living the entire month and incurring normal living expenses. His wife was told she would not receive her husband's benefits for May because he did not live 4 hours and 56 minutes longer.

According to his family, Mr. Strunk ''lived a quiet life after [serving in] the war—he obeyed the law, paid his taxes, voted, gave to those less fortunate than he, and rarely had an extra dollar after his families needs were met. In many ways, the country [he] had honored and fought for cheated him in life, and now, it has repaid his loyalty by also cheating him in death.''

This law is cruel and affects people adversely when they are already saddened and distraught by the death of a family member. I have heard from tearful and outraged widows and widowers, daughters, and sons who have already suffered a great loss—they want to know why they have to send the money back when it is needed to pay utilities, rent, and

other bills left by the death of a loved one. People can not control when they die, but, unfortunately, their bills and expenses remain.

Why punish those who pay their taxes, serve our country, and are law-abiding citizens? We should be going after the people who evade our tax system and the convicted felons who continue to receive Social Security benefits while in prison—not those people who contribute to society. This law is unfair and absurd.

That is why I am introducing the Social Security Benefits Fairness Act of 1996. My bill will return fairness to the Social Security System. The bill would amend the Social Security Act, allowing benefits to be paid for the month of death. A surviving spouse or family estate would receive one-half of a month's benefits if a person dies within the first 15 days of a month and full benefits if a person dies after the 15th. Making this fair and fundamental change will ensure that a surviving spouse or family will have the Social Security check to cover the expenses for the last month of life.

Please join me in this effort and cosponsor the Social Security Benefits Fairness Act of 1996.

CITIZENSHIP U.S.A.

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, I rise in support of the Citizenship U.S.A. Program established by the Immigration and Naturalization Service.

Citizenship U.S.A. is the largest effort in the history of the Immigration and Naturalization Service to help eligible immigrants become U.S. citizens. This combined effort will allow the INS to be current with citizenship applications by the end of the summer. In order to achieve this goal, INS is focusing on updating three major components of the citizenship system—hiring of additional people, improving the process, and expanding INS's partnership with local officials and community organizations.

This program's necessity has been established by a dramatic rise of citizenship applications from an average of 300,000 annually before fiscal year 1994 to more than 1 million in fiscal year 1995, with more than 1 million additional applications expected for fiscal year 1996. The Miami district has been especially hard pressed, receiving nearly 107,000 N–400 applications in fiscal year 1995. This is easily a 174-percent increase over fiscal year 1994.

In order to meet the above challenge, INS has already approached several critical milestones as a result of this program. In February, INS opened the new Miami Citizenship Center. This serves as the new home for the entire Miami citizenship staff and is dedicated to the testing and interviewing of naturalization applicants. INS has also substantially increased its officer and clerical staff throughout the country, and has been able to extend its hours of operation significantly as a direct result. Citizenship U.S.A. has also contributed to completions of N–400 citizenship applications. As a result of this program, the Miami district completed 29,898 N–400 applications in the first 6 months of fiscal year 1996, more than the total number completed in all of fiscal year 1995. The Miami district expects to swear in an average of 24,000 new citizens each month during the peak period of this initiative.

I congratulate INS for this meritorious program.

LTC JAMES E. ROGERS ON HIS RECENT COMMAND APPOINTMENT

HON. DICK CHRYSLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. CHRYSLER Mr. Speaker, I rise today to commend LTC James E. Rogers on his appointment as the incoming commander of the U.S. Army's 82d Forward Support Battalion, 82d Airborne Division, stationed at Fort Bragg. LTC James Rogers has a long and distinguished military service record and has dedicated his life to protecting the freedom and liberty of our Nation.

Lieutenant Colonel Rogers was born and raised in Howell, MI, where his parents Joyce and John Rogers still reside and where he still serves as an example to hundreds of local youths in the community of what personal honor and leadership can achieve.

Lieutenant Colonel Rogers was commissioned in the Ordnance Corps on June 6, 1979, upon graduation from the U.S. Military Academy at West Point. Lieutenant Colonel Rogers was recommended for an appointment by my own former Congressman Bill Broomfield, and I only hope that I have the foresight he had in identifying the qualities needed for our future leaders.

Lieutenant Colonel Rogers military education includes Ordnance officer basic and advance courses, Combined Arms and Services Staff School, and the Army Command and General Staff College.

He has obtained further academic credentials in the course of his military service as well, earning a masters degree in industrial and operations engineering from the University of Michigan.

LTC James Rogers has served in several challenging assignments throughout the United States and Korea, ensuring that the military readiness of our troops is unmatched anywhere in the world. He has accelerated through the ranks and demonstrated an enormous capacity of responsibility and integrity as a military leader, earning him the respect of his superiors, his peers, and the men and women who serve under him.

He has earned personal awards and decorations that include the Meritorious Service Medal with three Oak Leave Clusters, Army Commendation Medal with Oak Leave Cluster, Army Achievement Medal, Senior Parachutist Badge, and the Air Assault Badge.

I have no doubt that in his newest assignment, Lieutenant Colonel Rogers will serve as an exemplary soldier, continuing the standard of excellence he has set for himself and living up to the 82d Forward Support Battalion's motto of Subsidium—Sine Qua Non, Support—Without Which There Is Nothing.

Congratulations to LTC James E. Rogers. Good luck to you, your wife Reba, and your two young children Jeffrey and Thomas.

JIM MASUCCI RETIRES

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. FIELDS of Texas. Mr. Speaker, after 41 years with Capital Cities/ABC, and after 26 years at KTRK–TV in Houston—the last 6 years as president and general manager—Jim Masucci has decided its time to retire. I want to take a moment to salute Jim—both for his successful career in the television industry, but also for his outstanding record of community service.

Jim is not just a highly talented television executive. He is a friend with whom I've consulted on a number of telecommunications issues over the years. He is also a respected member of his community who has devoted his time and talents to a variety of civic programs that have touched the lives of tens of thousands of Houston-area residents.

Jim began his television career in 1956 as a member of the production staff of the original Capital Cities Communications station—WTEN–TV in Albany, NY. He later served as the station's director-producer, production manager and then programming director. While working at WTEN, Jim was responsible for producing 10 cerebral palsy telethons and received the George Washington Medal of Freedom for Excellence in Children's Programming.

In 1970, Jim moved to Houston to become operations manager at KTRK–TV, another Capital Cities Communications station. While serving as channel 13's operations manager, he produced the first televised Vince Lombardi Awards program, and was instrumental in the development of the televised Jefferson Awards ceremony. Jim also played a key role in developing ''Good Morning Houston,'' one of the Nation's most-watched local talk shows.

That kind of success caught the attention of corporate management. In 1983, while still serving as operations manager of channel 13, Jim was named divisional vice president for Capital Cities. In 1986, Capital Cities acquired the ABC television network and became Capital Cities-ABC. Following that merger, Jim was named vice president of the broadcast division at Capital Cities-ABC.

But Mr. Speaker, it is Jim's record of community service that has made him one of the most respected broadcast executives in Texas.

In 1983, Jim helped create the Houston Crime Stoppers program, which aids the police in locating, and apprehending, suspects in unsolved crimes. JIm has served on the board of the Houston Crime Stoppers program—as well as on the board of the Houston's Area Urban League and the Houston Symphony.

Jim also has been recognized for a number of innovative community service efforts, including the Jefferson Awards, the Vince Lombardi Awards, the 1986 Texas Sesquicentennial celebration, the 1988 Challenger Center gala, and the 1990 Night of the Thousand Lights: A Houston Crackdown Celebration.

It was his work with the Houston Metropolitan Area Youth Soccer League that best illustrates the energy—and the success—that Jim brings to any project in which he's involved. Initially, organizers hoped that 1,500 inner-city youths would participate in the program. Due

to Jim's hard work, and the publicity given the program by KTRK–TV, 7,000 young boys and girls signed up—making the program the most successful such effort in the country.

I am a dyed-in-the-wool Texan—whose great grandfather fought for Texas, and the Confederacy, in the War Between the States. Having said that, I want to add that Jim Masucci is the kind of Yankee that we Texans respect, admire and love—even if he does talk funny.

Mr. Speaker, I hope you will join with me in wishing Jim—and his lovely wife, Diane—the very best in the years ahead. We thank Jim for his work at KTRK–TV, as well as his long and distinguished record of community service. I know that even in retirement, Jim is the type of individual who will remain active, making a difference for many, many Houstonians.

MERGER MANIA

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. DUNCAN. Mr. Speaker, the U.S. Government should not be paying millions in taxpayers' funds to help defray the costs of corporate mergers in the defense industry. I would like to call to the attention of my colleagues and other readers of the RECORD the following article from the Brookings Review:

[From the Brookings Review, Summer 1996]

MERGER MANIA

(By Lawrence J. Korb)

McDonnell Douglas, Martin Marietta, Ling-Temco-Vaught (LTV). As the telltale compound names signal, mergers and acquisitions have long been a staple of the U.S. defense industry. But since the Clinton administration took office in 1992, the number of mergers has increased dramatically.

In 1991, military mergers were valued at some $300 million. By 1993, the value had climbed to $14.2 billion. It will top $20 billion in 1996. In 1993 Martin Marietta purchased General Electric's defense division and General Dynamics' space division. At about the same time Lockheed purchased General Dynamics' aircraft division, while Loral purchased LTV, Ford Aerospace, and Unisys. Then in 1994 Lockheed merged with Martin to become Lockheed Martin, and a year later Lockheed Martin purchased Loral to produce a $30 billion giant known as Lockheed Martin Loral, which now controls 40 percent of the Pentagon's procurement budget.

During this same period, Northrop outbid Martin for the Grumman aircraft company, and the new company in turn bought the defense division of Westinghouse. On a somewhat smaller scale, Hughes bought General Dynamics' missile division and Raytheon purchase E-Systems. Among the true defense giants, only McDonnell Douglas has not yet made a major purchase.

Spokesmen for the defense industry cite two reasons for this sudden rush of mergers. First, merger mania is sweeping U.S. industry generally. Second, with the end of the Cold War, defense spending has fallen so dramatically that excess capacity in the defense industry can be eliminated only through consolidation. As Norman Augustine of Lockheed Martin has observed, for the defense industry this is 1929.

Superficially these reasons seem quite plausible. Merger mania has certainly hit many areas of American industry, such as banking and communications. In 1992 Chemical Bank merged with Manufacturers Hanover, and in 1995 they combined with Chase Manhattan to form a single company. In the past year, Time, which had merged with Warner Communications in 1990, purchased Turner Broadcasting; Capital Cities/ABC merged with Pacific Telesis; and Bell Atlantic merged with NYNEX.

And defense spending has indeed fallen since the end of the Cold War. In current dollars, projected defense spending for fiscal year 1997 is about 40 percent below that of a decade ago, and procurement spending is about one-third what it was at its peak in the 1980s.

But what industry spokesmen fail to note is that the decline in defense expenditures has been greatly exaggerated and that, unlike the private-sector restructuring, the government is subsidizing defense mergers.

Remember the $600 toilet seats and the $500 hammers that had taxpayers up in arms during the mid-1980s? Today's subsidized mergers are going to make them look like bargains. The outrageously priced toilet seats and hammers were the result of defense companies taking advantage of a loophole in acquisition regulations. This time, the taxpayers are being fleeced at the hands of the Pentagon's civilian leadership, whose secret reinterpretation of the regulations has rained hundreds of millions of dollars upon the defense industry. To date the Pentagon has received 30 requests for reimbursement for restructuring. Lockheed Martin alone expects to receive at least $1 billion to complete its merger.

HOW DID IT HAPPEN?

In July 1993, John M. Deutch, then the undersecretary of defense for acquisition, responded to pressure on his boss, William Perry, from the chief executive officers of Martin Marietta, Lockheed, Loral, and Hughes by deciding to allow defense companies to bill the Pentagon for the costs of mergers and acquisitions. According to Deutch, who has since been promoted to deputy secretary of defense and then to director of Central Intelligence, the move was not a policy change but a clarification of existing policy. In Deutch's view, not only was the clarification necessary to promote the rational downsizing of the defense industry, it would also save taxpayers billions in the long run.

Deutch is wrong on all three counts. This is a major policy change. It is not necessary. And it will not save money.

A commonsense reading of the Federal Acquisition Regulations (FAR) would lead a reasonable person to conclude that organization costs are not allowable. The regulations state that since the government is not concerned with the form of the contractor's organization, such expenditures are not necessary for or allowable to government contracts. Indeed, during the Bush administration, the Defense Contract Management Agency (DCMA) rejected a request by the Hughes Aircraft Corporation to be reimbursed for $112 million in costs resulting from its acquisition of General Dynamics' missile division. As far back as the Nixon administration, during the post-Vietnam drawdown of defense spending, which was as severe as the current drawdown, the Defense Department rejected a similar request from General Dynamics.

But on July 21, 1993, Deutch wrote a memorandum stating that restructuring costs are indeed allowable and thus reimbursable under federal procurement law. Because Deutch regarded the memo as merely a clarification of existing policy, he saw no need for a public announcement. Indeed, he did not discuss his ''clarification'' with the military services or Congress or even inform them of it. Congress found out about it accidentally nine months after the memo was written when Martin Marietta tried to recoup from the Pentagon about $60 million of the $208 million it paid for General Dynamics' space division. A somewhat astonished Senator Sam Nunn (D-GA), then chairman of the Senate Armed Services Committee, remarked, ''Why pay Martin Marietta [60] million?''

Deutch's position that he was merely clarifying rather than making policy is not supported by anyone, even those who favor the change. The procurement experts in his own department disagreed vehemently. On June 17, 1993, the career professionals at DCMA told him that the history of the FAR argues against making the nonrecurring organization costs associated with restructuring costs allowable and noted that they had disallowed these costs in the past.

The DCMA position was also supported by Don Yockey, the undersecretary of defense for acquisition in the Bush administration; the Aerospace Industries Association (AIA), the trade association for aerospace companies; the American Bar Association's Section on Public Contract Law; and the American Law Division of the Congressional Research Service.

Yockey, who was Deutch's immediate predecessor as procurement czar and who is both a retired military officer and former defense industry executive, argued in a July 13, 1994, letter to the professional staff of the House Armed Services Committee that by definition, structure means organization, and that the FAR does not allow the reimbursement of organization costs. Indeed, it was Yockey himself who told DCMA to reject Hughes' request for reimbursement for its purchase of General Dynamics' missile division.

In a September 28, 1993, letter to Eleanor Spector, the director of defense procurement, Leroy Haugh, vice president of procurement and finance of AIA, stated that the Deutch memo constituted a significant policy decision and an important policy change. Therefore, Haugh asked Spector to promptly publish notice of this policy change in the Federal Register and to consider amending the regulations. In a May 3, 1994, letter to Deutch, Donald J. Kinlin, the chair of the ABA Section on Public Contract law, urged Deutch to modify the FAR since at the time it did not reflect the changes made in Deutch's July 1993 memorandum. What is significant about the AIA and ABA positions is that both groups support Deutch's change.

Finally in a June 8, 1994, memorandum John R. Luckey, legislative attorney for the Congressional Research Service, stated that while former amendment of the FAR could make restructuring costs allowable, the argument that they are allowable under the current regulations appears to contradict their plain meaning. In Luckey's opinion, Deutch's position is based on semantics, not legality.

In short, the political leadership of the Clinton defense department made a significant policy change that as a minimum should have been published in the Federal Register and, as Secretary Perry later admitted, cleared in advance with Congress.

THE SUBSTANCE OF THE ISSUE

This end run around the administrative and legislative processes by the Pentagon is unprecedented, but even more important is whether the Defense Department and the taxpayers should be giving the defense industry a windfall by allowing a write-off of substantial parts of restructuring costs. For four reasons, the answer to that question should be an emphatic ''No.''

First, like Mark Twain's death, the decline of the defense industry in this country has

been greatly exaggerated. As Pentagon and industry officials endlessly point out, defense spending in general, and procurement spending in particular, have declined over the past decade. They note that between fiscal year 1985 and fiscal year 1995, the defense budget declined 30 percent in real terms and procurement spending fell 60 percent. But that comparison ignores the fact that between fiscal year 1980 and fiscal year 1985, the defense budget grew 55 percent and the procurement budget grew a whopping 116 percent. Defense spending in real terms is still at about its Cold War average, and the defense budget for fiscal year 1996 was higher than it was for fiscal year 1980. In inflation-adjusted dollars, Bill Clinton spent about $30 billion more on defense in 1995 than Richard Nixon did in 1975 to confront Soviet Communist expansionism. Using fiscal year 1985, the height of the Reagan buildup, as a base year distorts the picture. It would be like comparing spending in the Korean and Vietnam wars to the level of World War II and concluding we did not spend enough in Korea and Vietnam. Moreover, procurement spending will rise 40 percent over the next five years, and the Pentagon is now soliciting bids for the $750 billion joint strike fighter program.

Similarly, while defense employment has fallen 25 percent over the past eight years, it grew 30 percent in the five years before that. More people work in the defense sector now than at any time in the decade of the 1970s. Moreover, much of the decline in the defense industry is attributable to the reengineering or slimming down that is sweeping all American industries, even those with an increasing customer base.

Finally, if one adds the $266 billion worth of U.S. arms sold around the world since 1990 (a scandal in itself) to the $300 billion in purchases by the Defense Department, American defense industry sales are still at historic highs. Defense is still a profitable business—which explains why defense stocks are still quite high despite the jeremiads of industry spokesmen. Over the past year Lockheed Martin stock has increased 48 percent in value. Northrop Grumman is up 50 percent and McDonnell Douglas a whopping 80 percent.

Second, taxpayer subsidization is no more necessary today to promote acquisitions and mergers than it has even been. Just about every major defense company today is the product of a merger, some of them decades old. For example, General Dynamics acquired Chrysler's tank division in the early 1980s, and McDonnell acquired the Douglas Aircraft Company in the late 1960s. Even today in the supposed ''bull market,'' plenty of bidders vie for the available companies. Three years ago, several companies engaged in a fierce bidding war for LTV. And Northrop outbid Martin Marietta for Grumman. It is hard to believe that if taxpayer subsidies were not available, companies would not buy available assets if it made good business sense. If they paid a little less for their acquisitions, the taxpayers rather than the stockholders would benefit. In the bidding war for Grumman, both Martin and Northrop offered significantly more than market value, thus giving Grumman's shareholders a financial bonanza of $22 a share (a bonus of nearly 40 percent). Raytheon paid a share (a bonus of nearly 40 percent). Raytheon paid a similar premium to acquire E-Systems in April 1995. Should the government allow Northrop's and Raytheon's stockholders to reap a similar bonanza by subsidizing those sales?

Over the past five years, William Anders, the former CEO of General Dynamics, made himself and his stockholders a fortune by selling parts of his company to Hughes, Martin, and Lockheed. Since 1991 General Dynamics' stock increased 550 percent and the company has stashed away $1 billion. Should we also help the stockholders and executives of the buying companies? Did defense companies offer the taxpayers a rebate during the boom years of the 1980s when their profits reached unprecedented levels?

Third, the Defense Department has no business encouraging or shaping the restructuring of defense industry, or as Deutch puts it, ''promoting the rational downsizing of the defense industry.'' Who is to determine what is rational? A government bureaucrat or the market? While government shouldn't discourage restructuring, it should stay at arm's length. If the deal does not make good business sense, the company will not proceed, as Martin did not when the price for Grumman became too high. Moreover, might not these mergers create megacompanies that will reduce competition and may be very difficult for the political system to control? The Lockheed Martin Loral giant, for example, is larger than the Marine Corps. With facilities in nearly every state and 200,000 people on its payroll, its political clout is enormous. And it presents problems over and above its sheer size. For example, Loral sells high-tech components to McDonnell Douglas for its plane, which is competing with Lockheed Martin for the $750 billion joint strike fighter program. How can Loral be a partner in promoting the McDonnell Douglas plane against the Lockheed Martin entry?

Fourth, past history indicates that these mergers end up costing rather than saving the government money. Both the General Accounting Office and the Department of Defense Inspector General have found no evidence to support contentions by Deutch and defense industry officials that previous mergers had saved the government money. Indeed, on May 24, 1994, the Inspector General found that the claim of Hughes Aircraft that its 1992 purchase of General Dynamics missile division saved the Pentagon $600 million was unverifiable. Moreover, under the Deutch clarification, contractors can be reimbursed now for savings that are only projected to occur in the distant future. And if these savings do not occur as projected, how will the Pentagon get its (our) money back?

BRING BACK THE MERGER WATCHDOGS

Mergers always have been and always will be a feature of the U.S. defense industry. And the government has a role in those mergers. But that role—as exemplified by the successful 1992 Bush administration challenge of Alliant Techsystem's proposed acquisition of Olin Corporation's ammunition division—is to ensure that they preserve sufficient competition to enable the Pentagon to get the best price for the taxpayer. It is definitely not to increase company profits and limit competition by subsidizing the merger. Not only should the Defense Department abolish the new merger subsidy, it should follow the lead of its predecessors and scrutinize the anticompetitive aspects of all future mergers.

PLANNING FUTURE DEFENSE

(By Thomas L. McNaugher)

Quietly a new defense debate is taking shape, prompted by widespread recognition that the stable budgets Republicans and Democrats have promised the Defense Department cannot keep current forces ready to fight while financing a major round of weapons buying to replace the services' aging arsenal.

The problem here has been called the ''defense train wreck,'' because it involves the impending collision of two categories of defense spending. One train, already racing down the track, is high spending on current readiness, enough to keep U.S. forces prepared for two nearly-simultaneous ''major regional contingencies,'' as outlined in the 1993 ''Bottom Up Review'' (BUR) of U.S. force requirements that still governs Pentagon planning. The other train, looming on the horizon, is a surge in spending on new weapons. We have been able to forgo such spending for nearly a decade because Reagan-era defense investments left military inventories flush with new hardware. But those weapons are getting old and need to be replaced or improved. Barring an unexpected increase, the defense budget cannot afford both readiness and weaponry. Something has to give.

Although this debate probably won't pick up until after this fall's elections, early positioning in the debate suggests that U.S. forces may get smaller to accommodate more weapons procurement. Indeed, Secretary of Defense William Perry has said as much recently, although he appears to have only modest force cuts in mind. Senator John McCain (R–AZ), a prominent congressional voice on defense, would go much further. In a recent letter to his colleagues, McCain lamented ''the alarming practice of postponing essential modernization programs'' and suggested that the nation plan to meet just one major contingency while aggressively modernizing its weaponry to produce high-tech forces able to deliver firepower from long range with minimal ground force commitment.

Whether or not this is the right answer, it's the wrong way to frame the issues. Visualizing procurement spending as a co-equal ''train'' in this collision amounts to treating the future as if we knew it. Procurement spending amounts to long-range planning, after all, since it buys weapons that won't even enter our force posture, in some cases, for a decade or more. At a time when Pentagon briefings routinely begin with the adage that ''the only constant today is change,'' one is justified in asking why we are committing so much money to new weapons that will be with us for decades to come.

The answer lies less in a vision of the future than in habits and commitments linked to the past. We got used to treating the future like an advanced version of the present during the Cold War, when Soviet forces provided a well-understood, slowly advancing focal point for long-range planning. We are still doing that, even in the absence of any firm vision of the future. Even the discussion of current readiness bears witness to Cold War concepts of risk that no longer capture the realities of what our forces are doing.

This is not meant as criticism. The BUR has served admirably to maintain U.S.

HONORING FATHER THOMAS J. MURPHY, S.J.

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. ENGEL. Mr. Speaker, Father Thomas J. Murphy, S.J., has served for more than 20 years in St. Margaret's Parish in Riverdale, in New York City, where he is known for all the good work he has performed for the community. This includes his activities with the Northwest Bronx Community and Clergy Coalition and his longtime chaplaincy for the Pro Patria Council of the Knights of Columbus.

Besides his numerous and productive efforts with the parish, which include his leadership in

athletic and social activities for the youths of the parish, he also teaches at Regis High School, one of the premier high schools in New York City. Father Murphy is being named Riverdalian of the Year by the Riverdale Community Council. This honor is earned and I am proud to note his many accomplishments. I congratulate him for all the good work he has done for his community.

TRIBUTE TO GEORGE D. WEBSTER

HON. JOHN J. DUNCAN, JR.
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. DUNCAN. Mr. Speaker, one of the finest men I have ever known, George D. Webster, a prominent Washington lawyer, recently passed away.

Mr. Webster was originally from Rogersville, TN, which is not in but is very close to my district. He attended college in my district, at Maryville College, and then graduated from the Harvard Law School. While he achieved great success in the practice of law, he never forgot his roots in Tennessee. He maintained a farm in Hawkins County and was one of the strongest supporters of Maryville College.

While he was a close friend to some of the most powerful and successful people in this Nation, he never lost the common touch. He was a kind and bighearted man who got along well with people from all walks of life.

Mr. Webster was an extremely hard worker and was nationally recognized as an expert in tax law and the law of associations.

He helped thousands of people in both big and small ways throughout his life and career.

An active, loyal, and dedicated Republican, he was not a man who sat on the sidelines. He was interested and involved in the big issues and campaigns for many, many years, right up until his last few days.

He was particularly close to former President Bush, Senator Dole, my late father, and me.

He was a good citizen. He participated and contributed. He loved this country, and we would have a stronger Nation today if we had more people like George Webster.

He was a strong family man who deeply loved his wife and children. To put it very simply, but very accurately, George Webster was a great person and great American in every way.

Dr. David L. Hale, Sr., pastor of the Rogersville Presbyterian Church, delivered a very moving and appropriate eulogy at a service held in honor of the life of George Webster at All Saint's Episcopal Church in Chevy Chase on June 7.

I would like to place this outstanding tribute in the RECORD at this point and call it to the attention of my colleagues and other readers of the RECORD.

This very fine eulogy really captured the essence of George Webster, and I hope it inspires others to try to live their lives to the high standards by which he lived.

GEORGE DRURY WEBSTER

(February 8, 1921—June 3, 1996)

(I wish to thank the family for the deep privilege and honor of being asked to participate today in this Service of Thanksgiving and remembrance of George Webster. They have all been so kind in seeing to my every need during my short stay in Washington. The room, board and personal chauffeuring have all been gratefully appreciated. I also wish to thank Father Richard Norman for his gracious spirit in helping me to prepare for our worship service in this beautiful All Saints' Episcopal Church. He has been most kind and helpful.)

First of all, I wish to make a clarification about my name: I am not the David Hale of Whitewater infamy! I am from East Tennessee!

In this service of worship we seek to find courage and strength from the reading of God's holy Word, from singing hymns of promise and hope, and praying that God will help us as we share together in our loss of George Webster. We will surely miss him.

George Drury Webster was a special, unique, one-of-a-kind individual. And what a marvelous heritage he leaves for us to appreciate, emulate and nurture! Here was a man who believed in simple values, and transformed them into deep-seated convictions; convictions he held tenaciously and for which he fought most vigorously. There can be no doubt that George Webster fervently loved life, his work, his Country and State, his family and friends, and his God.

This great Tennessean totally immersed himself in God's good fight of life and made the most of it. George pulled out all the stops! He genuinely enjoyed living in this grand age of challenge and opportunity. He was a vibrant, spirited, robust person, intense and impassioned. Such energy and drive as he exhibited are rarely seen. George was totally involved in every activity of his life. His zest and enthusiasm were contagious and inspired many of us. His work was exhilarating to him. Fiercely competitive, he never gave up. Being around George made the practice of law more exciting than a John Grisham novel!

George Webster possessed a gifted mind, a keen intellect. He was one who excelled at debate; now—who here is unaware of that! And his lively wit was a delight to each of us. George had a way of being brief, succinct, perspicacious, blunt and to the point. His books are typical examples of that approach. George believed in education and trained his mind at the Rogersville, Tennessee, High School, Maryville College (Some people in East Tennessee pronounce it as ''Murraville'' College!), and Harvard Law School. Yes, George loved life, and brought all of his considerable skills and amazing experiences and opportunities to gain the most from it.

George Webster loved his work. He was a hard worker who learned quickly. Excellence always beckoned to him and be pursued her relentlessly. He was completely dedicated to his calling and focused on his tasks with singular vision. He was tough, practical, and highly successful. He readily discovered how to use the American enterprise system to serve others and improve his family's life. George became a recognized expert on nonprofit tax and trade association law, renowned nationally and internationally. He must have been one of the best organized administrators in history. Yet this truly great man never lost the human tough. George constantly reached out to others to give encouragement and a helping hand. He was a kind and generous man.

George Webster deeply loved his Country, this great land of America, and was one of America's most loyal patriots. During W.W.II he served in the Navy in the Pacific Theater, where he was involved in some major battles. He left seminary training to go to Pearl Harbor. George relished being in the company of the great leaders of this Nation, and considered it a high honor and privilege to be able to advise and serve them. He rubbed shoulders with those in power and contributed immensely to the betterment of their leadership due to his expertise, friendship and zeal. But George never forgot his roots in Hawkins County and Rogersville, Tennessee. You have to understand such roots to learn how George got from point A to point B. His ancestry consisted of some rather rugged pioneers, also with deep convictions, who eventually pushed their way to the frontier points of this ''New World.'' By the way—he would have dearly loved to invite you to visit the many attractions of the State of Tennessee, especially during the grand Bicentennial celebration this year! George was a true Tennessee Volunteer and would want you to see what affected him so greatly.

As was true of all of his many endeavors, George invested himself fully in the Republican Party which benefited inexpressibly from his enthusiasm, labors and contributions. He was highly supportive of candidates and incumbents from East Tennessee and other regions, and enjoyed entering them with various socials at his Bethesda home and on his beautiful farm in Tennessee. Many of you present could speak volumes of this beneficence on George's part. You, too, have been helped and inspired by this rare individual.

George Webster was a proud family man. There is his immediate family: his beloved wife, Ann (''Tutti''), always loyal, supportive and by his side; the children: Aen, George and Beverly, Hugh and deLancey and all of the beautiful grandchildren. George had a special love and pride for each one. And I have grown to love and appreciate this expanding family. I have had the privilege of welcoming them to church, participating in a Baptism service, and visiting with them at the farm on various occasions.

(And thinking of George's love for both family and life, he would certainly be in favor of celebrating George's and Beverly's tenth wedding anniversary today.)

There is the family from which George came: the rugged and bright Scotch-Irish, the Northern English Protestants and the Huguenot folk. There were Joseph and Mary Amis Rogers for whom Rogersville is named, and the whole line of military officers, educators, physicians and ministers. George was very proud of his ancestry.

Then there is the vast, broad, extended family of George's. Who can number them all? There are those who helped in the Webster home; the ones who worked on the farm; and all of the many friends and colleagues he enjoyed at work, in organizations, church, clubs and social circles.

Finally, George Webster loved his God. He was a man of faith, one who cut his religious teeth on the Presbyterian Catechism; who grew up in the Presbyterian faith and, in Maryland, loved and attended this beautiful All Saints' Episcopal Church. On occasion he would go back to the Rogersville farm and worship in town on Sundays in his home church.

George's death leaves a huge void in our lives—especially those of the immediate family. Here was a truly remarkable man who walked among us. Overcome by disease, this tireless, loving, human being finally wore out. We are thankful to God that his suffering has ended. But his departure from this earth leaves us saddened and somewhat alone. We need comfort, strength, courage and hope for the facing of this moment and the hours, days and weeks ahead. We have read and heard several passages from God's written Word this morning, and God is the source of our comfort and consolation. From 1 Corinthians 15 we find Paul teaching us emphatically that the resurrection of Jesus Christ is a reality, and that death can no

longer sting with any finality, that there is an eternal life waiting for us. From Psalm 121 we are assured that God alone is the source of strength that counts in our hard and difficult times: ''Our help cometh from the Lord which made Heaven and earth.'' In Romans 8 we are promised that the love of God will never be separated from God's people in Jesus Christ. Not even death can remove us from the presence and love of God. Psalm 23 reassures us that God is like a compassionate shepherd who is constantly looking out for his sheep, and always sees to the best care of his flock. ''I will fear no evil, for Thou art with me. . . And I shall dwell in the house of the Lord forever.'' In John 14 Jesus promises that there will be a place for us in His eternal home. And that He will come again to escort us to our new ''mansion.'' George has found his place there in Heaven already. Maybe it will help us to know in our moments of sadness, that someday we too will find our way there to our special eternal room, and rejoin George for a glorious and happy reunion in the presence of God.

CRISIS ON THE BORDER

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. BONILLA. Mr. Speaker, there is a crisis on our border. As the representative for over 800 miles of the Mexican border I know all too well the extent of the threat to America's law abiding border communities.

This Congress has dramatically increased funding for the Border Patrol. I am proud to have led the effort for this increased funding. However, far more needs to be done. Agents have been transferred to other regions. Courts and prisons are underfunded; and drug runners and alien smugglers are making this part of America a base for their operations.

Our pleas for help along the border have not fallen on deaf ears. The Appropriations bill before us today offers hope in fighting this criminal plague. This Treasury, Postal Appropriation increases funding for the Office of National Drug Control Policy by about 25%. This money can be used to combat the drug runners threatening Americans in Texas border communities, farms and ranchers.

It is now up the Administration to spend this money on the border, the front line of the drug war, not on more Washington bureaucrats. The drug czar himself was recently in Eagle Pass, Texas. He saw with his own eyes and he heard with his own ears of the dangers our poor border communities confront. He now should know first-hand the problems border residents face.

Today we are voting to give him the resources to conduct this fight. We are restoring cuts made in previous White House budgets. I hope we have gotten the White House's attention now that this is an election year. The evidence has been seen and resources provided. Americans along the border have the same right to safety and security as other Americans.

My colleagues, this legislation provides the resources to stop the drug runners and end the crisis on the border. If you care about the safety and security of your fellow Americans along the border vote for this Treasury, Postal Appropriations bill.

IMPROVEMENTS TO H.R. 2634

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. STEARNS. Mr. Speaker, on November 14, 1995, I introduced H.R. 2634, a bill to allow persons to carry concealed firearms in every State if they have been issued a license to do so by any State. It was referred to the House Committee on the Judiciary and subsequently referred to Subcommittee on Crime.

H.R. 2634 provided that a person with a permit to carry a concealed firearm in one State may carry a concealed firearm in any State ''in accordance with the terms of the license.'' This meant that a person with a license from State A could carry in State B according to the rules of State A. Therefore, individuals' rights and privileges would differ in the same State depending on their State of origin. For example, a person licensed in State A traveling to State B would be able to exercise different privileges in State B than an individual licensed in State C who was traveling to State B, as well. This language would require law enforcement officers to know the right-to-carry laws of all 50 States because individuals licensed in different States would be allowed to carry in their State under varying laws.

To address the above mentioned problems, I have introduced the new Stearns right-to-carry bill, which is designed to facilitate its implementation by allowing (a) that the law of each State governs conduct within the State where the State has a right-to-carry statute; and (b) that Federal law provide a bright-line standard of conduct applicable to States that do not have a right-to-carry statute.

Under the new Stearns bill, if State A has a right-to-carry statute, an individual's conduct who was licensed in State B would be governed by the right-to-carry laws of State A while he was traveling with State A. Therefore, if State A imparts more privileges upon individual licensed to carry than State B, then the individual licensed in State B would be governed by the right to carry laws of State A while he was in State A.

The individual licensed in State B would also be in compliance with the law if he carried in State C with no right-to-carry statute pursuant to the Federal bright-line standard. The Federal bright-line standard governing those States with no right-to-carry statute would solve the problem of States with no carry licenses and thus no standards. This Federal bright-line standard governs conduct only, meaning it governs where one may not carry a concealed firearm notwithstanding the fact that they have a license to carry. It is intended to make clear that an individual may not carry a concealed firearm in certain highly sensitive locations such as court rooms, police stations, schools, and other locations.

The Federal bright-line standard is not a licensing mechanism. Licenses to carry would still need to be lawfully obtained from a State which has a licensing mechanism.

Precedent already exists for Federal standards which preempt State law in this area. Title 15 United States Code, section 902 provides that members of armored car crews with licenses to carry issued by a State ''shall be entitled to lawfully carry any weapons to which such license relates in any State while such crew member is acting in the service of such company.''

A Federal standard governs the conduct of nonresidents in those States that do not have a right-to-carry statute. However, States that do have their own right-to-carry statutes can be assured that their State laws will be respected by nonresidents who are within their borders. This legislation greatly benefits and protects this Nation's every increasingly mobile society. I believe citizens have the right to protect themselves and their families anywhere in America. It does not make sense for Americans to forfeit their safety because they happen to be on vacation or on a business trip.

However, if the law of a given State explicitly allows licensee's to carry in some places not authorized in the Federal standard, it certainly makes no sense for the nonresident to be in violation while the resident would not be held in violation. The new Stearns bill would authorize the carrying of a concealed firearm by a licensee if the licensees conduct meets the conditions of the State law through which the nonresident is traveling or if their conduct meets the Federal bright-line rule.

I also added language to address the concerns of the law enforcement community. The new bill exempts qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

I urge all of the cosponsors of my first bill, H.R. 2634 to cosponsor this newly drafted and much improved concealed weapons reciprocity bill.

RECOGNIZING MARION MCCONNELL

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. BAKER of California, Mr. Speaker, recently a remarkable woman in my district in California was named the 1996 Red Cross Volunteer of the Year. Marion McConnell of Moraga was recognized for her 46 years of outstanding service at a National Red Cross ceremony in Cleveland, OH earlier this year.

For almost five decades, Marion has served by registering donors with the Red Cross Bloodmobile, chairing the Berkeley chapter of the Red Cross, writing the manual for coordinating the volunteer program, traveling the 11 Western States teaching from the manual to other Red Cross personnel, and coordinating volunteer activities at emergencies and disasters around the United States.

Marion helped consolidate numerous local chapters into a single chapter which encompasses the 5 Bay Area counties, a chapter now having roughly 3,400 volunteers.

Marion McConnell has given aid to countless hurting people in crisis after crisis. Her devotion to the work of the Red Cross has brought about transfusions for accident victims, food and shelter for victims of earthquakes and floods, and education for new volunteers who want to learn how to serve efficiently. Yet Marion's superb leadership has also meant a warm smile, a comforting word, and a caring spirit to frightened and distraught people who have seen their homes and even livelihoods vanish in an instant. This is a gift that cannot be measured but whose value is inestimable.

I am extremely pleased to ask my colleagues to join me in honoring Marion McConnell. Her wonderful work is the embodiment of what it means to be a good neighbor, and she is more than deserving of recognition in the CONGRESSIONAL RECORD.

REX F. GIBSON HONORED

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. HAYWORTH. Mr. Speaker, in the chaos of battle, victory is determined, not by the planning of Generals and staff officers, but by the leadership of the junior officers and noncommissioned officers [NCOs]. The Battle of Normandy was no different. In fact, the historian Stephen E. Ambrose, in his book ''D–Day: The Climatic Battle of World War II,'' wrote:

> . . . for all the inspired leadership, in the end success or failure in Operation Overload came down to a relatively small number of junior officers, noncoms, and privates . . . if the noncoms and junior officers failed to lead their men up and over the seawall to move inland in the face of enemy fire-why, then the most thoroughly planned offensive in military history, an offensive supported by incredible amounts of naval firepower, bombs, and rockets, would fail . . . It came down to a bunch of 18 to 28 year olds . . . They were citizen soldiers, not professionals.

This weekend, I will have the opportunity to participate in a ceremony where one of my constituents, Rex F. Gibson, a citizen-soldier, will finally receive his Bronze Star with Valor for his actions in Normandy in 1944.

Rex Gibson personified the concept of the citizen-soldier. In 1939, he joined the Arizona National Guard while he was in college in Safford, AZ. He was selected for Officer Candidate School to be commissioned as a Second Lieutenant in the United States Army.

Rex was assigned as platoon leader of the Intelligence and Reconnaissance Section in the 116th Infantry Regiment, 29th Infantry Division, a National Guard Division, Rex's regiment was nicknamed the ''Stonewallers'' after their legendary Southern commander. Gen. Stonewall Jackson. Rex and the stonewallers were about to become famous as well. They would be the first regiment of the 29th division to land on Omaha Beach during the invasion of Normandy. To the horror of the soldiers, the Army-Air Force and the Navy did not silence the German machine guns or destroy the barbed wire and other obstacles on the beach. Their landing craft ramps opened to a wall of machine gun and artillery fire. Chaos broke out as soldiers tried to find safety. Rex and his fellow stonewallers quickly took the initiative and braved the machine gun fire to get a foothold on the beach.

By nightfall, the beach was taken but, at a terrible price. Rex's regiment suffered heavily from the assault. Platoons and companies were decimated because they had lost so many of their soldiers on the beach. The 116th Regiment may have been battered, but they were not out of this battle yet. Rex and the Stonewallers moved forward from the beach into France, fighting the Germans for another month.

The famous war correspondent Ernie Pyle, who later landed on Omaha Beach, summed up the experience with these words: '' . . . it seems to me a pure miracle that we ever took the beach at all.'' The miracle was the junior officers like Rex and the regimental NCOs who ensured that the beach was taken, that the battle for Normandy was victorious, and that the war was won.

When the war ended, Rex came home like so many other citizen-soldiers to continue with his life. Until now, Rex thought he had only done his duty as a citizen and a patriot. He did not know that his Regiment, his Division, and his country thought he had done more. Back in June of 1944, his division commander, Maj. Gen. Charles Gerhardt recommended him for the Bronze Star with Valor for his outstanding service during the Battle of Normandy.

Mr. Speaker, 52 years is too long for anyone to wait to be properly recognized for their service to their country. I want to thank Rex for his dedication and patriotism.

RAILWAY LABOR-MANAGEMENT DISPUTES

HON. BUD SHUSTER

OF PENNSYLVANIA

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. SHUSTER. Mr. Speaker, three labor disputes, affecting several major unions and most of the Nation's major railroads, are now in the final days of the process provided for in the Railway Labor Act. All three disputes have undergone extensive mediation. When the produced impasses, the President appointed a Presidential Emergency Board [PEB] for each of the disputes, as provided in the Railway Labor Act, to recommend proposed settlement terms. The three PEBs issued their reports on June 23, 1996. The issuance of the PEB reports began the final 30-day ''cooling-off'' period under the Railway Labor Act for the parties to attempt a negotiated solution to their disputes. In any dispute where an agreement is not reached within this final 30 days, both sides are free to employ ''self-help'' under the Railway Labor Act—a strike by labor, or a lockout or unilateral promulgation of new rules and working conditions by management. In the three pending cases, this earliest legal time for self-help will be 12:01 a.m., July 24.

The stakes in these negotiations go far beyond the railroad industry itself. Although there are alternative methods of transportation, a number of industries cannot readily eliminate their heavy reliance on rail service. These include automobile manufacturing, paper, chemicals, and coal. As more and more industries have adopted ''just-in-time'' delivery of supplies and parts to reduce inventory costs, the continuity of rail service has become even more important to the economy. As a result, an interruption of rail service for even a few days can require the complete shutdown of many of the plants in these industries. Overall, some $2.7 billion of goods move by rail every day. At the time of the 1991 national rail strike, the Council of Economic Advisors estimated the non-recoverable damage to the economy of a rail shutdown as $1 billion per day after the first few days. Current projections indicate that a rail shutdown would cause nearly 600,000 non-rail layoffs within 2 weeks, and over 1 million such layoffs after 4 weeks.

Besides the industries directly served by the freight railroads, Amtrak and most commuter and rail services must use tracks and equipment of the freight railroad network. For these rail passenger services, a freight rail shutdown could strand 294,000 commuters and 25,000 Amtrak riders per day.

In light of the vital economic role of continuous and reliable rail service, we urge both rail labor and rail management to negotiate in good faith, using the recommendations of the three Presidential Emergency Boards to inform their deliberations. Although Congress has intervened in a number of rail shutdowns in the past, this should be a last resort. Privately negotiated voluntary agreements are vastly preferable, for the employees, the rail carriers, and the nation.

Meanwhile, to aid the Members of Congress and the public in understanding the issues involved in these three labor disputes, we are making available in the Committee's offices summaries of the three Presidential Emergency Board reports. The PEB reports themselves totaled approximately 150 pages. We hope that this condensed summary will help all concerned understand the issues better, and to evaluate the accuracy of any claims about the content of the PEB recommendations they may hear in the coming weeks.

HONORING JAMES J. McFADDEN

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. ENGEL. Mr. Speaker, there are many people in the Riverdale section of the Bronx who are worthy of praise for all of their civic activities. One of the most deserving in James J. McFadden, who for many years has given unselfishly of himself to make his neighborhood, his borough and his city a better place.

He is a founding member of the Frances Schervier Home and Hospital Area Board of Trustees. He has initiated programs, to help drop-outs take high school equivalency exams, served as city labor commissioner and has served on the boards of the New York City Department of the Aging and the Yonkers Waterfront Commission. It is a great honor for me to be able to note that he is being named as Riverdalian of the Year by the Riverdale Community Council, a richly deserved honor.

PERSONAL EXPLANATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. GOODLING. Mr. Speaker, this morning I was attending the funeral of a close friend. Regrettably, I missed the first rollcall vote of the day which was a procedural vote.

Had I been present, I would have voted ''no.''

LEGISLATION TO NAME POST OFFICE IN HONOR OF ROGER P. McAULIFFE

HON. MICHAEL PATRICK FLANAGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. FLANAGAN. Mr. Speaker, I am today introducing legislation, with the cosponsorship of the entire Illinois House delegation and the chairman of the House Committee on Government Reform and Oversight's Subcommittee on Postal Service, to rename the Dunning Post Office in the 14th State House District of Illinois the ''Roger P. McAuliffe Post Office.''

Illinois State Representative Roger McAuliffe tragically lost his life in a boating accident over the recent Fourth of July weekend. Roger was a constituent of mine who represented his district on Chicago's Northwest Side as well as several suburbs including Park Ridge, Rosemont, Norridge, and Schiller Park.

Roger was the dean of the Illinois State House Republicans, having served in the Illinois General Assembly from 1973 until the day of his tragic fatal accident. A number of members of our Illinois House delegation served with Roger in the Illinois General Assembly and they have all told me that it was an honor to have been in the legislature with him. Roger was serving as an assistant majority leader in the Illinois House at the time of his death.

Roger was an informal advisor to me in Chicago area matters. He always had sound advice on legislation that had an impact on Chicago and its suburbs. Other members have time and again lauded Roger's useful insights to them as well.

Roger was a 1956 graduate of my own alma mater, Lane Technical High School. He began his public service career path when he served in the U.S. Army from 1961 to 1963. Roger graduated from the Chicago Police Academy in 1965 and was a Chicago police officer ever since. Roger never wanted any preferential treatment because of his being a State Representative. He always refused the opportunity for any promotions and preferred to stay a patrolman all his life. At the time of his death, Roger was still serving proudly as a Chicago patrolman.

Roger was well respected and well liked by Republicans and Democrats alike and that undoubtedly is a key reason why this legislation has such broad bipartisan support. The Dunning Post Office that this legislation would rename after Roger P. McAuliffe is not only in the 5th Congressional District of Illinois but, also, as noted previously, in Roger's 14th State House District. I can think of no finer action that can be taken to forever honor the dedicated public service of Roger P. McAuliffe than to rename the Dunning Post Office in Chicago, IL, the ''Roger P. McAuliffe Post Office.''

TRIBUTE TO RETIRED TEACHER AND CHURCH VOLUNTEER ROBERT H. STEVENS, SR.

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 17, 1996

Mr. FORBES. Mr. Speaker, I rise today to honor and pay tribute to Robert H. Stevens, Sr., a man whose selfless devotion to his family, faith, and the entire community has touched the lives of so many people from my hometown of Westhampton Beach, Long Island.

As a teacher, a volunteer, and a humble man of faith, Robert Stevens has set a standard that will be felt for generations to come, as each of his nine children, and their children in turn, live that example every day. While some men change the course of history in full view of the world, men like Robert Stevens affect our Nation's destiny with simple acts of charity, repeated every day over the course of a lifetime.

I know Robert Stevens because we share common roots: both of us were born and raised in Westhampton Beach, and left to attend college in Albany, NY, where Bob attended the State teachers college. Like so many men of his generation, his plans for the future were interrupted during World War II, when he was stationed half a world away in the China/India/Burma theater. For 4 years, Bob served as a gunnery and armament staff officer with the Air Service Maintenance Division, until the war ended.

From within that horrific war emerged many small miracles, and one of them touched Robert Stevens. While stationed in India, he met his beautiful wife, the former Margaret Lettington. The daughter of a British Army major with the Royal Engineers, Margaret was born and raised in India and didn't leave that country until she married Bob. They were married on June 6, 1945, and left together later that year to start a new life in Westhampton Beach.

Together, Margaret and Robert raised nine exceptional children, now ranging in ages between 49 and 33, most of whom still make their home on Long Island. Their children are Joan Urban, Robert H. Stevens Jr., Patricia Damrow, Anne Kowalski, Paul Stevens, Katherine O'Cain, Margaret Rattoballi, Joseph Stevens, and Mary Stevens. Supporting such a large family could not have been easy on a teacher's salary, but Robert and Margaret didn't do it with money, they reared their children with an abundance of love and firm guidance. The Stevens children are living proof that their parents possessed a wealth of those parental gifts.

The number of young lives that Bob has shaped extends far beyond his own children. During a 34-year tenure as a French and social studies teacher in the Riverhead School District, Bob was a gifted educator who continually gave of himself to his students, serving as an advisor to the French Club and organizing countless field trips to the theaters and museums in New York City. He also served as a Cub Scout and Boy Scout Master in Westhampton Beach for 10 years.

Fortified by faith, Robert has a seemingly endless supply of energy when it comes to finding time for his church. For 20 years, Robert has been a trustee at the Church of the Immaculate Conception in Quiogue, where the Stevens family have been an integral part of the musical worship during the Sunday morning service. Bob sang with the choir for 29 years and led the congregation in song as the head cantor, while Margaret accompanied him as organist. He is also a charter member of the Knights of Columbus Father Joseph Slomski Council No. 7423 in Westhampton Beach.

Bob has also been the chairman of the Bishops' Annual Appeal, the diocese's annual fundraising effort among its parishes. After retiring from teaching Robert worked as the church sexton, maintaining the facilities at the church, its rectory, and the School of Religious Education.

On June 6, 1995, Margaret and Robert celebrated their 50th wedding anniversary. Six months later, Robert lost the love of his life when Margaret left this world after a valiant battle against cancer. All who were blessed to know Margaret were saddened by her passing, and none more than Bob. With an unwavering faith, a divine trust that blessed him with 50 joyous years with a truly wonderful woman, Bob takes solace in the fact that Margaret rests near God's side.

Though it is a principle that has lost popularity in today's society, Robert H. Stevens, Sr., has always trusted in God's plan for his life, allowing him to accept the Lord's blessing that he in turn passed on to the world. Bob's enduring legacy is that he proves to all of us that an extraordinary life is composed of an endless succession of ordinary acts of charity and faith. Faith can move mountains, and Robert Stevens has showed that every single one of us can change the course of our Nation's destiny from within small villages like Westhampton Beach. May God bless him.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 18, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 19

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
Business meeting, to mark up H.R. 3756, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1997.
SD–192

11:00 a.m.
Foreign Relations
To hold hearings on the nomination of Jeffrey S. Davidow, of Virginia, to be an Assistant Secretary of State for Inter-American Affairs.
SD–419

JULY 23

9:30 a.m.
Energy and Natural Resources
To hold hearings on S. 1678, to abolish the Department of Energy.
SD–366

Foreign Relations
European Affairs Subcommittee
To hold hearings on the status of the Bosnia peace process.
SD–419

Small Business
To hold oversight hearings on implementation of the Small Business Regulatory Enforcement Fairness Act.
SR–428A

Select on Intelligence
To hold hearings on the status of the Dayton Peace Accord.
SH–216

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to examine the threat to United States trade and finance from drug trafficking and international organized crime.
SD–215

Judiciary
To hold hearings on S. 1961, to establish the United States Intellectual Property Organization, and to amend the provisions of title 35, United States Code, relating to procedures for patent applications, commercial use of patents, reexamination reform.
SD–226

2:00 p.m.
Foreign Relations
To hold hearings on the nominations of Pete Peterson, of Florida, to be Ambassador to the Socialist Republic of Vietnam, Genta Hawkins Holmes, of California, to be Ambassador to Australia, Arma Jane Karaer, of Virginia, to be Ambassador to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador to Solomon Islands, and as Ambassador to the Republic of Vanuatu, and John Stern Wolf, of Maryland, for the rank of Ambassador during his tenure of service as United States Coordinator for Asia Pacific Economic Cooperation.
SD–419

JULY 24

9:30 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business; to be followed by a hearing on the nominations of Nils J. Diaz, of Florida, and Edward McGaffigan, Jr., of Virginia, each to be a Member of the Nuclear Regulatory Commission.
SD–406

Labor and Human Resources
Business meeting, to mark up S. 1490, to improve enforcement of Title I of the Employee Retirement Income Security Act of 1974 and benefit security for participants by adding certain provisions with respect to the auditing of employee benefit plans.
SD–430

Rules and Administration
To resume hearings to examine the role of the Federal Depository Library Program of the Government Printing Office in ensuring public access to Government information.
SR–301

Indian Affairs
Business meeting, to mark up S. 199, Trading with Indian Act Repeal, S. 1893, the Torres-Martinez Desert Cahuilla Indians Claims Settlement Act, S. 1962, the Indian Child Welfare Act Amendments, H.R. 2464, to add additional land to the Goshute Indian Reservation in Utah, H.R. 3068, to revoke the Charter of the Prairie Island Indian Community, proposed legislation to amend the National Museum of the American Indian Act, proposed legislation relating to Navajo/Hopi land dispute settlement, and proposed legislation to make technical amendments to the Older Americans Indian Act.
SR–485

Select on Intelligence
To continue hearings on the status of the Dayton Peace Accord.
SH–216

10:00 a.m.
Veterans' Affairs
Business meeting, to mark up S. 1791, to increase, effective as of December 1, 1996, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans, and other pending committee business.
SR–418

JULY 25

9:30 a.m.
Energy and Natural Resources
Parks, Historic Preservation and Recreation Subcommittee
To hold hearings on S. 1699, to establish the National Cave and Karst Research Institute in the State of New Mexico, S. 1737, to protect Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River and the Absaroka-Beartooth Wilderness Area, and S. 1809, entitled the ''Aleutian World War II National Historic Areas Act''.
SD–366

Labor and Human Resources
To hold hearings to examine genetic issues.
SD–430

JULY 29

2:00 p.m.
NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE
To hold a closed executive session.
SD–192

JULY 30

9:30 a.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings to examine the conditions that have made the national forests in Arizona susceptible to fires and disease.
SD–366

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 931, to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, S. 1564, to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality and transmission projects, S. 1565, to supplement the Small Reclamation Projects Act of 1956 and to supplement the Federal Reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects, S. 1649, to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, S. 1719, Texas Reclamation Projects Indebtedness Purchase Act, and S.1921, to transfer certain facilities at the Minidoka project to Burley Irrigation District.
SD–366

AUGUST 1

10:00 a.m.
Foreign Relations
To hold hearings to review foreign policy issues.
SD–419

SEPTEMBER 17

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

Daily Digest

HIGHLIGHTS

House Committee ordered reported 20 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S7921–S8064

Measures Introduced: Seven bills and one resolution were introduced, as follows: S. 1963–1969, and S. Res. 279. **Page S8013**

Measures Passed:

Commending Dr. LeRoy T. Walker: Senate agreed to S. Res. 279, to commend Dr. LeRoy T. Walker for his service as President of the U.S. Olympic Committee and his lifelong dedication to the improvement of amateur athletic opportunities in the United States. **Pages S7936–37**

Gambling Impact Study Commission: Senate passed H.R. 497, to create the National Gambling Impact and Policy Commission, after striking all after the enacting clause and inserting in lieu thereof the text of S. 704, Senate companion measure, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S7971–82**

Lott (for Stevens) Amendment No. 4889, to make a technical correction. **Page S7981**

Subsequently, S. 704 was returned to the Senate calendar. **Page S7981**

Filipino WWII Veterans Recognition: Committee on the Judiciary was discharged from the further consideration of S. Con. Res. 64, to recognize and honor the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II, and the measure was then agreed to. **Pages S8060–61**

DOD Appropriations: Senate resumed consideration of S. 1894, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, taking action on the following amendments proposed thereto:

Pages S7928–71, S7983–S8007

Adopted:

Stevens Amendment No. 4439, to realign funds from Army and Defense Wide Operation and Maintenance accounts to the Overseas Contingency Operations Transfer Fund. **Pages S7929–30**

Stevens (for Inouye) Amendment No. 4589 (to Amendment No. 4439), in the nature of a substitute. **Pages S7929–30**

Stevens Amendment No. 4563, to require a study regarding the F–22 Advanced Tactical Fighter. **Pages S7930–31**

Inouye (for Bingaman) Amendment No. 4489, to reduce funding for Pentagon renovation. **Page S7931**

Stevens (for Lott) Amendment No. 4566, to provide funds for the Maritime Technology program and the Focused Research Initiatives program. **Pages S7931–32**

Inouye (for Bingaman/Domenici/Santorum) Amendment No. 4490, to make funds available for the United States-Japan Management Training Program. **Page S7932**

Inouye (for Feinstein) Amendment No. 4462, to provide funds for the procurement of a real-time, automatic cargo tracking and control system. **Pages S7932–33**

Stevens (for Bond/Ford/Lott) Amendment No. 4452, to prohibit the use of funds to inactivate or reduce any unit of special operation forces of the Army National Guard. **Pages S7933–34**

Inouye (for Shelby/Heflin) Amendment No. 4572, to require the Secretary of the Army to establish subcontracting goals for certain procurement using funds appropriated by the bill. **Page S7934**

Stevens Amendment No. 4564, to require a report from the Secretary of the Air Force and the Director of the Office of Personnel Management regarding individuals injured or killed while traveling on an aircraft operated by the Government of the United States. **Pages S7934–35**

Inouye (for Lautenberg) Amendment No. 4550, to require a report on meeting Department of Defense procurements of propellant raw materials. **Page S7935**

Stevens (for Murkowski) Amendment No. 4534, to require the Secretary of the Air Force to carry out a cost-benefit analysis of consolidating the ground station infrastructure supporting polar orbiting satellites. **Pages S7935–36**

Inouye (for Bradley) Amendment No. 4569, to impose additional conditions on the authority to pay restructuring costs under defense contracts. **Pages S7941–42**

Stevens (for Specter) Amendment No. 4480, to provide funds for the Intercooled Recuperated Gas Turbine Engine program. **Page S7942**

Stevens (for Cochran/Lott) Amendment No. 4666, to allow the Secretary of the Navy to lease certain property located at Naval Air Station, Mississippi, for use by the State to construct a reserve center. **Page S7943**

Stevens (for Frahm) Amendment No. 4528, to require certification of competition prior to the appropriations of funds for the T–39N. **Pages S7943–44**

Simon Amendment No. 4852, to improve the National Security Education Program. **Pages S7945–46**

Inouye (for Moseley-Braun) Amendment No. 4568, to require annual reports on the average cost of tuition at colleges and universities that receive federal funding. **Page S7946**

McCain Amendment No. 4440, to require an audit and report on security measures at all United States military installations outside the United States. **Pages S7946–48**

McCain/Levin Modified Amendment No. 4444, to provide funds for anti-terrorism activities of the Department of Defense. **Pages S7948–49**

McCain Amendment No. 4441, to require the submittal to Congress of the future-years defense programs prepared by the Chief of National Guard Bureau and the chiefs of the reserve components. **Pages S7950–51**

Stevens (for Gramm) Modified Amendment No. 4582, to provide funds for preparing the application for renewal of the use of the McCregor Range at Fort Bliss, Texas. **Page S7954**

Gorton Amendment No. 4883, to provide funds to fund 1.5 ship years in the university research fleet under the Oceanographic and Atmospheric Technology program. **Page S7954**

Inouye (for Feinstein) Amendment No. 4884, to provide funds for the Pulse Doppler Upgrade modification to the AN/SPS–48E radar system. **Page S7954**

By a unanimous vote of 100 yeas (Vote No. 195), Nunn Amendment No. 4453, to provide funds for defending the United States against weapons of mass destruction. **Pages S7965–68, S7970–71**

Inouye (for Heflin) Amendment No. 4885, to provide funds for the Operation Field Assessment Program. **Pages S7968–69**

Stevens (for Santorum) Amendment No. 4886, to make funds available for acceleration of a program to develop thermally stable jet fuels using chemicals derived from coal. **Page S7969**

Inouye (for Kerry/McCain) Amendment No. 4451, to make funds available for payment to certain Vietnamese commandos captured and interned by North Vietnam. **Page S7969**

Stevens (for Bennett) Amendment No. 4887, to make funds available for evaluation of a non-developmental Doppler sonar velocity log. **Pages S7969–70**

Inouye (for Byrd) Amendment No. 4888, to make funds available for scientific research on possible casual relationships between Gulf War service and Gulf War syndrome. **Page S7970**

Stevens (for Specter) Modified Amendment No. 4575, to provide funds for the Super Dragon Missile System. **Page S7983**

Stevens (for Helms) Modified Amendment No. 4493, to provide funds to assist the education of certain dependents of Department of Defense personnel at Fort Bragg and Pope Air Force Base, North Carolina. **Pages S7983–84**

Inouye (for Dodd) Amendment No. 4890, to allow funds to be used to initiate engineering and manufacturing development of the airborne mine countermeasure system. **Pages S7984–85**

Stevens (for McCain) Modified Amendment No. 4443, to reduce funds available for environmental activities with respect to the Joint Readiness Training Center at Fort Polk, Louisiana. **Pages S7987–88**

Stevens (for Johnston/Breaux) Modified Amendment No. 4448 (to Amendment No. 4443), to restore $500,000 for environmental activities with respect to the Joint Readiness Training Center at Fort Polk, Louisiana. **Page S7988**

Stevens (for Feingold/Kohl/Bumpers) Amendment No. 4892, to provide for a review, analysis and estimate of production costs of the F/A–18E/F aircraft program. **Pages S7992–94**

Rejected:

Simon Amendment No. 4591, to ensure that work under Department of Defense contracts is performed in the United States. (By 69 yeas to 29 nays (Vote No. 194), Senate tabled the amendment.) **Pages S7937–43, S7945**

McCain Amendment No. 4442, to limit the use of funds for programs, projects, and activities not included in the most recent future-years defense program. **Pages S7933, S7951–54**

Grassley Amendment No. 4463, to prohibit the use of funds for support of more than 68 general officers of the Marine Corps on active duty. (By 79

yeas to 21 nays (Vote No. 196), Senate tabled the amendment.) **Pages S7985–87, S7989**

By 44 yeas to 56 nays (Vote No. 197), Bumpers Amendment No. 4891, to reduce procurement of F/A–18C/D fighters to six aircraft. **Pages S7989–92**

Pending:

Harkin/Simon Amendment No. 4492, relating to payments by the Department of Defense of restructuring costs associated with business combinations. **Pages S7997–S8005**

Levin Amendment No. 4893, to strike funding for new production of F–16 aircraft in excess of six, and transfer the funding to increase funding for anti-terrorism support. **Pages S8005–07**

A unanimous-consent agreement was reached providing for further consideration of the bill on Thursday, July 18, 1996, with final disposition to occur thereon. **Page S7997**

Budget Reconciliation: A unanimous-consent agreement was reached providing for consideration of S. 1956, to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 1997, on Thursday, July 18, 1996. **Page S7997**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report of the President's Advisory Board on Arms Proliferation Policy; referred to the Committee on Armed Services. (PM–160). **Page S8011**

Transmitting the report concerning the emigration laws and policies of the Republic of Bulgaria; referred to the Committee on Finance. (PM–161). **Pages S8011–12**

Nominations Confirmed: Senate confirmed the following nominations:

Charles N. Clevert, Jr., of Wisconsin, to be United States District Judge for the Eastern District of Wisconsin.

Routine lists in the Public Health Service. **Pages S8061–62, S8063**

Nominations Received: Senate received the following nominations:

1 Army nomination in the rank of general.

Routine lists in the Air Force, Army, and Navy. **Pages S8062–63**

Messages From the President: **Pages S8011–12**

Messages From the House: **Page S8012**

Measures Placed on Calendar: **Page S8012**

Communications: **Pages S8012–13**

Petitions: **Page S8013**

Statements on Introduced Bills: **Pages S8013–27**

Additional Cosponsors: **Pages S8027–28**

Amendments Submitted: **Pages S8028–58**

Notices of Hearings: **Pages S8058–59**

Authority for Committees: **Page S8059**

Additional Statements: **Pages S8059–60**

Record Votes: Four record votes were taken today. (Total–197) **Pages S7945, S7970, S7989, S7992**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 8:15 p.m., until 9:30 a.m., on Thursday, July 18, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S8062.)

Committee Meetings

(Committees not listed did not meet)

FINANCIAL INSTRUMENTS FRAUD

Committee on Banking, Housing, and Urban Affairs: Committee concluded hearings on S. 1009, to prohibit the fraudulent production, sale, transportation, or possession of fictitious items purporting to be valid financial instruments of the United States, foreign governments, States, political subdivisions, or private organizations, and to increase the penalties for counterfeiting violations, after receiving testimony from Michael C. Stenger, Special Agent in Charge, Financial Crimes Division, United States Secret Service, Department of the Treasury; Charles L. Owens, Section Chief, Criminal Investigative Division, Federal Bureau of Investigation, Department of Justice; William R. McLucas, Director, Division of Enforcement, U.S. Securities and Exchange Commission; Herbert A. Biern, Deputy Associate Director, Division of Banking Supervision and Regulation, Federal Reserve Board; George M. Donahue, New York County Assistant District Attorney, New York, New York; Albert M. Pennybacker, National Council of the Churches of Christ in the U.S.A., Washington, D.C.; Donald C. Bell, Salvation Army, Alexandria, Virginia; and Richard Furr, Central Carolina Bank and Trust Company, Durham, North Carolina.

FAA SAFETY OVERSIGHT

Committee on Commerce, Science, and Transportation: Committee held hearings to examine Federal Aviation Administration safety procedures and certain issues relating to the Department of Transportation's oversight of the commercial airline ValuJet, receiving testimony from Federico Peña, Secretary, and David R. Hinson, Administrator, Federal Aviation

Administration, both of the Department of Transportation; A. Mary Schiavo, former Inspector General, Department of Transportation; and Lewis H. Jordan, ValuJet Airlines, Atlanta, Georgia.

Hearings were recessed subject to call.

EXTRADITION AND MUTUAL LEGAL ASSISTANCE TREATIES

Committee on Foreign Relations: Committee concluded hearings on the Extradition Treaty with Hungary (Treaty Doc. 104–5), the Extradition Treaty with Belgium (Treaty Doc. 104–7), the Supplementary Extradition Treaty with Belgium (Treaty Doc. 104–8), the Extradition Treaty with Switzerland (Treaty Doc. 104–9), the Extradition Treaty with the Philippines (Treaty Doc. 104–16), the Extradition Treaty with Bolivia (Treaty Doc. 104–22), the Extradition Treaty with Malaysia (Treaty Doc. 104–26), the Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–1), the Treaty with the United Kingdom on Mutual Legal Assistance on Criminal Matters (Treaty Doc. 104–2), the Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–18), the Treaty with Hungary on Legal Assistance in Criminal Matters (Treaty Doc. 104–20), and the Treaty with Austria on Legal Assistance in Criminal Matters (Treaty Doc. 104–21), after receiving testimony from Jamison S. Borek, Deputy Legal Adviser, Department of State; and Mark M. Richard, Deputy Assistant Attorney General, Criminal Division, Department of Justice.

NATIONAL FINE CENTER

Committee on Governmental Affairs: Committee held hearings to examine the status and role of the Administrative Office of United States Courts' National Fine Center in processing and tracking information to assist the Department of Justice in its criminal debt collection efforts, receiving testimony from Clarence A. Lee, Jr., Associate Director for Management and Operations, Administrative Office of the United States Courts; Debra Cohn, Special Counsel, Office of the Deputy Attorney General, Department of Justice; William Stanley Hawthorne, Coopers & Lybrand Consulting, McLean, Virginia; and David Beatty, National Victim Center, Arlington, Virginia.

Hearings were recessed subject to call.

INFORMATION MANAGEMENT REFORM

Committee on Governmental Affairs: Subcommittee on Oversight of Government Management held oversight hearings on the implementation of the Information Technology Management Reform Act of 1996, receiving testimony from Christopher Hoenig, Director, Information Resources Management Policies and Issues, Accounting and Information Management Division, General Accounting Office; John Koskinen, Deputy Director for Management, Office of Management and Budget; Emmett Paige, Jr., Chief Information Officer, Department of Defense; Steven M. Yohai, Chief Information Officer and Director, Office of Information Technology, Department of Housing and Urban Development; Joe M. Thompson, Chairman, Chief Information Officers Working Group, General Services Administration; Alan Hald, MicroAge Inc., Arlington, Virginia, on behalf of the Computing Technology Industry Association; Stephen M. Smith, Andersen Consulting, Washington, D.C.; and Milton E. Cooper, Computer Sciences Corporation, Falls Church, Virginia.

Hearings were recessed subject to call.

CRIME TECHNOLOGY

Committee on the Judiciary: Committee concluded hearings to assess national efforts to develop and integrate databases necessary to give national law enforcement the access to criminal history information, ballistics information, and DNA data, and related provisions of S. 816, Local Law Enforcement Enhancement Act, after receiving testimony from Charles W. Archer, Assistant Director, Criminal Justice Information Services Division, Federal Bureau of Investigation, and Randall S. Murch, Chief, Scientific Analysis Section, FBI Laboratory, both of the Department of Justice; Kentucky Deputy Secretary of Justice Michael Hulesmann, Frankfort; John Farrell, Prince George's County Police Department, Palmer Park, Maryland; Joseph Bonino, Los Angeles Police Department, Los Angeles, California; James V. Martin, South Carolina Law Enforcement Division, Columbia, on behalf of SEARCH; Ted Almay, Ohio Bureau of Criminal Identification, London; and A. James Walton, Jr., Vermont Department of Public Safety, Montpelier.

BUSINESS MEETING

Committee on Labor and Human Resources: Committee ordered favorably reported the following measures:

S. Con. Res. 52, to recognize and encourage the convening of a National Silver Haired Congress; and

S. 1897, to authorize funds for certain programs of the National Institutes of Health, with amendments.

INTELLIGENCE OPERATIONS

Select Committee on Intelligence: Committee concluded hearings to examine the Central Intelligence Agency policy on the use of journalists, clergy, Peace Corps volunteers and others as cover for United States intelligence operations, after receiving testimony from Senator Coverdell; John M. Deutch, Director, Central Intelligence Agency; Kenneth L. Adelman, Washington Times, Arlington, Virginia; Ted

Koppel, ABC News, Washington, D.C.; Mortimer B. Zuckerman, U.S. News & World Report, Sister Claudette La Verdiere, Maryknoll Sisters, Rodney Page, Church World Service, on behalf of the National Council of Churches, and Terry Anderson, all of New York, New York; Don Argue, National Association of Evangelicals, Carol Stream, Illinois; and John Orme, Wheaton, Illinois.

INTELLIGENCE

Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 15 public bills, H.R. 3829–3843; and 1 private bill, H.R. 3844 were introduced.

Pages H7779–80

Reports Filed: Reports were filed as follows:

H.R. 3215, to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians (H. Rept. 104–681);

H.R. 3159, to amend title 49, United States Code, to authorize appropriations for fiscal years 1997, 1998, and 1999 for the National Transportation Safety Board (H. Rept. 104–682);

H.R. 3267, to amend title 49, United States Code, to prohibit individuals who do not hold a valid private pilots certificate from manipulating the controls of aircraft in an attempt to set a record or engage in an aeronautical competition or aeronautical feat (H. Rept, 104–683);

H.R. 3536, to amend title 49, United States Code, to require an air carrier to request and receive records before allowing an individual to begin service as a pilot, amended (H. Rept. 104–684);

H. Res. 481, providing for consideration of H.R. 3820, to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns (H. Rept. 104–685); and

H. Res. 482, providing for further consideration of H.R. 3734, to provide for reconciliation pursuant to section 201 (a)(1) of the Concurrent resolution on the budget for fiscal year 1997 (H. Rept. 104–686).

Page H7779

Committees To Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Agriculture, Commerce, Government Reform and Oversight, International Relations, Judiciary, National Security, Resources, Small Business, Transportation and Infrastructure, and Select Intelligence.

Page H7665

Treasury, Postal Service, General Government Appropriations: By a yea-and-nay vote of 215 yeas to 207 nays, Roll No. 323, the House passed H.R. 3756, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997. **Pages H7665–H7714**

Rejected the Hoyer motion to recommit the bill to the Committee on Appropriations.

Agreed To:

The Kennedy of Massachusetts amendment that allocates $500,000 of Customs Service funding for inspection of goods in foreign countries to enforce child labor statutes; **Pages H7676–77**

The Traficant amendment that directs the IRS to contract with an independent accounting firm to determine the revenue losses, if any, which would result from implementing H.R. 2450, as introduced in the 104th Congress; **Pages H7677–78**

The Johnson of Connecticut amendment that transfers $106.606 million funding for the IRS Internal Audit Function from the Inspector General of the Treasury to the Internal Revenue Service;

Pages H7692–93

The Wolf amendment that provides voluntary separation incentives for, no more than, 100 employees of the Agency for International Development;

Pages H7695–96

The Hoyer amendment that extends authority to provide voluntary separation incentive payments from February 1, 1997 to March 31, 1997;

Pages H7696–98

The Sanders amendment that limits any funding to health plans under the Federal Employees Health Benefit Program that operate a provider incentive plan that restricts medically necessary care; and

Pages H7698–H7700

The Kingston amendment, as modified, that reduces funding for the Customs Service by $2 million. **Pages H7700–01**

Rejected:

The Hoyer amendment that sought to remove the restrictions on abortions under the Federal Employee Health Benefit Program (rejected by a recorded vote of 184 ayes to 238 noes, Roll No. 320);

Pages H7679–84, H7711

The Solomon amendment that sought to limit any funding by the Comptroller of the Currency to implement rulemaking permitting national banks, or operating subsidiaries of national banks, to engage in activities in which national banks are not permitted to engage, as of July 16, 1996 (rejected by a recorded vote of 107 ayes to 312 noes with 4 voting ''present'', Roll No. 321); **Pages H7684–92, H7711–12**

The Gutknecht amendment, as modified, that sought to apply a 1.9 percent reduction to all discretionary appropriations (rejected by a recorded vote of 150 ayes to 268 noes, Roll No. 322).

Pages H7701–04, H7712–13

Points of Order Sustained Against:

Section 406 language in the bill which authorizes the establishment of telecommuting centers;

Page H7675

Section 410 language in the bill which authorizes the administrator of GSA to sell or exchange real property whether or not it is excess to the needs of the United States; **Page H7675**

The Durbin amendment that sought to remove language which prohibits judicial review of ATF inability to process firearms applications for felons convicted of a violent crime, firearms violations, or drug-related crimes; **Pages H7678–79**

The Gekas amendment that sought to provide an automatic continuing resolution when Congress and the President fail to enact a regular appropriations bill for a fiscal year; **Pages H7693–95**

The Salmon amendment that sought to reduce White House Office of Administration funding by $500,000; and **Pages H7697–98**

The Kaptur amendment that sought to limit any funding by the Customs Service relating to trade between the United States and the People's Republic of China for imports mined, produced, or manufactured with the use of prison, slave, or child labor.

Pages H7704–08

Rejected the Wise motion that the Committee rise and strike the enacting clause (rejected by a recorded vote of 182 ayes to 233 noes, Roll No. 319).

Pages H7688–90

Suspensions: The House voted to suspend the rules and pass the following measures which were debated on Tuesday, July 16:

Government Accountability: H.R. 3166, amended, to amend title 18, United States Code, with respect to the crime of false statement in a Government matter (passed by a recorded vote of 417 ayes to 6 noes, Roll No. 324); and **Pages H7714–15**

M-F-N Status to Romania: H.R. 3161, to authorize the extension of nondiscriminatory treatment, most-favored-nation treatment, to the products of Romania (passed by a yea-and-nay vote of 334 yeas to 86 nays, Roll No. 325). **Page H7715**

Commerce, Justice, State, and the Judiciary Appropriations: The House agreed to H. Res. 479, the rule providing for consideration of H.R. 3814, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997. **Pages H7715–20**

It was made in order that immediately after disposition of the first amendment made in order by the rule, and without intervention of any point of order, to consider the amendment relating to the Advanced Technology Program, if offered by Representative Rogers; and if that amendment is adopted, then points of order under clauses 2 and 6 of rule XXI shall be waived for all provisions of the bill, as amended, **Pages H7716–20**

Presidential Messages: Read the following messages from the President:

Republic of Bulgaria Emigration: Message wherein he transmits the report concerning emigration laws and policies of the Republic of Bulgaria—referred to the Committee on Ways and Means and ordered printed (H. Doc. 104–246); and **Page H7720**

Arms Proliferation Policy: Message wherein he transmits the of the President's Advisory Board on Arms Proliferation Policy—referred to the Committee on International Relations. **Page H7720**

Safe Drinking Water Act: Agreed by unanimous consent to consider S. 1316, to reauthorize and amend title XIV of the Public Health Service Act, commonly known as the ''Safe Drinking Water Act''. Agreed to strike all after the enacting clause and insert in lieu the provisions of H.R. 3604, a similar House-passed measure. Subsequently, the House passed S. 1316, agreed to amend the title, and H.R. 3604 was laid on the table. **Pages H7720–40**

Agreed to the Bliley motion that the House insist on its amendment to S. 1316, and ask for a conference. **Page H7740**

Appointed as conferees from the Committee on Commerce, for consideration of the Senate bill, except for sections 29(a) and 28(e), and the House amendment, except for title V, and modifications committed to conference: Representatives Bliley, Bilirakis, Crapo, Bilbray, Dingell, Waxman, and Stupak. From the Committee on Commerce, for consideration of sections 28(a) and 28(e) of the Senate

bill, and modifications committed to conference: Representatives Bliley, Bilirakis, and Dingell. As additional conferees from the Committee on Science, for consideration of that portion of section 3 that adds a new section 1478 and sections 23, 25(f), and 28(f) of the Senate bill, and that portion of section 308 that adds a new section 1452(n) and section 402 and title VI of the House amendment, and modifications committed to conference: Representatives Walker, Rohrabacher, and Roemer. As additional conferees from the Committee on Transportation and Infrastructure, for the consideration of that portion of section 3 that adds a new section 1471(c) and sections 9, 17, 22(d), 25(a), 25(g), 28(a), 28(e), 28(h), and 28(i) of the Senate bill, and title V of the House amendment and modifications committed to conference: Representatives Shuster, Boehlert, Wamp, Borski, and Menendez, provided Representative Blute is appointed in lieu of Representative Wamp for consideration of title V of the House amendment. **Pages H7740–42**

Agreed to the Stupak motion to instruct conferees to insist upon the provisions contained in section 506 of the House amendment. **Pages H7740–42**

Defense Authorization: The House agreed to the Weldon of Pennsylvania motion to disagree with the Senate amendment to H.R. 3230, to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and agree to a conference. **Pages H7742–44**

Appointed as conferees from the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Representatives Spence, Stump, Hunter, Kasich, Bateman, Hansen, Weldon of Pennsylvania, Hefley, Saxton, Cunningham, Buyer, Torkildsen, Fowler, McHugh, Talent, Watts of Oklahoma, Hostettler, Chambliss, Hilleary, Hastings of Washington, Dellums, Montgomery, Schroeder, Skelton, Sisisky, Spratt, Ortiz, Pickett, Evans, Tanner, Browder, Taylor of Mississippi, Tejeda, McHale, Kennedy of Rhode Island, and DeLauro. As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII: Representatives Combest, Lewis of California, and Dicks. As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference: Representatives Castle, Bachus, and Gonzalez. As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and 3402 of the House bill, and sections 345–347, 561, 562, 601, 724, 1080, 2827, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference: Representatives Bliley, Bilirakis, and Dingell. Provided that Representative Richardson is appointed in lieu of Representative Dingell and Representative Schaefer is appointed in lieu of Representative Bilirakis for consideration of sections 3181–91 of the Senate amendment. Provided that Representative Oxley is appointed in lieu of Representative Bilirakis for the consideration of section 3154 of the House bill, and sections 345–347 and 3175 of the Senate amendment. Provided that Representative Schaefer is appointed in lieu of Representative Bilirakis for the consideration of sections 2863 and 3402 of the House bill and section 2827 of the Senate amendment. As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of sections 572, 1086, and 1122 of the Senate amendment, and modifications committed to conference: Representatives Goodling, McKeon, and Clay. As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–336, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924–25, 1101, 1102, 1104, 1105, 1109–1134, 1081, 1082, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference: Representatives Clinger, Mica, and Collins of Illinois. Provided that Representative Horn is appointed in lieu of Representative Mica for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 809(b), 1081, 1401–34, and 2826 of the Senate amendment. Provided that Representative Zeliff is appointed in lieu of Representative Mica for consideration of section 1082 of the Senate amendment. As additional conferees from the Committee on International Relations, for consideration of sections 233–234, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committed to conference: Representatives Gilman, Bereuter, and Hamilton. As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference: Representatives Hyde, McCollum, and Conyers. Provided that Representative Moorhead is appointed in lieu of

Representative McCollum for consideration of sections 537 and 1080 of the Senate amendment. Provided that Representative Smith of Texas is appointed in lieu of Representative McCollum for consideration of sections 1066 and 1201–16 of the Senate amendment. As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference: Representatives Hansen, Saxton, and Miller of California. As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211 and 251–52 of the Senate amendment, and modifications committed to conference: Representatives Walker, Sensenbrenner, and Harman. As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–348, 536, 601, 641, 1004, 1009–1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference: Representatives Shuster, Coble, and Barcia. As additional conferees from the Committee on Veterans' Affairs for consideration of sections 556, 638, and 2821 of the House bill, and sections 538 and 2828 of the Senate amendment, and modifications committed to conference: Representatives Stump, Smith of New Jersey, and Montgomery. As additional conferees from the Committee on Ways and Means, for consideration of sections 905, 1041(c)(2), 1550(a)(2), and 3313 of the House bill, and sections 1045(c)(2), 1214 and 1323 of the Senate amendment, and modifications committed to conference: Representatives Crane, Thomas, and Gibbons. **Page H7762**

Agreed to the Dellums motion to instruct conferees to insist upon a total level of funding for operations and maintenance not less than the total of the amounts provided in section 301 of the House bill; a level of funding for military personnel not less than the amount provided in section 421 of the House bill; and a total level of funding for military construction and military family housing not less than the total of the amounts provided in division B of the House bill. **Pages H7742–44**

By a yea-and-nay vote of 412 yeas to 3 nays, Roll No. 326, agreed to the Weldon of Pennsylvania motion that conference committee meetings be closed to the public when classified information is under consideration. **Page H7744**

Order of Business: It was made in order that for consideration of H.R. 3734 that the first reading of the bill be dispensed with, that all points of order against consideration of the bill be waived, that general debate be confined to the bill and be limited to two hours equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, that after general debate the Committee of the Whole rise without motion, and that no further consideration of the bill be in order except pursuant to a subsequent order of the House. **Page H7745**

Budget Reconciliation: The House completed two hours of general debate on H.R. 3734, to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997. Debate will continue on Thursday, July 18. **Pages H7745–62**

Meeting Hour: Agreed that when the House adjourns today, it adjourn to meet at 9 a.m. on Thursday, July 18. **Page H7778**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H7780–81.

Senate Messages: Messages received from the Senate appear on page H7661.

Quorum Calls—Votes: Three yea-and-nay votes and five recorded votes developed during the proceedings of the House today and appear on pages H7690, H7711, H7711–12, H7712–13, H7713–14, H7714–15, H7715, and H7744. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:27 p.m.

Committee Meetings

AGRICULTURAL EXTENSION PROGRAMS

Committee on Agriculture: Subcommittee on Resource Conservation, Research, and Forestry held a hearing to review agricultural extension programs administered by the USDA. Testimony was heard from the following officials of the USDA: Catherine Woteki, Acting Under Secretary, Research, Education and Extension; and the Bob Robinson, Administrator, Cooperative State Research, Education and Extension Service; and public witnesses.

EVOLUTION OF THE BUDGET PROCESS

Committee on the Budget: Continued hearings on ''How Did We Get Here From There?'' A Discussion of the Evolution of the Budget Process from 1974 to the Present. Testimony was heard from public witnesses.

FOOD QUALITY PROTECTION ACT

Committee on Commerce: Ordered reported amended H.R. 1627, Food Quality Protection Act. Testimony was heard from witnesses.

FOOD QUALITY PROTECTION ACT

Committee on Commerce: Subcommittee on Health and Environment approved for full Committee action amended H.R. 1627, Food Quality Protection Act.

FBI BACKGROUND FILES

Committee on Government Reform and Oversight: Held a hearing on Security of FBI Background Files. Testimony was heard from the following Special Agents, U.S. Secret Service, Department of the Treasury: John Libonati, Supervisory Special Agent; Jeffrey Undercoffer, Access Control Branch; and Arnold Cole, Supervisor, Access Control Branch.

AFRICA'S ENVIRONMENT

Committee on International Relations: Subcommittee on Africa held a hearing on Africa's Environment: The Final Frontier. Testimony was heard from Gary Bombardier, Assistant Administrator, AID, U.S. International Development Cooperation Agency; and public witnesses.

VIOLENT YOUTH PREDATOR ACT

Committee on the Judiciary: Continued mark up of H.R. 3565, Violent Youth Predator Act of 1996.

Committee recessed subject to call.

INTELLIGENCE COMMUNITY ACT

Committee on National Security: Ordered reported amended H.R. 3237, Intelligence Community Act.

MISCELLANEOUS MEASURES

Committee on Resources: Ordered reported the following bills: H.R. 3579, amended, to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming; H.R. 2505, amended, to amend the Alaska Native Claims Settlement Act to make certain clarifications to the land bank protection provisions; H.R. 3287, amended, Crawford National Fish Hatchery Conveyance Act; H.R. 3546, amended, Walhalla National Fish Hatchery Conveyance Act; and H.R. 3557, amended, Marion National Fish Hatchery Conveyance Act; H.R. 2122, amended, to designate the Lake Tahoe Basin National Forest in the States of California and Nevada to be administered by the Secretary of Agriculture; H.R. 2438, amended, to provide for the conveyance of lands to certain individuals in Gunnison County, Colorado; H.R. 2518, amended to authorize the Secretary of Agriculture to exchange certain lands in the Wenatchee National Forest for certain lands owned by Public Utility District No. 1 of Chelan County, Washington; H.R. 2709, amended, to provide for the conveyance of certain land to the Del Norte County Unified School District of Del Norte County, California; H.R. 3147, amended, to provide for the exchange of certain lands in the State of California managed by the Bureau of Land Management for certain non-federal lands; H.R. 2135, amended, to provide for the correction of boundaries of certain lands in Clark County, Nevada, acquired by persons who purchased such lands in good faith reliance on existing private land surveys; H.R. 2711, to provide for the substitution of timber for the canceled Elkhorn Ridge Timber Sale; H.R. 3534, amended, Mineral King Act of 1996; H.R. 3487, amended, National Marine Sanctuaries Preservation Act. and H.R. 3537, amended, Federal Oceanography Coordination Improvement Act of 1996.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommitee on Native American and Insular Affairs held a hearing on the following bills: H.R. 2710, Hoopa Valley Reservation South Boundary Correction Act; and H.R. 3671, United Houma Nation Recognition and Land Claims Settlement Act of 1996. Testimony was heard from Representative Riggs; Michael Anderson, Deputy Assistant Secretary, Indian Affairs, Department of the Interior; Jack Ward Thomas, Chief, Forest Service, USDA; and public witnesses.

CAMPAIGN FINANCE REFORM ACT

Committee on Rules: Granted, by voice vote, a modified closed rule on H.R. 3760, Campaign Finance Reform Act of 1996 providing one hour of general debate equally divided and controlled between the chairman and ranking minority member of the Committee on House Oversight. The rule provides that no amendment will be in order except an amendment in the nature of a substitute consisting of the text of H.R. 3505 (as modified by an amendment printed in the report of the Committee on Rules), if offered by the Minority Leader or his designee. The rule waives all points of order against the amendment in the nature of a substitute, as modified, and provides that it will be considered as read, will be debatable for one hour equally divided between the proponent and an opponent, and will not be subject to amendment. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Thomas and Representatives Fawell, Shays, Greenwood, Horn, Castle, Smith of Washington, Wamp, Fazio, Clay, Obey, Martinez, Farr, Maloney, and Meehan.

WELFARE AND MEDICAID REFORM ACT

Committee on Rules: Granted, by voice vote, a modified closed rule providing two hours of additional general debate equally divided and controlled between the chairman and ranking minority member of the Committee on the Budget. The rule waives all points of order against consideration of the bill. The

rule provides for the adoption in the House and in the Committee of the Whole of an amendment in the nature of a substitute consisting of the text of H.R. 3829 (as modified by the amendment printed in the report of the Committee on Rules) and that the bill, as amended, be considered as original text for the purpose of further amendment.

The rule provides for the consideration of an amendment printed in part 2 of the report of the Committee on Rules if offered by the Chairman of the Committee on the Budget, or his designee, which shall be debatable for the time specified in the report equally divided and controlled by a proponent and an opponent, which shall not be subject to further amendment or to a demand for a division of the question and against which all points of order are waived. The rule provides for the consideration of a further amendment if offered by the Minority Leader or his designee, consisting of the text of H.R. 3832, debatable for one hour equally divided and controlled by a proponent and an opponent, which shall not be subject to amendment and against which all points of order are waived. Finally, the rule provides one motion to recommit, with or without instructions. Testimony was heard from Chairman Kasich, Representatives Shaw, Roukema, Castle, Stenholm, Richardson, and Tanner.

CONGRESSIONAL REFORM PROPOSALS

Committee on Rules: Held a hearing to further examine congressional reform proposals. Testimony was heard from Representatives Rohrabacher, Doolittle, Pombo, Royce, Coburn, Foley, Schroeder, Volkmer, Skaggs, Barrett of Wisconsin, Eshoo, Minge, Stupak, Woolsey, Underwood and Rivers.

EMPLOYMENT NON-DISCRIMINATION ACT

Committee on Small Business: Subcommittee on Government Programs held a hearing on H.R. 1863, Employment Non-Discrimination Act of 1995. Testimony was heard from Representatives Morella, Campbell, Frank of Massachusetts and Studds; and public witnesses.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

NATIONAL INVASIVE SPECIES ACT

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment and the Subcommittee on Coast Guard and Maritime Transportation held a joint hearing on H.R. 3217, National Invasive Species Act of 1996. Testimony was heard from Capt. Richard E. Bennis, USCG, Chief Office of Response, U.S. Coast Guard, Department of Transportation; Alfred M. Beeton, Acting Chief Scientist, NOAA, Department of Commerce; David G. Davis, Deputy Director, Office of Wetlands, Oceans, and Watersheds, EPA; William E. Roper, Assistant Director, Civil Works Program, Directorate for Research and Development, U.S. Corps of Engineers, Department of the Army; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Ways and Means: Ordered reported the following: a conforming amendment to be incorporated into H.R. 3592, Water Resources Development Act of 1996; H.R. 2823, International Dolphin Conservation Program Act, as reported from the Committee on Resources; and H.R. 3815, amended, to make technical corrections and miscellaneous to trade laws.

Joint Meetings

WORKFORCE DEVELOPMENT ACT

Conferees met on the differences between the Senate- and House-passed versions of H.R. 1617, to consolidate Federal employment training, vocational education, and adult education programs and create integrated statewide workforce development systems, but did not complete action thereon, and recessed subject to call.

COMMITTEE MEETINGS FOR THURSDAY, JULY 18, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on District of Columbia, to hold hearings on proposed budget estimates for fiscal year 1997 for the Government of the District of Columbia, 9:30 a.m., SD–138.

Full Committee, business meeting, to mark up H.R. 3675, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and H.R. 3754, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, 2 p.m., SD–192.

Committee on Banking, Housing, and Urban Affairs, to hold hearings to review the Federal Reserve's semi-annual monetary policy report (Humphrey-Hawkins), 10 a.m., SH–216.

Committee on Commerce, Science, and Transportation, to hold hearings on proposed legislation relating to natural disaster protection and insurance, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources, Subcommittee on Parks, Historic Preservation and Recreation, to hold hearings on S. 988, to direct the Secretary of the Interior to transfer administrative jurisdiction over certain land to the Secretary of the Army to facilitate construction of a jetty and sand transfer system, and S. 1805, to provide

for the management of Voyageurs National Park, 9:30 a.m., SD–366.

Committee on Foreign Relations, Subcommittee on East Asian and Pacific Affairs, to hold hearings on certain issues with regard to Hong Kong, 2 p.m., SD–419.

Committee on the Judiciary, to resume open and hold closed hearings to examine the dissemination of Federal Bureau of Investigation background investigation reports and other information to the White House, 10 a.m., SD–226.

Committee on Labor and Human Resources, Subcommittee on Children and Families, to hold hearings to examine issues relating to youth violence, 1:30 p.m., SD–430.

Committee on Indian Affairs, business meeting, to mark up S. 1264, to provide for certain benefits of the Missouri River Basin Pick-Sloan project to the Crow Creek Sioux Tribe, S. 1834, to authorize funds for the Indian Environmental General Assistance Program Act, S. 1869, to make certain technical corrections in the Indian Health Care Improvement Act; to be followed by hearings on H.R. 2464, to provide additional lands within the State of Utah for the Goshute Indian Reservation, and S. 1893, Torres-Martinez Desert Cahuilla Indians Claims Settlement Act, 9:30 a.m., SR–485.

NOTICE

For a listing of Senate committee meetings scheduled ahead, see page E1313 in today's Record.

House

Committee on Appropriations, to markup the District of Columbia appropriations for fiscal year 1997, 9:30 a.m., 2360 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Financial Institutions and Consumer Credit, to mark up H.R. 3727, ATM Fee Reform Act of 1996, 9:30 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Commerce, Trade, and Hazardous Materials, to markup the following bills: H.R. 3553, Federal Trade Commission Reauthorization Act of 1996; H.R. 447, to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made; and H.R. 1186, Professional Boxing Safety Act, 2 p.m., 2322 Rayburn.

Subcommittee on Telecommunications and Finance, oversight hearing on the implementation of the Telecommunications Act of 1996, 10 a.m., 2123 Rayburn.

Committee on Economic and Educational Opportunities, Subcommittee on Postsecondary Education, Training and Life-long Learning, hearing on the rising cost of college, 9:30 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Civil Service, to mark up the Omnibus Civil Service Reform measure, 9 a.m., 2154 Rayburn.

Subcommittee on Postal Service, to continue hearings on H.R. 3717, Postal Reform Act of 1996, 2 p.m., 2247 Rayburn.

Committee on the Judiciary , Subcommittee on Crime, hearing on the rights and benefits of state and local law enforcement officers, with emphasis on the following bills: H.R. 878, Law Enforcement Officers Bill of Rights; H.R. 218, 1995 Community Protection Initiative; H.R. 1805, to amend title 18, United States Code, to exempt qualified current or former law enforcement officers from State laws prohibiting the carrying of concealed firearms; H.R. 2912, All-O'Hara Public Safety Officers Health Benefits Act; and H.R. 3263, Law Enforcement and Correctional Officers Employment Registration Act 1996, 9:30 a.m., 2237 Rayburn.

Committee on Resources, Subcommitte on Energy and Mineral Resources, to mark up H.R. 2372, Surface Mining Control and Reclamation Amendments Act of 1995, 10 a.m., 1324 Longworth.

Subcommittee on National Parks, Forests, and Lands, oversight hearing on National Park Service Concessions Management, 10 a.m., 1334 Longworth.

Committee on Rules, to consider H.R. 3816, making appropriations for energy and water development for the fiscal year ending September 30, 1997, and H.R. 743, to amend the National Labor Relations Act to allow labor-management cooperative efforts to improve economic competitiveness in the United States, 10 a.m., H–313, Capitol.

Committee on Science, Subcommittee on Space and Aeronautics, hearing on NASA's Uncosted Carry-Over, 10 a.m., 2318 Rayburn.

Committee on Small Business, to continue hearings on Unfair Government-Supported Competition with Small Business, 9:30 a.m., and to continue markup of the following bills: H.R. 3719, Small Business Programs Improvement Act of 1996; and H.R. 3720, Small Business Investment Company Reform Act of 1996, 1 p.m., 2359 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Public Buildings and Economic Development, to continue oversight hearings on GSA Leasing Program, 8:30 a.m., 2253 Rayburn.

Subcommittee on Surface Transportation, to continue hearings on ISTEA Reauthorization Transportation Finance in an Era of Scarce Resources: Innovating Financing, 9:30 a.m., 2167 Rayburn.

Committee on Ways and Means, hearing on the impact of international competitiveness of replacing the Federal Income Tax, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, the Committee on International Relations and the Committee on the Judiciary, executive, joint briefing on Encryption Policy, 1:30 p.m., S–407 Capitol.

Joint Meetings

Commission on Security and Cooperation in Europe, to hold hearings to examine property restitution, compensation, and preservation in post-Communist Europe, 10 a.m., 2255 Rayburn Building.

Next Meeting of the SENATE

9:30 a.m., Thursday, July 18

Senate Chamber

Program for Thursday: Senate will resume consideration of S. 1894, DOD Appropriations, 1997, and upon final disposition, Senate will begin consideration of S. 1956, Budget Reconciliation.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Thursday, July 18

House Chamber

Program for Thursday: Complete consideration of H.R. 3734, Balanced Budget Reconciliation Act for FY 1997 (modified closed rule).

Extensions of Remarks, as inserted in this issue.

HOUSE

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