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House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore [Mrs. WALDHOLTZ].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 7, 1995.

I hereby designate the Honorable ENID G. WALDHOLTZ to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leaders limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. JOHNSTON] for 5 minutes.

ETHICAL VIOLATIONS: PAST AND PRESENT

Mr. JOHNSTON of Florida. Madam Speaker, until 2 weeks ago, in almost 20 years of public service, I had never filed a complaint against a colleague, even though I twice served on committees charged with investigating colleagues for ethical violations in the Florida State Senate with their censure or dismissal often hanging in the balance.

In 30 years of the practice of law, I never filed an ethics complaint against a colleague, even though again, I served for many years on the grievance committee of the Florida Bar which recommended to the bar either disbarment, suspension, or reprimand for serious violations of ethical standards.

Accordingly, I do not take lightly such complaints against a colleague, and in particular, the Speaker of the House.

On Wednesday, February 22 of this year, I became a signatory, along with Congresswomen PAT SCHROEDER and CYNTHIA MCKINNEY, to a complaint filed with the House Committee on Standards of Official Conduct against Speaker NEWT GINGRICH.

The first response to our complaint by the Speaker was communicated through his staff assistant, who, according to the Washington Post, ''* * * accused the lawmakers who filed the complaint of 'malicious imbecility.''' I consider this a rather intemperate remark, to say the least, and as much as the spokesman is an employee of the House of Representatives and a surrogate of the Speaker, I find his tone and language both offensive and inappropriate.

On Friday of the same week, Mr. GINGRICH made the following statement with respect to our complaint: ''They are misusing the ethics system in a deliberate, vicious, vindictive way, and I think it is despicable and I have just about had it.''

I do not plan to discuss the merits of the complaint against Mr. GINGRICH this morning. I believe that would be improper, because the matter is now within the jurisdiction of the Committee on Standards of Official Conduct. If and when there are charges filed against the Speaker by the committee, the full House will sit in judgment of these charges. I will comment, however, on the history of the Speaker's complaints against a former colleague.

It is common knowledge that Mr. GINGRICH filed numerous complaints against Speaker Jim Wright in 1988, and I quote at length from an article in the New York Times dated June 10, 1988:

The New York Times has examined the case against Mr. Wright through interviews with the House Republican who has been his main accuser, as well as with the Speaker's attorney and legal experts and through a review of the House rules, transcripts of congressional debate of those rules and other documents.

In the course of that examination, the Speaker's primary critic, Representative Newt Gingrich of Georgia and Mr. Gingrich's aides said that there were errors and gaps in the complaint that he had filed with the Ethics Committee and that led to the panel's proceedings, but they said that what was most important was a full inquiry into the Speaker's actions, as well as a review of the adequacy of the House rules.

The case against Mr. Wright as laid out in the complaint is not particularly strong, according to Mr. Gingrich and his aides. Mr. Gingrich said in an interview earlier this week that the two counts involving oil investments had been included in his complaint solely ''out of curiosity'' and that ''I don't expect them to be actionable items.''

Let me repeat that 7 years ago, Mr. GINGRICH told the New York Times that he filed two counts against the Speaker of the U.S. House of Representatives solely out of curiosity and with no expectation of their being actionable.

My compliant against the Speaker of the House on February 22 certainly was not conceived out of curiosity and certainly does not rise or fall to the level of malicious imbecility, and certainly, as quoting the Speaker in reference to this compliant, is not offered in a deliberate, vicious, vindictive way. I would never charge a colleague with misconduct and the violation of a law and ethics, as I have done, without serious and conscientious deliberation and conviction.

Continuing in a historical vein, I have attached to these remarks a press release issued by Mr. GINGRICH through

his congressional office, dated July 28, 1988. In this press release, Mr. GINGRICH demands that the special counsel appointed to investigate House Speaker Jim Wright be given carte blanche authority. Let me point out that this special counsel was appointed under a Democratic Congress with the consent of the then-Speaker, Jim Wright. I quote from this press release:

The rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House, a position which is third in line of succession to the Presidency and the second most powerful position in America. Clearly this investigation has to meet a higher standard of public accountability and integrity.

So far, the Speaker of the House, Congressman NEWT GINGRICH, has failed to respond publicly to three charges lodged against him in the Committee of Standards of Official Conduct, except in terms of the vernacular that I quoted earlier, nor has he consented to the appointment of a special counsel. It is he who placed himself in the glasshouse 7 years ago. It is he who has raised the questions of integrity, character, and conflict with which we now contend, and it is he alone who can remove this cloud, not only from himself, but from the body over which he now presides.

NEWT GINGRICH is third in line of succession to the Presidency, occupying the second most powerful position in America. As such, and to quote his own words, ''Clearly, this investigation has to meet a higher standard of public accountability and integrity.''

GINGRICH INSISTS ON THOROUGH INVESTIGATION

WASHINGTON, DC.—Congressman Newt Gingrich (R–GA) today insisted that the House Ethics Committee give the special counsel appointed to investigate House Speaker Jim Wright the independence necessary to do a thorough and complete job. Discouraged by several news reports that special counsel Richard Phelan would be restricted in the scope of his investigation, Gingrich took a series of actions including writing to House Ethics Chairman Julian Dixon (D–CA), forwarding the letter to his colleagues in the House, and speaking on the House floor on the need for a truly independent counsel with full leeway in pursuing the investigation.

In his letter to Chairman Dixon, Gingrich wrote:

''I have a number of concerns regarding the Ethics Committee's contract with and instructions for the special counsel hired to conduct the investigation into Speaker Jim Wright's questionable financial dealings.

''First, I am concerned that the scope, authority, and independence of the special counsel will be limited by the guidelines the Ethics Committee has established.''

Gingrich agreed with concerns raised by Common Cause Chairman Archibald Cox in a letter to Chairman Dixon earlier this week. The Common Cause letter urged the Ethics Committee to commit itself to the following measures:

1. The outside counsel shall have full authority to investigate and present evidence and arguments before the Ethics Committee concerning the questions arising out of the activities of House Speaker James C. Wright, Jr.;

2. The outside counsel shall have full authority to organize, select, and hire staff on a full- or part-time basis in such numbers as the counsel reasonably requires and will be provided with such funds and facilities as the counsel reasonably requires;

3. The outside counsel shall have full authority to review all documentary evidence available from any source and full cooperation of the Committee in obtaining such evidence;

4. The Committee shall give the outside counsel full cooperation in the issuance of subpoenas;

5. The outside counsel shall be free, after discussion with the Committee, to make such public statements and reports as the counsel deems appropriate;

6. The outside counsel shall have full authority to recommend that formal charges to brought before the Ethics Committee, shall be responsible for initiating and conducting proceedings if formal charges have been brought and shall handle any aspects of the proceedings believed to be necessary for a full inquiry;

7. The Committee shall not countermand or interfere with the outside counsel's ability to take steps necessary to conduct a full and fair investigation; and

8. The outside counsel will not be removed except for good cause.

Gingrich wrote to Chairman Dixon, ''It is my impression from press reports that the Ethics Committee has specifically failed to meet the Common Cause standard. Furthermore, it is my understanding that the special counsel cannot go beyond the six areas outlined in your June 9, 1988, Resolution of Preliminary Inquiry. This leads me to believe that the special counsel will not be allowed to investigate the questionable bulk purchases of Mr. Wright's book, ''Reflections of a Public Man,'' as a way to circumvent House limits on outside income.

''I am particularly concerned that the unusual purchases by the Teamsters Union, the New England Mutual Life Insurance Co., a Fort Worth developer, and a Washington lobbyist will not be investigated.

''I believe many will perceive this action as an attempt by the Ethics Committee to control the scope and direction of the investigation.''

Gingrich requested a copy of the contract arranged between the Ethics Committee and Mr. Phelan. He also asked to know the extent of Mr. Phelan's subpoena power.

Gingrich said, ''The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered.

''The rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House, a position which is third in the line of succession to the Presidency and the second most powerful elected position in America. Clearly, this investigation has to meet a higher standard of public accountability and integrity.''

SPENDING CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 5 minutes.

Mr. GOSS. Madam Speaker, I read in last Friday's Congress Daily that the chairman of the Budget Committee in the other body is looking for between $150 and $200 billion in discretionary cuts as part of his effort to bring about a balanced budget. Some might see that as a difficult or even an impossible task. But a careful and honest assessment of all discretionary accounts yields heartening news. It can be done, I say. It can be done. There is at least this much nonpriority spending we can eliminate. In fact, I would argue that there is much more than $150 to $200 billion. As we move toward the budget and appropriations process, it is imperative that we address the wasteful spending that bloats our Federal budget, as everybody knows. As I have done for the last 3 years, I have again submitted to the budgetary leaders of both Houses of Congress my annual list of discretionary spending cuts for their consideration. These 75 cuts would save the American taxpayer $275 billion over 5 years.

Madam Speaker, critics of the balanced budget amendment contend that it would mandate draconian cuts in entitlement programs because our discretionary budget simply just does not offer significant savings. The facts clearly show otherwise. In reality, we continue to fund outdated and duplicative programs that operate in the shadows serving our bureaucracy and special interests rather than the American people we work for. We desperately need to shed some light on these ancient programs. The Appalachian Regional Commission, a Great Society era created as a temporary response to poverty, continues to spend hundreds of millions of dollars annually with little discernible impact on the long-term economic health of the United States of America.

These are probably very worthy projects, but I do not think they really are getting at the core of poverty and they probably would not compete as well with other Federal dollars for more urgent needs. Only in Washington could this be construed as a legitimate response to poverty. The Rural Electrification Administration, which provides electricity for my home in Sanibel, formed in 1935 when only 10 percent of projects have included funding for the NASCAR Hall of Fame and most recently $750,000 toward a new football stadium in South Carolina. Rural America had electricity, continues to spend billions of dollars subsidizing rural electric and telephone companies—this despite the fact that today 99 percent of rural America has electricity and 98 percent has phones. I suggest those who do not have it do not want it. Taken alone, each of these programs may not amount to large costs—but when you start adding them up, going through a whole list of projects, you can see why we have a budget crisis.

Unfortunately, programs like these are the rule rather than the exception. Of course, Government must lead by example. That is why I have proposed

also reducing the legislative and executive branch appropraition by 20 percent, which would save $3 billion over the next 5 years. The American people spoke clearly last November—they want to downsize the Government. We should understand that message. And that process needs to begin at the top with Congress and the President. To be credible, we must not only eliminate wasteful spending but we must also be willing to look at good programs and prioritize our limited financial resources so we get the most important served. I do not pretend to think that we can correct decades of neglect and abuse overnight. While these 75 proposals which I offered are not a cure-all, they will hopefully serve as the first shot in the coming budgetary battle between the defenders of the status quo and those of us who came here to make a difference.

The debate is between the habitual big spenders in the District of Columbia and those newcomers who have dared to suggest maybe the Federal Government should stop the waste, fraud, and abuse of the precious tax dollars. There is no one in America who has come forward to claim or even to imply that every Federal dollar spent is a dollar well spent. On the contrary, there are tens, if not hundreds, of millions of Americans who know we are not handling their tax dollars as wisely as possible and they are asking us to do better. There is no excuse for us not to do better. We can start now, we can start today. I urge my colleagues to look at my list of spending cuts, and if they do not like my list, make your own. There are plenty of places to cut spending.

CUTS IN VETERANS' BENEFITS CALLED CALLOUS AND UNCONSCIONABLE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Ohio [Mr. STOKES] is recognized during morning business for 3 minutes.

Mr. STOKES. Madam Speaker, last week the House Appropriations Committee voted to drastically cut $206 million in funding for programs that serve our Nation's veterans. I do not think this is the proper way to demonstrate our commitment to individuals who have made the ultimate sacrifice in serving this Nation and protecting our lives and property.

It is especially callous that these cuts come from funds earmarked for medical equipment and ambulatory care facilities. The Veterans' Administration currently has an unmet need of necessary medical equipment exceeding three-quarters of a billion dollars. The bill passed by the Appropriations Committee would increase that unmet need by at least $50 million.

How can we even consider such reductions when information we hear daily tells us of new and emerging medical conditions being experienced by our veterans. Just when our veterans' medical centers and medical teams are recognizing and attempting to address these problems, the Republican-controlled House wants to slash funds that would be used to purchase such types of equipment as cat scanners, x-rays, EKG machines, and other vital equipment. Already, due to budget constraints, the VA is not able to replace and improve medical equipment nearly as often as the private sector.

Even more shocking is the $156 million reduction in construction projects. These funds are targeted for ambulatory care facilities—a crucial aspect of the VA's medical care agenda at a time when our aging World War II veterans are requiring more medical assistance. Clearly, this is not the time to cut back on ambulatory care facilities.

If the rescissions have been recommended by the Republicans on the committee to offset the costs of the California earthquake and other natural disasters, it will create another disaster for thousands of our veterans. If these actions are intended to offset the cost of future tax cuts—including capital gains for middle-class families and affluent investors—it is unconscionable.

These cuts are ill-considered. The veterans of this Nation have dutifully served this country. We owe them the same full measure of devotion they gave in protecting this Nation with their lives.

THE ROLE OF THE ARMS CONTROL AND DISARMAMENT AGENCY IN INTERNATIONAL AFFAIRS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. LINDER] is recognized during morning business for 5 minutes.

Mr. LINDER. Madam Speaker, this past week in a press conference with the President's Presidential press secretary, we heard him say that, ''Prime Minister Rabin is calling. I think it is fair for us to say because he is upset and alarmed by the action taken in the House of Representatives to cut back on funding in the fiscal year 1995 supplemental bill for debt forgiveness for Jordan.''

While he said that, we do not know if that is why Prime Minister Rabin was calling. We have learned that very often what this White House says has no relation to the facts, but that is what he said.

He further said the President told the Prime Minister in candor that we face a very tough audience on Capitol Hill. ''This is an example of the tilt toward isolation that you now see in the Republican-dominated Congress.''

That is vintage Bill Clinton, blame the other guy, ''I didn't do it, I am trying to help you, the devil made me do it, the dog ate my lunch, the dog ate my homework.''

Madam Speaker, the President's entrance into the Middle East is to first make it partisan and to politicize foreign affairs. It is most shameful that it is done in one of the most troubled areas of the world. Why does he do this? Because for 2½ years this Nation has lacked a coherent global vision, a global view.

What are our U.S. national security interests? When I look across world, I see our friends in NATO, the former Soviet bloc, it is absolutely in the interests of the United States that the former Soviet-bloc nations discover that capitalism and freedom work.

I see our increasingly important trading partners on the Pacific rim and, of course, the tinderbox for the world, the Middle East. And where are our troops that are supposed to be the shield of the Republic and the shield of our foreign affairs? Our troops are in Rwanda, Somalia, Haiti, Cambodia, Macedonia, northern Iraq, hardly a reflection of a coherent world view.

The peace process today in the Middle East has been carried out without United States leadership. This is the first administration of the last four that has shown no interest in leadership in the Middle East peace process.

The PLO agreement was reached, not in the United States, but in Oslo. Of course, the great handshake took place on the south lawn, but we were not involved until after the agreement had been reached.

The Jordanian-Israeli agreements were bilateral. The agreements were signed on the south lawn, but we were not there in the leadership. But lacking any domestic agenda this year, the President has decided to weigh in on the Middle East and has done so by politicizing it and making it partisan. He can do something about this right in his own administration. Israel is a nation that is in a defensive posture, with armed aggressors all around her, and is building a defensive ARROW missile system for protection to shoot down incoming ballistic missiles. We now have an Arms Control and Disarmament Agency that has been in effect since 1972—and an ABM agreement—that is negotiating further agreements with former Soviet-bloc nations for reasons that absolutely escape me.

We are the only Nation that can add to the technology required for a bullet to intercept a bullet. We have done that with the ERINT missile, called the PAC–3, built by Rockwell. But this administration, under what I presume to be simply bureaucratic inertia, has chosen to limit further technological advances in this intercept missile technology to 3 kilometers per second, precisely what we have now. I do not know why we would want to limit any future technology, since there is not a nation in the world competing with us in this technology, why would we ask them to agree with us to limit what we can do?

Mr. President, if you want to do something about the Middle East and for the future safety of this very vulnerable friend in this troubled part of the world, abolish the Arms Control

and Disarmament Agency, get out of ABM, and let her protect herself.

VETERANS' RESCISSIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Illinois [Mr. GUTIERREZ] is recognized during morning business for 3 minutes.

Mr. GUTIERREZ. Madam Speaker, you know, we keep calling these cuts rescissions. But let us face it. These are not rescissions, but rather a retreat, a retreat from recent promises to fund programs during this fiscal year, a retreat from long-standing promises to serve veterans. And, just as an army in retreat turns its back and runs, those who support this package are also turning their backs.

Obviously, the Appropriations Committee has done a disservice to all Americans affected by those cuts. But, let us consider how shameful it is to do a disservice to people who have already given their service to this country. That means America's veterans. These cuts are financing 14 years of failed, phony, fiscal policy from the GOP—two sets of Republican budget-busters that are squeezing working families like a vice.

In 1981, a Republican President began to cut taxes for the wealthy and build up our defense. And in 1995, a Republican Congress wants—sound familiar?—to cut taxes for the wealthy and build up our defense. To quote that same Republican President, ''there they go again.''

Let us see how flawed these rescissions are.

Just look at the decision to cancel improvements at the VA hospital in San Juan, Puerto Rico. Now I do not know whether any member of the Appropriations Committee has traveled to the facility in San Juan. But I have. I can speak firsthand of the overcrowding and long delays as patients try to access the services supposedly available to them. I can attest to the urgent need for the proposed renovation of the hospital. But rather than break ground on a new veterans' facility, the Republicans would prefer that we break a promise.

And, it is not just happening in San Juan, but at 5 other facilities in the VA system affected by these cuts—areas where more than 1 million veterans reside. Furthermore, these cuts show that these rescissions are not just an abandonment of compassion, but an abandonment of reason. That is because, rather than produce the great savings that the Republicans so grandly advertise, these rescissions would cancel exactly the kind of services—like outpatient care—that rein in the escalating costs of medical care.

In addition, I want to state two simple facts about outpatient care, or ambulatory care: first, it saves lives; second, it saves money. You would think that the Republicans would at least care about one of those facts.

You know, many of us have accused the Appropriations Committee of using a hatchet or a meat ax to make these cuts when a scalpel would have been better. Well, it turns out that VA surgeons will not even be using scalpels pretty soon, since the Republicans will not let them buy any new ones. As I said earlier, these Republican rescissions are really a retreat.

When they were young, these veterans were sent overseas, to lands far from their home. And if they wanted to, these service men had plenty of reasons to retreat. But rather than retreat from battle, they endured. Rather than shirk from duty, they stood up for principles. I want to encourage this House to show the same determination. I want this House to show the same willingness to carry through on principle.

Rather than retreat, I urge the House to muster up the courage to fight, to fight for what is right, to fight for, not against, the American family, to fight for those who fought for us, to reject this rescission package.

OSHA'S NIGHTMARES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. NORWOOD] is recognized during morning business for 5 minutes.

Mr. NORWOOD. Madam Speaker, I have for you today a couple of OSHA nightmares which illustrate OSHA's overbearing enforcement policies. Although OSHA eventually dropped the charges in both cases, I think they still provide valuable insight into the mentality of an out-of-control agency.

In the first OSHA nightmare, a Maine dentist, Dr. Jeffrey Grosser, was fined $17,500 as the result of an OSHA office inspection. The fines included an $8,000 infection control citation and a $7,000 citation for improper hazardous materials information and training.

OSHA charged that Dr. Grosser's employees ''were exposed to the hazard of being infected with hepatitis B and/or HIV through possible direct contact with blood or other body fluids.'' However, Dr. Grosser's only employee is a receptionist who does not work with patients. For that, Dr. Grosser incurred an $8,000 infection control fine.

So what, you may ask did Dr. Grosser do in the case of the $7,000 fine?

In this instance Dr. Grosser was charged $7,000 for not providing hazardous materials information and training.

What were the hazardous materials in question?

Chemical developer used in a self-contained x-ray machine and bleach used to mop the floor. That's right, ordinary household bleach.

Madam Speaker, in the second OSHA nightmare, Dr. Steven Smunt was fined $4,400 for citations that included removing his eyeglasses when administering anesthetic to a child, and inadequately labeling a first-aid kit that had a ''first-aid'' sticker on it.

The sum $4,400 is a lot of money no matter what line of work you're in. Regulatory actions like this can only end up hurting consumers. This is particularly the case when this Nation is trillions of dollars in debt, and we are spending the money hard-working Americans send to us on OSHA nonsense like this.

But, Madam Speaker, some people continue to believe that our regulatory reform efforts are wrong-headed. They think that all our regulations are fine and wonderful. Some people just do not get it. In this Sunday's Washington Post, Jessica Matthews wrote that our regulatory reform package was too drastic and based on false premises. Well Ms. Matthews, maybe it is OK with you that OSHA tried to declare bricks a poisonous substance. Maybe it is OK with you that OSHA wants you to get a environmental impact statement everyday you come to work, and maybe it is OK with you when OSHA writes new rules that cost an industry $2 billion but produce no measurable improvement in worker safety. Or maybe it is OK with you that regulations in this country cost us $500 billion annually—nearly $10 thousand for the average family of 4—maybe that is OK with you, but it is not OK with me, and it is not OK with the American people.

OSHA is one agency that has turned a reasonable and important mission into a bureaucratic nightmare for the American economy. Common sense was long ago shown the door at OSHA. OSHA is one agency that needs to be restructured, reinvented, or just plain removed.

SPENDING CUTS? NOT WITH MY VOTE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Massachusetts [Mr. OLVER] is recognized during the morning business for 3 minutes.

Mr. OLVER. Madam Speaker, in just a couple of weeks we are going to be beginning debate on the cornerstone of the Republican Contract on America, and that is a tax cut of $200 billion over 5 years. Never mind that those tax cuts are going to add to the deficit, never mind that these tax cuts make balancing the budget harder. But let us examine what these tax cuts actually do.

In this first chart that I have here, this chart shows who benefits from the tax cuts. If you look at this, 50 percent of the tax cuts go to 10 percent of the families, with over $100,000 of income per year—50 percent of the cuts to 10 percent of families.

At the lower end, the first two categories, which represent 71 million families or two-thirds of all families in the United States, they get less than 20 percent of the tax cuts.

Well, if that is a little bit difficult to understand, then let us look at this chart instead. On this chart, this shows how much each family gets. Families with more than $200,000 per year of income would get, on average, $5,000 of tax reduction. And 49 million families, about 45 percent of all Americans, that have under $30,000 of income per year, they would get on average $57 a year, or about $1 per week would be their share of this tax cut.

Now, they claim they are not going to make the deficit larger, so we are going to be debating this next week the so-called rescissions bill, a $17 billion rescissions bill.

Well, Madam Speaker, in NEWT GINGRICH's America, Republican will cut infant mortality prevention and prenatal nutrition and children's foster care and safe and drug-free schools for children, education for disadvantaged children, and domestic violence prevention and shelters for homeless families. But they will not do it with my vote.

Next week, in NEWT GINGRICH's America's these radical-right Republicans will cut vocational and technical education and Americorps, the National Community Corps, school dropout prevention, college scholarships and summer jobs. But not with my vote.

And next week, in NEWT GINGRICH's America, these Republican extremists will cut rental assistance for low-income families and public housing maintenance and safety and home heating assistance for 6 million American families, every one of who happens to lie in this lower category. But not with my vote.

In NEWT GINGRICH's America, to go back to this we are going to take $16 billion of cuts, over $300 for every single family in this category, and transfer it to families in this category.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ELIMINATION ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Colorado [Mr. HEFLEY] is recognized during morning business for 5 minutes.

Mr. HEFLEY. Madam Speaker, French economist Jean-Baptiste Say is famous as the author of Say's Law, sometimes summarized as ''Supply creates its own demand.'' In economic circles, this law is still the subject of debate.

Here in Washington, however, the Department of Housing and Urban Development has been proving Say's Law for the past 30 years. We keep increasing spending on public housing, and the problem just gets worse.

Contrary to popular belief, housing assistance was not cut during the Reagan years. Discretionary Federal assisted housing outlays have grown from $165 million in 1962 to $5.5 billion in 1980 and $23.7 billion in 1994, resulting in 55 percent more families being assisted today than in 1980.

Has this dramatic growth solved the problem? No. Today, after HUD's budget has grown by over 400 percent in 15 years, only 30 percent of the families eligible to receive housing assistance are doing so.

And what kind of housing are they receiving? The 1992 report on severely distressed public housing found many public housing residents afraid to leave their own homes due to prevalent crime while others were living in decaying conditions that threatened their safety and health.

According to HUD's own statement of principles issued January of this year, ''the rigidly bureaucratic, top-down, command-and-control public housing management system that has evolved over the years has left tens of thousands of people living in squalid conditions at a very high cost in wasted lives and Federal dollars.''

Three decades of HUD and homeownership is down, homelessness is up, and millions of low-income Americans are condemned to live in substandard housing which would be unacceptable if it were owned by anyone else.

Say's Law indeed.

Quite simply, HUD has failed its mission of providing decent, low-income housing to America's poor. On the other hand, it has done an excellent job of providing jobs to over 4,000 Washington bureaucrats who oversee the hundreds of programs within the Department.

For these reasons, I have introduced legislation to abolish HUD by January 1, 1998, and consolidate its needed existing programs into block grants and vouchers.

If it is truly the job of government to subsidize low-income housing, then let's do it without the middle man. Rent vouchers allow low-income people to choose their own home, rather than have some bureaucrat choose it for them. Block grants give money directly to the States and local governments—that much closer to the taxpayers who pay the bills.

These reforms are in line with the recommendations recently outlined by HUD itself. The administration's own reform plan proposes eliminating all direct capital and operating subsidies to existing public housing authorities and converting these funds to rent certificates.

For years, conservatives and liberals alike have been championing similar reforms, and it's good to see the current administration jumping onboard.

On the other hand, the administration's effort falls short of the bottom line. Bill Clinton proposed to consolidate HUD's 60 public housing programs into three general funds. He then requested an increase in HUD's budget.

Madam Speaker, America's poor do not just suffer from a surplus of bureaucrats telling them where to live and what to do. They also suffer from excess government that destroys jobs and opportunity.

With $200 billion deficits projected into the next century, it isn't enough to just consolidate many little programs into a few big programs. We have to reduce the size of Government overall. We need to eliminate entire departments. We need to abolish HUD.

It is time to admit that Uncle Sam makes a lousy landlord and end this 30-year experiment in socialist domestic policy. As Bill Clinton said in his State of the Union Address, ''The old way of governing around here actually seemed to reward failure.''

Let us stop rewarding HUD's failure by abolishing HUD and eliminating the unnecessary bureaucracy. The alternative is to continue investing in instant ghettos and Federal bureaucrats.

That's a solution we have tried for 30 years, and it just has not worked.

VA RESCISSIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Virginia [Mr. SCOTT] is recognized during morning business for 3 minutes.

Mr. SCOTT. Madam Speaker, the strength of our national defense has always depended not only on the size of our armory, but in the people who serve. Stock piles of bullets, bombs, and ships are of no use without the brave men and women who are willing to put aside personal hopes and dreams for a time to serve the common good. We owe a tremendous debt of gratitude to these Americans; and one of the ways we have done this is to provide health care services to our veterans. Unfortunately, these services are now the subject of proposed budget cuts.

The rescissions that target Veterans' hospitals, and more specifically remove funding for ambulatory care facilities at Veterans' hospitals, will reduce access to general health care for our veterans, and will make it more difficult to deliver important preventive health care services at these facilities.

The construction of the ambulatory facility at the VA hospital in Hampton, VA is also considered a top priority by the 177,000 patients that currently receives its services. As the fourth oldest hospital in the system, the VA Medical Center in Hampton provides outpatient and inpatient care to veterans who have defended our country in its time of need. This veterans' facility and the others across the country are able to return the favor by meeting health care needs of these dedicated veterans.

The six projects under attack in the GOP rescissions, are not new projects. Several have been under consideration for congressional funding since 1989. The funding has been approved in the past. It is only now, as the new majority looks for ways to finance tax cuts, that the ambulatory care facilities are at risk.

Mr. Speaker, the veterans who use these facilities are not wealthy, or

even middle class in some circumstances. The services they receive at the VA hospital constitute their sole access to health care. As we move from inpatient care to primary care in the general delivery of health care, it is important that we continue to offer similar services to our veterans. These preventive services reduce the need for costly inpatient services. In the long run, this will go further toward saving taxpayer dollars than the assorted tax cuts being proposed by the majority.

I call upon my colleagues to vote to restore the funding to the VA ambulatory care projects when the rescission package is brought to the floor next week. These projects make sense, and send a clear message that we are committed to our veterans and to their well-being. It is the least we can do to thank them for their service.

TERM LIMITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Florida [Mr. MCCOLLUM] is recognized during morning business for 5 minutes.

Mr. MCCOLLUM. Madam Speaker, I want to call the attention of our colleagues to the fact that 1 week from today the U.S. House of Representatives will have a historic first. We will have an opportunity for the first time in the history of this country to vote on a term limits constitutional amendment, an amendment that would limit the length of time that Members of the U.S. House and the U.S. Senate may serve in these two august bodies.

This amendment proposal will have many variations to be voted on out here, and there are certain preferences that some of us have as to one version or another. I know for one, I have been working for years in an effort to get a 12-year limit on both the House and the Senate. Six 2-year terms in the House and two 6-year terms in the Senate. Actually, I prefer that we lengthen the terms in the House and have three 4-year terms.

Whatever the debate may be over the number of years, the important bottom line is that we move along with the process and get a final passage vote that gets us to 290 and makes a bold statement out here.

The reason why we need term limits seems apparent to most people. A record 77 percent of the American people favor term limits. Sometimes the poll has been as high as 80 and other times as low as 70. But that is strong support for term limits which has been there for years and years and years.

What the American people have seen, that many in Congress have not admitted to in recent years, is the fact that we really have become very career-oriented in this body, in the House particularly but, to a large extent in the Senate as well.

Members here are serving full time, a way that the Founding Fathers would not have envisioned. A year-round Congress is something, again, that the Founding Fathers had not envisioned.

Back years ago, we had a situation where Members came here for a very brief period of time at the beginning of the year, as in Senate legislatures, and serve for a couple of months, go home, and not come back again for another year. At the same time, Members served rarely more than two terms as Congressmen in the House and they went home and were citizen legislators in the true sense of the word.

Today's Government is too big for this. We are going to have, for the foreseeable future, a full-time U.S. House and Senate doing the will of the public, a job that is intended to be done. But at the same time what has happened that goes along with this that I think is a real problem is that Members are becoming increasingly concerned that it is a full-time job and a career as well. Not all feel that way, but a substantial number do. We need to take the career orientation out of Congress and put a finite limit on the length of time that you can serve here.

The reason why this seems to me to be important is because those who are constantly seeking reelection, viewing it as a career, are inevitably consciously or unconsciously going to try to please every interest group to get reelected. Believe you me, there is an interest group for every proposal that comes before Congress and certainly for every spending proposal. That is a good reason why we have not had a balanced budget.

In addition to needing to mitigate the career orientation of too many Members of Congress, we need to put a permanent rule in place, something in the Constitution that would limit the power of any individual Member to control a committee or to be involved as a chairman or been in a powerful position for too long a period of time. Only a term limit amendment can do that.

Then, term limits would provide also a certainty we are going to have new, fresh ideas here regularly, coming forward out of the public.

I would suggest to my colleagues who oppose term limits and say we need to have the experience and wisdom here of Members who are very good and talented, I would say, yes, there are a few, but there are thousands and thousands of other Americans who can replace those whom we turn out, who could come here, serve their country just as well and would serve just as well as those of us who might think a few of those Members are very talented who are here.

I happen to favor 12 years, as I have said. I think that makes more sense. Twelve years in the Senate and 12 years in the House rather than 6 years in the House or 8 years in the Senate or some other number that is appropriate.

My judgment is that if we go with a number different from the Senate and the House, that we are going to weaken this body as opposed to the Senate.

When we have conference committee meetings and we have other opportunities to debate the issues of the day with the Senate, they will have the more experienced Members in the room, they will have a tougher staff situation, and the House will be weakened. That is not good public policy.

I also happen to think that 6 years is too short. I think you need to be here a couple of terms before you are chairman of a full committee, you need to be in 6 years before you come into the leadership, because this is a full-time job right now whether we like it or not. It is a big Government. I think you open yourself, as term limits supporters, to the critics who oppose term limits altogether who will say the staff will run this place if you support the 6-year version. Twelve years in both bodies makes a lot of sense to me.

But the bottom line is we need, those of us who support term limits, to stick together. Our latest whip check shows we have about 230 Members openly pledged to support term limits in one form or another, coming out here for a vote next week. It is truly remarkable. Two Congresses ago we only had 33 Members of Congress willing to openly support term limits. In the last Congress we got up to 107. In this Congress now it appears that we are going to have at least 230 Members saying, ''Yes, we want term limits in one form or another,'' and I hope all 230 and 60 more which we need to get to the two-thirds to pass the amendment, will be here for whatever version emerges on final passage, whether 6 or 8 or 12, whatever. I urge all Members to seriously consider term limits, remember it is a historic vote out here next Tuesday.

VETERANS' ADMINISTRATION 1995 RESCISSIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 3 minutes.

Ms. DELAURO. Madam Speaker, cutting funding for veterans to pay for tax cuts to the wealthy is wrong. Clearly, my Republican colleagues from the House Appropriations Committee disagree. Last week, under the continued assault of the Contract With America, veterans learned that Republicans cut $206 million from the Department of Veterans Affairs budget to help pay for tax cuts for the wealthy.

These cuts represent more than just money—they represent the breaking of a solemn promise Congress made with sick and disabled veterans across the Nation last year. These cuts target some of the most vulnerable groups in our society—aging World World II and Korean conflict veterans and other who have sacrificed so much for our Nation.

This funding is sorely needed. The Department of Veterans Affairs has been counting on this assistance to pay

for six critically needed ambulatory care projects and to replace worn our medical equipment.

This was not money unwisely appropriated. In the case of the ambulatory care projects, each of these projects have been carefully considered and authorized. Further, they are an essential part of the Department's plan to move away from costly inpatient care to delivering cost-effective outpatient care; part of the Department's plan to invest taxpayers dollars and make the VA medical delivery system more efficient.

One of these projects, the West Haven VA Medical Center, is located in my district in West Haven, CT. The West Haven VA Medical Center serves the entire Veterans Administration's medical system. It is the site of the National Post Traumatic Stress Disorder Research Center and the only VA AIDS diagnostic laboratory. Despite its notable reputation, the center's buildings are in extremely poor condition.

The proposed ambulatory care clinic at West Haven would connect the two main, deteriorating buildings and provide the space that is necessary to respond to the number of outpatient visits at the hospital which have doubled since 1984.

Madam Speaker, this, in the words of Lauren Brown, a nurse at West Haven, is not any way to treat ''* * * vets [who] served their country regardless of party affiliation or which party was sitting in the White House.''

In Connecticut, we are lucky. The West Haven Project is supported by the entire delegation—Republicans and Democrats alike. It is my hope that Members will follow the example Connecticut has set and stand in support our veterans by restoring funding for the Veterans' Administration.

Madam Speaker, our obligation to our veterans must be kept. These cuts are mean-spirited. They do not save money. They must be reversed. When there cuts are debated on the floor next week, I urge my colleagues to support an amendment that will restore this crucial funding to the Department of Veterans Affairs medical construction and equipment accounts.

VETERANS RESCISSIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] is recognized during morning business for 3 minutes.

Mr. ROMERO-BARCELÓ. Madam Speaker, last Thursday, the House Appropriations Committee voted to cut six Veterans' Administration ambulatory clinic projects totalling $156 million and $50 million in medical equipment purchases which already face an $800 million backlog.

One of these projects happens to be the San Juan Veterans' Affairs Medical Center Outpatient Clinic addition, a project designed to address a 15-year problem of severe overcrowding at the facility. Considered as a VA priority for many years. The area currently used for ambulatory care at the San Juan VA Medical Center provides only 40 percent of the space required according to VA standards. Therefore, temporary measures such as converting storage space and corridors into clinical and examination rooms have been the mode of addressing these chronic space deficiencies for many years. Currently, some outpatient clinics and medical interviews are being performed in the hallways and nursing stations of the facility and exit corridors have been converted into additional waiting areas, potentially comprising the health and safety of both patients and visitors.

After a 15-year struggle by Puerto Rican veterans, Congress finally appropriated the necessary funding—34.8 million—to finalize the construction of the vitally needed outpatient clinic at the San Juan Va Medical Center last year. The project had already been authorized and $4 million had been appropriated for its design a year earlier. Puerto Rico's 145,000 veterans, particularly the sick and disabled, celebrated this long-awaited achievement, construction of which is scheduled to begin this year, only to see the House Appropriations Committee decide to take away all the funds a few months later.

However, the fact that strikes me the most is that these proposed cuts will be particularly devastating to the VA medical system because the targeted facilities are all ambulatory outpatient care facilities. The rescissions come at a time when the VA is involved in the effort of shifting from hospital inpatient care to outpatient and non institutional care settings, which is in keeping with the new general trend in providing medical care throughout the Nation. The purpose is not to put patients in the hospitals, but to keep them out of hospitals.

In the words of Veterans Affairs' Committee Chairman BOB STUMP—and I will quote from his February 28, 1995, letter to Appropriations Committee Chairman BOB LIVINGSTON—

> The particular projects selected for rescissions by the subcommittee—VA/HUD Appropriations—are unfortunately the type of projects the Veterans' Affairs Committee has been encouraging the VA to pursue. It is my strong belief, shared by veterans and their service organizations, that giving greater priority to ambulatory care projects is clearly the right approach to improve service to veterans.

Mr. STUMP went on to conclude—and I once again quote—that ''in striking contrast to the needs the VA faces, these cuts move VA in the wrong direction.''

The Department of Veterans Affairs has consistently ranked the six targeted ambulatory projects as the ones with their highest priorities. They are an integral part of the Department's effort to move away from costly inpatient care and provide more accessible, cost effective and efficient outpatient care. Ultimately, all these projects will save the VA medical system and, therefore, the American taxpayer, millions of dollars.

However, by proposing the rescission of these six projects, the Republicans are sending a very clear message: The health of our Nation's veterans is not a priority

Madam Speaker, we owe a great debt to our veterans. A reduction in hard earned medical services to deserving veterans is not the way to pay for a tax cut for the wealthy and the most wealthy, influential corporations.

I urge my colleagues from both sides of the aisle to support restoring this vital funding when this ill-conceived rescissions package is brought to the floor next week. While it is a small reward for the sacrifices our deserving veterans have made, it is the very least we can do.

PROPOSED BASE CLOSURES IN GUAM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Guam [Mr. UNDERWOOD] is recognized during morning business for 3 minutes.

Mr. UNDERWOOD. Madam Speaker, under the Secretary of Defense's recently released list of base closures to be considered by BRAC, Guam is the hardest hit American community on the list. Four of Guam's facilities, all from the Department of the Navy, were slated for closure or realignment by the Department of Defense, affecting some 2,700 civilian and 2,100 military positions. In terms of total personnel affected, Guam is targeted for more reductions than such large States as California, Virginia and New York.

The proposed reductions could be devastating to Guam's economy. The reductions represent between 5 and 10 percent of the entire work force on Guam, and as much as a quarter of Guam's economy could be adversely affected. Let me repeat: up to 10 percent of the entire work force will be thrown out of work. And these are the DOD's own figures, not my estimates. To put it in perspective, if this magnitude of cut were undertaken in California, almost 1.5 million jobs would be affected.

But these types of reductions did not occur in California. In fact, according to testimony by the Secretary of the Navy Dalton yesterday, four bases in California were spared because of the potential economic impact. Does anyone doubt whether they even considered the economic let alone the human impact of their cuts on Guam.

To compound the job loss, the Navy is trying to have it both ways. They're closing down facilities, saying they don't need them, and at the same time holding on to all the assets in case they need them in the future. Under the proposal to close the ship repair facility, or SRF, the Navy would not transfer the piers, floating drydocks, its typhoon basin anchorage, floating

cranes and other equipment to the local community. Similarly, they would retain all the pier space with the closure of a number of naval activities at the naval station.

Their decision would be like moving all the troops out of Fort Ord, but holding onto the base. They cannot and should not have it both ways. Either they retain the facilities or turn them over to the local community so that Guam can recover the job losses. This schizophrenia will leave our community in a straitjacket without the tools for our own economic survival. If the Navy closes down these facilities and retains the assets we will be left with no access to the waterfront and a few empty buildings. This does not bode well for forming a successful reuse plan when we cannot even be given the opportunity to use our own resources.

According to recent statements by the Secretary of Defense William Perry and other officials in the Pentagon, the decision to pull back from Guam was opposed by some high ranking uniformed officers, including the Commander in Chief, Pacific Command, Adm. Richard Macke. Apparently, Admiral Macke indicated that without Guam, the Navy will be forced to count on foreign facilities in Japan to meet their needs and would lose the most forward deployed U.S. military base on American soil in the Pacific. The CINC understands the big picture and the need for Guam as a strategic base. However, the computer model used by the Pentagon did not consider these implications.

Computer models, bean counters, and technocrats did not consider such factors as reliability, loyalty and the long-term effect of these closures on our position in the Pacific. Apparently suits in the Pentagon overruled some of our uniformed military personnel who understand the need to maintain an SRF in Guam.

A more logical approach than the one taken in the Secretary's recommendation would be a joint use agreement with the local government. Under such an arrangement, the Government of Guam could act as a corporate operator of the major facility, SRF. The Navy would then pay the government of Guam to operate the facility and retain access to it in times of crisis. In this way, the equipment and quality of work force is maintained and used for commercial use but the Navy does not have to pay for the entire cost anymore. It makes good economic sense by saving the Navy money and giving the local community the economic tools to survive.

If this approach is rejected and BRAC decides that Guam is not needed as a forward deployed base then the Navy must turn over the assets and land upon completion of the closure. Otherwise, there is no way that the people of Guam could possibly recover the 25 percent loss to their economy and 5 to 10 percent reduction in the work force. The least the Navy can do if they are going to close these facilities is to give the local community the tools to recover from the loss.

Since the Navy has taken the easy way out by making a wishywashy decision, it is now up to BRAC to decide.

Madam Speaker, I urge BRAC to make the right decision.

SAVE FLORIDA VETERANS PROJECTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Florida [Ms. BROWN] is recognized during morning business for 2 minutes.

Ms. BROWN of Florida. Madam Speaker, last week the Republican members of the House Committee on Appropriations voted to rescind $206 million in the VA's budget for this year. These funds were intended for six VA facilities and medical equipment to provide better health care for our Nation's veterans.

Of these six projects that were cut, two were in the Florida, Gainesville ambulatory care unit that has been on the list for over 18 years, and one in Orlando that is a win-win situation, an example of how Government works well.

When the Base Closure Commission recommended closing the naval training facility, the Department of Defense, along with Veterans' Affairs, worked together to turn that facility over to the veterans who really needed the facility in the Orlando area. The amount of this funding was $14 million. There could be no backing down on this matter. A vote to keep our veterans projects is a vote to keep our promise to our veterans.

These cuts targeted at veterans are another example that the Republican ''Contract With'' is a ''Contract on America,'' and a Contract on American veterans.

Madam Speaker, one project was for a $14 million project to allow the VA to relocate from its present location to the Orlando Naval Training Center hospital, identified for base closure, for use as a satellite outpatient clinic and a 120-bed nursing home facility.

The existing outpatient clinic in Orlando is a disgrace. It lacks sufficient examining rooms, waiting areas, and bathrooms. There is no privacy for examining women veterans and parking is severely limited. These veterans in east central Florida have already waited too long for access to a quality health care facility.

The other funds were $17.8 million for a VA ambulatory care addition in Gainesville. Funds have already been obligated for the Gainesville ambulatory care addition. In fact, last week the VA announced a contract award for the project. This project has been identified by the VA as critically necessary to relieve outpatient overcrowding problems. Lack of space prevents the medical center from offering care in a timely manner. This Gainesville project has been designed to include an ambulatory surgery facility in renovated space, along with facilities for primary care, specialty outpatient care, and women's health.

It is a national disgrace that Republicans cut these funds to provide better care for veterans. The list obviously was quickly and thoughtlessly compiled. Our Nation's veterans—men and women—who have been called upon to put their lives on the line in remote parts of the world and under the most difficult conditions. If they survive this ordeal, they should at least be able to have good care when they return to the United States.

These canceled projects prevent us from expanding our outpatient services, a national trend in health care delivery, and making our health care system more efficient and cost effective. These canceled projects are aimed at one of the most fragile groups in our society—aging World War II and Korean conflict veterans. These and all veterans should expect and receive good care. If we cannot protect them at their time of need, how can we ask them to stand in harms way to protect us?

SUPPORT AN AMENDMENT TO THE RESCISSIONS BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized during morning business for 2 minutes.

Mr. MONTGOMERY. Madam Speaker, I want to thank the gentlewoman from Florida [Ms. BROWN] and the gentleman from Guam [Mr. UNDERWOOD] for giving me part of their time.

Madam Speaker, I rise to support, and I hope all Members would support, an amendment to the rescissions bill. This amendment would restore the $206 million for veterans' programs which the Committee on Appropriations proposes to rescind.

Madam Speaker, I hope the Committee on Rules will permit us to offer a clean amendment to restore these funds.

The six VA projects which the committee has recommended be canceled are needed in order to improve access to necessary outpatient care in an area where over 1 million veterans reside.

Rather than producing real savings, the proposed rescissions would tend to have the opposite effect because they would cut projects aimed at making VA health care delivery more cost-effective.

As the President of the United States said yesterday, ''These cuts would harm those veterans who most need the Nation's help.'' Enacting this measure would contradict the Speaker's assurance to me in January that Congress would not cut veterans' programs.

Madam Speaker, in some parts of the country the VA really does not have the proper health facilities to meet the veterans' needs. I am told that the clinics are too small. For example, in Puerto Rico eye doctors are forced to perform eye examinations in hallways. Many VA outpatient clinics were built so long ago that there is no privacy for women veterans. In most of these older facilities, there is only one examining

room per doctor. We would like to provide two examining rooms for each doctor, which would facilitate and speed up the process. We hope we will have the support when we offer this amendment to restore the $206 million cut by the Committee on Appropriations.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 11 a.m.

Accordingly, at 10 o'clock and 28 minutes a.m., the House stood in recess until 11 a.m.

□ 1100

AFTER RECESS

The recess having expired, the House was called to order by the Speaker.

PRAYER

The Most Reverend Augustin Roman, Auxiliary Bishop of Miami, Miami Shores, FL, offered the following prayer:

Father in Heaven, Lord and Ruler of all the Earth and its nations; You have given all peoples one common origin and Your will is to gather them as one family in Yourself.

Look upon this assembly of our national leaders and fill them with the spirit of Your wisdom so that they may act in accordance with Your will. Through their deliberations, may they seek to overcome the selfishness that divides our human family and thus help secure justice for all their brothers and sisters. For it is justice guaranteed for all and denied to no one that rightly orders our liberty while accepting Your lordship over us and so assures the security of a true and lasting peace worthy of man created in Your image and likeness. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. GENE GREEN] come forward and lead the House in the Pledge of Allegiance.

Mr. GENE GREEN of Texas 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.

ANNOUNCEMENT BY THE SPEAKER

The Chair announces that there will be 20 1-minutes on each side.

A WELCOME TO BISHOP ROMAN

(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, this morning we were blessed by hearing Auxiliary Bishop Augustin Roman of the Archdiocese of Miami deliver the opening invocation. My colleagues, LINCOLN DIAZ-BALART, BOB MENENDEZ, and I welcome him.

We have recently come to the floor to remind our colleagues of the great contribution that immigrants make to this country. Bishop Roman is another perfect example.

Bishop Roman arrived in the United States in 1966, after having been expelled from Cuba by the tyrannical regime of Fidel Castro.

In 1979, Bishop Roman became the first Cuban in 200 years to be named a bishop in the United States. The bishop holds advanced degrees in theology and human resources and serves as director of the ''Ermita de la Caridad,'' a shrine to Our Lady of Charity, which he helped create. He has been a spiritual guide for the people of south Florida during troubled times.

Bishop Roman is also active in seeking freedom for the Cuban rafters detained at Guantanamo.

When called by the local press a hero, the bishop humbly responded that ''a bishop, a priest is a servant, not a hero.'' This humility and compassion is what has made the bishop of one south Florida's heroes, or as he would put it, its servant.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 2

Ms. DUNN of Washington. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of House joint resolution No. 2.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentlewoman from Washington?

There was no objection.

REPUBLICANS IN THE SCHOOL LUNCH PROGRAM

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

Mr. GENE GREEN of Texas. Mr. Speaker, last night and this last weekend we heard the Republican majority defend their school lunch changes. It is the great Republican shell game for school lunch.

They promise a 4.5-percent increase under one shell, but they do not tell us what is under the Appropriations Committee shell. What is under the State shell, when they can cut 20 percent from the School Lunch Program and transfer it to other programs?

The Republicans are playing budgetary shell games with school lunches. They are taking a guaranteed school lunch for children and subjecting it to the authorization process, to the appropriations process, and then subjecting it to whatever a State may want to do up to 20 percent. On one hand they promise an increase in funding, on the other hand the Committee on Appropriations has been cutting the summer youth jobs and other programs for children.

Are we going to protect the lunch program, or are we going to subject it to the Committee on Appropriations and what they are doing now? Will school districts be forced to end programs when massive rescissions bills come down after they have already bought food? Maybe we should go to the kids during the year after they have already had that luncheon say, you need to give it back.

Why is Congress trying to fix a program that has been working since 1946?

REPUBLICAN CONTRACT WITH AMERICA

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

Mr. HOBSON. Mr. Speaker, our Contract With America states the following: On the first day of Congress, a Republican House will require Congress to live under the same laws as everyone else; cut committee staffs by one-third, and cut the congressional budget. We kept our promise.

It continues that in the first 100 days, we will vote on the following items: A balanced budget amendment—we kept our promise; unfunded mandates legislation—we kept our promise; line-item veto—we kept our promise; a new crime package to stop violent criminals—we kept our promise; national security restoration to protect our freedoms—we kept our promise; Government regulatory reform—we kept our promise; commonsense legal reform to end frivolous lawsuits—we plan to complete that today;

Welfare reform to encourage work, not dependence; family reinforcement to crack down on deadbeat dads and protect our children; tax cuts for middle-income families; senior citizens' equity act to allow our seniors to work without Government penalty, and congressional term limits to make congress a citizen legislature.

This is our Contract With America.

REPUBLICAN PROPOSAL TO END THE SCHOOL LUNCH PROGRAM

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute.)

Ms. VELÁZQUEZ. Mr. Speaker, 2 weeks ago the Republican Party released its most extreme proposal. Republicans voted to dissolve the most successful child nutrition programs in our schools today—the school lunch program. With a 5-year, $5 billion program cut, the GOP will raise the nutritional deficit of thousands of school age kids.

Republicans need to understand that in their callous and inhuman proposal, they will be hurting the most vulnerable of Americans—our Nation's children. Members of the GOP argue that their program will cut bureaucrats and will not endanger our children. Well I have news for them, cutting school lunches does endanger our children. How can we prepare our youth for the jobs of the 21st century when we deny them the basic requirements for a healthy body and sound mind.

Members on the other side of the aisle need to stop playing schoolyard bully. Their actions are an insult to millions of Americans and their children. I urge this body to defeat any action against the health and well-being of our Nation's kids.

REFORM FOR THE NEXT GENERATION

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

Mrs. SEASTRAND. Mr. Speaker, in trying to help the least advantaged among us, our Federal Government has instead created a culture of poverty that is destroying the next generation. It created a safety net that works as a hammock instead of a trampoline. It created reliance when we wanted self-help. And it started a cycle of dependency when we wanted charity. The clients of the welfare system have instead become its victims.

Now Congress has the opportunity to change the system. We have the obligation to reform the system. And we have the moral imperative to transform this system of dependency. While others have come to defend the welfare state, they have instead declared war on our children of the next generation because they don't recognize this era has raised the white flag over the current culture of poverty. Mr. Speaker our welfare system is normally bankrupt and only through a mixture of compassion and tough love will we be able to keep our country from declaring moral chapter 11 and defaulting on the next generation—our children.

TOP 10 REASONS FOR SUPPORT OF 1–800–BUY–AMERICAN

(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 top 10 reasons to cosponsor my 1–800–Buy–American bill.

No. 10, the bill pays for itself. No. 9, it passed the House last year overwhelmingly. No. 8, no government bureaucrats. No. 7, no more Ross Perot specials and graphs. No. 6, the Chinese are coming. No. 5, it beats all those 1–900 phone sex calls for your family. No. 4, the American workers demand it. No. 3, Japan hates it. No. 2, it should be a part of the Contract With America. And No. 1, David Letterman is absolutely fed up with those Chinese toasters.

1–800–Buy–American, H.R. 447, passed the House, the Senate did not show the wisdom. Cosponsor H.R. 447.

LIABILITY LAWSUIT SYSTEM

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

Mr. TIAHRT. Mr. Speaker, America's liability lawsuit system has imposed huge costs on the economy and our society. Even Little League baseball has not been exempt. Its liabilities insurance rates have climbed 1,000 percent in 5 years. So Americans are going to have to pay more for their children to play baseball.

I feel safe in saying that if our current liability system had existed 100 years ago, we would not be flying airplanes. And being from the air capital of the world, Wichita, KS, that is a startling thought. Americans are brave and adventurous people. We like to take risks. We have historically been willing to pay the price for progress. But all we are paying today is the cost of frivolous and predatory lawsuits brought by lawyers who in many cases are only out to protect their fees.

Mr. Speaker, $300 billion a year. That is what our system costs Americans each year in higher prices and lost wages and in lost jobs. While we need to ensure that people with legitimate grievances have access to the justice system, we also need to make commonsense reforms.

SCHOOL LUNCH

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

Mrs. SCHROEDER. Mr. Speaker, the war on kids just got extremer and meaner yesterday. We all know about the war on the lunch program and paper plates are coming in in the mail every day to my office saying please save it, please save it. But yesterday we saw one more step that I really could not believe.

We saw them take out of the Child Support Enforcement Act a provision saying a deadbeat parent could have their driver's license taken away. Now, I think that is amazing.

As they are taking away a child's lunch, they are not at all hesitant to leave a deadbeat parent with their driver's license. Heaven forbid.

What is a child supposed to do? The child, I guess, is supposed to pick better parents before birth. I do not think that is a good answer.

WELFARE REFORM

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

Mr. JONES. Mr. Speaker, the defenders of the old order have been telling us for weeks how much they want to help the children. But their idea of helping children is expanding a welfare system that has proven to be a failure—especially for children.

Consider this recent poll result. When asked, ''do you think children are generally better off today or worse off than when you were a child,'' 60 percent of all Americans—and 77 percent of black Americans—said children today, were worse off.

All you have to do is look around to see that the people are right. And the welfare system is a large part of the reason why.

So why do the Democrats fight so hard to save a failed system?

I think it has a lot to do with the poverty industry that has grown up around the Democratic Party.

The Democrat Party may need poverty, but America does not.

It is time to act, Mr. Speaker. It is time to change a failed system that has done irreparable harm to America's children.

□ 1115

CHILDREN AT RISK WITH CUTBACKS ON SCHOOL LUNCH PROGRAM

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

Mr. SERRANO. Mr. Speaker, let me see if I can get this right. The Republican approach is to lower taxes for the rich by taking the school lunch away from the children. The contract with America is undoing the legend of Robin Hood.

Republicans who were elected last November never told the voters that they intended to bring pain to the children of our country. The mean-spirited Republicans continue to set their sights on attacking those members of our society who are least able to fight back.

This time they have gone too far and the American people are aware of the all-out assault on children in this country. The Republicans can try to mislead the people about the Social Security cuts but they are not going to be able to hide their attacks on the school lunch program and the children in our country.

Day after day, Republicans come up with a new way to hurt helpless little

children. Are the children a special interest group Republicans want to do away with?

The voices of the American people are being heard. Do not hurt the children.

CHANGES IN THE LEGAL SYSTEM PROVIDED BY THE CONTRACT WITH AMERICA

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

Mr. CHABOT. Mr. Speaker, this is a true story. A man in New York tried to commit suicide by jumping in front of a subway train? He survived, and then he sued the city for damages, and he won $1.2 million.

This is just the type of case which tells why three-fourths of Americans say that the current liability lawsuit system is in need of major repair.

The American people are sick and tired of our culture of victimization. Murderers go free because they were supposedly abused as children. A woman spills coffee on herself, and then she collects millions of dollars in punitive damages.

Whatever happened to personal responsibility? This is no small matter. Frivolous lawsuits cost Americans $300 billion in higher prices and in lost wages, but we are going to reform this system, while ensuring that all those with legitimate grievances will have access to the justice system. This is our Contract With America.

SCHOOL LUNCHES NOT JUST A LUXURY, SAYS MISSISSIPPI EDUCATOR

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

Mr. KLINK. Mr. Speaker, William Billups, the Principal at the all black Jefferson Elementary School in Jefferson County, MS, rural, poor, and 85 percent black, says that school lunch programs are not just a luxury.

Principal Billups is a Republican, and he says he likes a lot of the changes that are taking place in Washington these days, but ending the Federal School Lunch Program and block granting the money to the States is not his idea of making things better.

Billups calls it a crapshoot. Adding that you just do not know what they will do with the money.

Having watched Mississippi State politics like I have watched politics in my State of Pennsylvania, Billups knows that ''They'll take a little here and take a little there. It'll be political.'' And he adds, we shouldn't be political. about food. Maybe we should send our Republican friends back to Jefferson Elementary School in Jefferson County, MS, to learn that lesson.

PROTECT BIODIVERSITY AND ECOSYSTEMS

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

Mr. GILCHREST. Mr. Speaker, Dr. Norse, chief scientist for the Center for Marine Conservation, reminds us that biodiversity and ecosystems do such things as maintaining climate, removing pollutants from the atmosphere, building soils to sustain the agricultural industry, and protect coastlines, and these are essential, all of the things I just described, to human existence.

Just as our astronauts are absolutely dependent on expensive, engineered life support systems to sustain them in the cold void of space, what sustains the entire Earth in the cold void of space is the life-supporting functions of the world's ecosystems and biodiversity. These things provide the habitat that all species need, including humans.

Unfortunately, our responsibility for being stewards of the land often conflicts with our apparent and obvious need to produce and consume resources.

Just as we would never sell the original Constitution of the United States or the Chesapeake Bay to foreign investors for any amount of money, we should not sell our biological diversity for a percentage. We must reexamine our knowledge on these issues.

SAVE THE SCHOOL LUNCH PROGRAM; REJECT CAPITAL GAINS TAX CUT

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

Mr. BROWN of Ohio. Mr. Speaker, yesterday I visited three elementary schools in my district, Hamilton and Homewood in Lorain, OH, and Franklin Elementary in Elyria. I talked with students, parents, cafeteria workers, teachers, and administrators about school lunches. The school lunch program, they told me, begun in 1946 by Harry Truman, is a Government program that works. They simply said ''Don't mess with it.''

Almost one in three children in the Lorain and Elyria public school systems, middle American cities, certainly qualify for some type of assistance in school lunches. That is good, sound, fundamental policy. It helps the kids, for sure. For some of them it is the most nutrition they will get in a day. Just ask some of the physicians and nurses in Lorain County whether they think the school lunch program is a good investment.

I am a budget deficit hawk, but cutting school lunches for working-class and poor kids, Mr. Speaker, simply goes too far. Republican extremists last week, though, increased military spending by $3.2 billion, and Republican extremists announced that they will pass a capital gains tax break for the wealthiest 1 percent of our society. Mr. Speaker, this is extremism. It should be rejected.

GOOD NEWS FOR SENIOR COMMUNITIES

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

Mr. GOSS. Mr. Speaker, this week we expect some long-overdue good news for seniors. The Department of Housing and Urban Development will release its new rule defining the ''significant facilities and services'' requirement for senior communities under the Fair Housing Act. We well remember HUD's first attempt to set such standards—a disaster that sparked vigorous and legitimate protest from seniors across the country. From what we have seen, it appears HUD learned its lesson the second time through. I thank all those who made themselves heard. It made a difference. The new rule recognizies the unique social and physical characteristics of senior communities. And it will enable existing senior-only communities to qualify for the exemption without great expense. It is about time the bureaucracy acts to alleviate the unnecessary fears and anxiety caused by the vagueness in current law. I hope the millions of Americans impacted by this proposed new rule will take a close look and let us know what they think.

UNDER ''LOSER PAYS,'' WINNERS TREATED AS LOSERS

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

Mr. GUTIERREZ. Mr. Speaker, the legal bill we are debating today can be summed up in two words.

Loser pays.

Loser pays. An appropriate phrase for this Congress.

Because all across America, people who are winners are being treated like losers.

Hard-working American families who are busy meeting their mortgage and making their car payment and saving for school supplies.

Middle income Americans who are too busy trying to stretch their dollars to attend the thousand dollar a plate dinners for Republican insiders.

Loser pays.

Well, to my Republican colleagues, I guess the people who hold the champagne glasses and wear the designer dresses at their fundraisers are the winners, and the people who serve the drinks and clean up afterward are the losers.

But today we have a chance to preserve the right of Americans to be winners in court by rejecting the lobbyist-sellout the majority calls ''legal reform.''

When we do, the losers who pay will not be American families, they will be the lobbyists left alone when the lights go out at their party.

THE COMMON SENSE LEGAL REFORM ACT WILL RESTORE THE BASIC PRINCIPLES OF LAW

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

Mr. WHITE. Mr. Speaker, I would like to spend just a couple minutes this morning talking about my second year in law school, not the first year; the first year we studied the traditional principles of law and I understood those. In the second year we started to get into the more recent developments that we have seen in our legal system, and those, frankly, I did not often understand.

These are principles, for example, that allow someone who is only responsible for 10 percent of the damages caused to someone to be liable for 100 percent of all the payments that have to be made. It allows someone who is drunk to recover full damages, even though it was his drunkenness or the fact that he was on drugs that caused his own damages.

Frankly, Mr. Speaker, that is something I did not understand, and 15 years of practicing law confirmed to me that our legal system is dramatically out of whack. That is why I am so happy to be here today as we debate the Common Sense Legal Reform Act.

This act will do many things, but most important, Mr. Speaker, it will restore the principles that our law used to be based on back to the law today, principles of personal responsibility, principles of right and wrong. I urge my colleagues to vote for it.

A PLEA FOR RESTORED FUNDING FOR LIHEAP

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

Mrs. KENNELLY. Mr. Speaker, it is not easy to be poor in this country; it is not easy to be old; and it is not easy to get through a harsh New England or Midwestern winter if you are either.

For that reason, we enacted the low-income energy assistance program, or LIHEAP. In fiscal year 1993, more than 5 million households benefited from funding under LIHEAP. More than 70 percent of these recipients have annual incomes of less than $8,000.

In my own State of Connecticut, not only are our winters harsh and our economy in deep difficulty—our fuel costs are disproportionately high. The average price of natural gas in Connecticut is 291 percent higher than it is in Alaska. Without LIHEAP, many families may be faced with the starkest of choices: Heat versus gas for the car, or clothes for the children, or a roof over your head.

It is not easy to be poor, or old, or sick. And it's not easy to be overlooked. Let us not ignore these people least able to speak for themselves. Let us restore funding for LIHEAP.

GOP KEEPING ITS PROMISE TO CHILDREN

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

Ms. DUNN of Washington. Mr. Speaker, Republicans are keeping their promises—and that includes the promise to help millions of children currently forced to live on welfare because one of their parents has abandoned them. This Nation's No. 1 natural resource is its children, and they deserve the protection that Republicans offer them in our welfare reform plan.

For decades our Nation has seen a huge welfare bureaucracy continue to grow while Congress stood idly by failing to hold parents accountable for the precious children they have brought into the world and then carelessly chose to abandon. We cannot allow this tragic status quo to continue.

Under the Republican welfare reform bill States will finally get the assistance they need to track down deadbeat parents—especially the 30 percent who move out of the State often to avoid paying child support. Our proposal will help to find these individuals and require them to pay the $34 billion they owe in child support to the children they have deserted—children who might have been kept off welfare if the parent had kept his commitment.

Mr. Speaker, it is a tough approach but a fair one. And, above all else, it is the approach that can save children from falling into the welfare trap of a lifetime of dependence on the Government.

We can end the status quo. Let us help States find those deadbeat parents, and let's keep our promise to the children.

COMMENDING BISHOP ROY LAWRENCE HAILEY WINBUSH

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

Mr. FIELDS of Louisiana. Mr. Speaker, when men look through the halls of time, it is leaders in our community who literally stand out, those who shake the very ground on which we walk.

It brings me great pleasure to take this moment to recognize a leader not only in my State, but a leader in this entire Nation, Bishop Roy Lawrence Hailey Winbush, who was recently elected the chairman of the Congress of the National Black Churches, an organization that has an active participation of over 65,000 churches nationwide.

Bishop Winbush took this esteemed position it will be 40 years ago. He served as a community leader, and made an incredible mark on this country as a leader who recognizes and represented the cities of Alexandria, Lake Charles, Lafayette, Monroe, and Shreveport.

Bishop Winbush also is a general board member of the Church of God in Christ, an organization that represents over 5 and a half million members nationwide. Bishop Winbush is also a public servant. When faced with the problem of crime, community, and family, President Clinton requested his presence, along with others, to address the problem within the African-American community.

I am happy to say this gentleman lives in my community, and I commend him today.

CHILD NUTRITION PROGRAMS INCREASED, NOT CUT

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

Mr. NORWOOD. Mr. Speaker, that the other side continues to accuse us of cutting funding for child nutrition programs is ludicrous. I voted in committee to increase the funding child nutrition programs are receiving, yet people are calling my office worried that we are gutting these programs. We are increasing the funding and eliminating the wasteful Federal bureaucracy to send more money to the States. The charge that we are cutting funding is patently false. Mr. Speaker, I would simply ask that Americans look at the facts. It is a fact that we are putting more money in to child nutrition. It is a fact that our bill dismantles part of the Federal bureaucracy. And it is a fact that many Democrats receive significant campaign contributions from Federal bureaucrats every year. All I ask is that Americans consider the facts.

IN OPPOSITION TO CHILD NUTRITION AND SUMMER JOB CUTS

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

Ms. JACKSON-LEE. Mr. Speaker, I hold in my hands the Constitution of the United States of America, which has in some parts of it the opportunity for all of us to pursue happiness and to establish equality. I simply ask, who is working for the children?

It is interesting to hear expressions about how much these block grants and these votes will provide more dollars for school breakfasts and lunches. In fact, they really do not. What they actually do is cut the dollars, because they do not take into consideration the increased need of our children and our mothers, who are in fact fighting every day to survive.

Mr. Speaker, I rise today to speak against the runaway legislative freight train that threatens to crush the lives of millions of America's children. In particular, as a Representative for the 18th Congressional District in the State of Texas, I acknowledge that there are businesses, small businesses, there are working people, middle class, but I also say that my district has a wealth of children who are in fact in need of school breakfasts and school lunches.

My Republican colleagues indicate and are the conductors of the unconscionable train. Mr. Speaker, we must realize that we have to stand for the children. We cannot lose $670 million in my home State of Texas alone between now and the year 2000.

Mr. Speaker, let us not cut nutrition for our children, let us stand up and fight and uphold the Constitution.

Mr. Speaker, I must rise today to speak against the runaway legislative freight train that threatens to crush the lives of millions of America's children.

My colleagues from the other side of the aisle are the conductors of this unconscionable train, and they continue to drive that train at breakneck speed through this body without any consideration about what and who they will leave lying bloody on the tracks behind them.

Their agenda—already declared immoral by Cardinal John O'Connor—will slash child nutrition programs—more than $670 million in my home State of Texas alone between now and the year 2000.

And now, as if nutrition cuts were not horrific enough, the mad conductors of the runaway train have set their sights on summer job programs. Bear in mind, these are the same folks who complain about welfare dependency and cycles of poverty. Do they not see, Mr. Speaker, that denying some 600,000 needy young people a summer job will only make it that much more difficult for them to get the work experience they'll need to break our of poverty?

Mr. Speaker, I fear these Republican conductors do not see the damage their runaway train will wreak because they are blinded by their zeal to cut taxes, with no real focus on the deficit of working Americans.

For the sake of America's children, this train must be stopped.

□ 1130

TIME FOR COMMONSENSE LEGAL REFORM

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

Mr. CHRISTENSEN. Mr. Speaker, yesterday this body began the monumental task of reforming America's legal system.

Mr. Speaker, for too many years ridiculous legal judgments have been handed down in frivolous lawsuits where the only real winners are the lawyers.

Mr. Speaker, some have suggested that we should leave this up to the individual States to decide. I am a true federalist at heart and I believe that in States where the State statute is stronger than the Federal law that State law should prevail. But there are States where the abuses of the judicial system have run amuck.

Case in point, Alabama. Steve Flowers is a 13-year veteran of the Alabama legislature and chairman of the Insurance Committee for the Alabama House.

In 1987 Mr. Flowers was the primary sponsor of Alabama's legal reform legislation, but he now strongly favors Federal legislation in this area.

Why? Because in 1993 the Alabama Supreme Court in Henderson versus Alabama Power Company ruled that the Alabama legislature did not have the authority to impose limits on punitive damages.

Mr. Speaker, in the first 11 months of 1994, juries in Alabama awarded more than $170 million in punitive damages, not including wrongful death actions.

The time is now for true commonsense legal reform. This body must act now to turn the tide of lawsuit abuse and pass this measure to protect hard working Americans from the long arm of the trial lawyers.

CONTRACT PUNCHES HOLES IN CONSTITUTION

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. WATT of North Carolina. Mr. Speaker, when I showed up yesterday with my hole puncher in one hand and the Constitution in the other hand and represented that the Contract With America was beginning to punch holes in the Constitution, I got calls yesterday saying, ''Are you crying wolf?'' So I went back and here is the record.

Line item veto, article I, section 1.

Effective death penalty action, habeas corpus, article I, section 9.

National Defense Revitalization Act, this review commission, article II, section 2.

Exclusionary Rule Reform Act, fourth amendment, punched a hole.

Takings legislation, fifth amendment, punched a hole, America.

The Contract With America is punching holes in our Constitution. As the Speaker comes in here to punch a hole in this contract, they are punching a hole in the Constitution of the United States.

WHAT IS REALLY GOING ON

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

Mr. HOKE. I wonder if that applause coming from the other side of the aisle, if those Members who applauded, if perhaps they also voted back on the first day of Congress, of the 103d Congress, 1992, to seat delegates, to allow them to vote in the Committee of the Whole in contravention of article I, section 2 of the Constitution, punch-punch.

We continue to hear the same thing over and over and over, and it just begins to make you wonder if you repeat it long enough and loud enough, if the big lie might not take effect, might not actually stick.

The fact is that we are increasing the amount of money that goes to School Lunch Programs. Everybody knows that on both sides of the aisle, including when one takes into effect demographics and changes in population.

What is amazing, though, is that the same lie would be repeated. So what is it all about? Is it not really just about power and the loss of constituencies and the loss of bases? I think that is really what is going on here.

Clearly those friends of mine on the other side of the aisle have been supported for years and years by the Federal employees PAC's, and that is really what is going on here.

SUPPORT FEDERAL NUTRITION PROGRAMS

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

Ms. NORTON. Mr. Speaker, we are pedaling backward fast, crushing kids as we go. Cut the heat at home, cut the lunches at school. There is no escaping the cuts, kids.

Have we forgotten the shameful revelations of hunger and poverty that produced the American majority for school lunches, WIC and low income energy assistance? What about that contract?

Contracts are supposed to be win-win propositions. Tax cuts for the wealthy paid for with lunch money from kids is a rotten tradeoff. As $5 billion wallop at WIC and child nutrition programs is child abuse.

If Washington cannot afford to feed hungry kids, cash-starved cities like the District will hardly be able to pick up the pieces—or the children. It is time we stopped eating our young and their lunches.

THE ALTERNATIVE MINIMUM TAX REPEAL ACT OF 1995

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

Mr. ENGLISH of Pennsylvania. Mr. Speaker, today I am introducing the Alternative Minimum Tax Repeal Act of 1995. It is my sincere hope that this legislation will provide a starting point for this Congress to consider eliminating economic distortions caused by the Tax Code and encourage new investment in manufacturing.

This legislation would repeal the alternative minimum tax that was created as part of the Tax Reform Act of 1986. This tax is a major impediment to

new investment for many capital intensive and rapidly growing manufacturing firms in the chemical, electronic equipment, energy, metal, paper, steel, and transportation industries. It is a parallel tax system that takes away a portion of a company's depreciation deductions if their income as computed under the alternative minimum formula is higher than their income calculated under the regular tax system.

While it was designed and intended to prevent otherwise profitable companies from escaping taxation altogether through the use of exclusions, deductions, and credits, it has instead resulted in large interest-free loans to the Government by companies that experienced real economic losses during the early 1990's. Congress never intended for companies to incur a permanent increase in tax liability due to this tax. Put simply, the alternative minimum tax is not working as it was intended.

While many members of the House Ways and Means Committee, on which I serve, are very concerned about this tax, by introducing this legislation I hope to ignite a broader interest in this exact type of much needed tax reform. I am pleased to offer this bill to the House.

LEAVE THE KIDS ALONE

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

Mr. LEWIS of Georgia. Mr. Speaker, yesterday I ate breakfast and lunch with students at two schools in Atlanta, Payton Forest Elementary School and Thomasville Heights Elementary School. Many of these children were receiving these meals through the School Lunch and Breakfast Programs. For some of them it was the first decent meal they had had since Friday, the last time they were in school.

Mr. Speaker, it is cold and heartless, it is just plain mean, for the Republican majority to deprive these children of their school breakfast and lunches. This program is a success. It provides the food necessary for children to learn. Children cannot learn on an empty stomach, they cannot learn if they are hungry.

The cost of my breakfast and lunch yesterday was a combined $2.70. Surely, this is not too great a cost to pay to feed our children, to give them the nutrition they need to learn and to grow.

In their rush to provide tax breaks to the wealthy, the Republican majority would steal lunch money from our kids. I, for one, do not want any part of that contract and I don't think the American people do either.

THE SIMPLE FACTS

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

Mr. HAYWORTH. Mr. Speaker, I certainly have a great deal of affection and admiration for the gentleman who preceded me here in the well. I was pleased to see that he was back at school as were many of my liberal Democrat colleagues yesterday. But the fact is that with all due respect, my friends should not spend time exclusively in the lunchroom, they should go back to math class, because here are the simple facts of this case.

We are actually increasing $200 million in excess of what the President is calling for in school nutrition programs. We are calling for a 4.5-percent increase in these school nutrition programs. Yes, we are asking to fine tune the responsibility to give the responsibility to people on the front lines fighting the battle, but friends, it is an increase.

Only in Washington can an increase be called a cut and be called heartless and mean spirited when in fact we are public spirited trying to get control of this problem, trying to feed the truly needy and trying not to make this a crass political issue.

SUPPORT FEDERAL NUTRITION PROGRAMS

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

Mr. WARD. Mr. Speaker, I have a prepared text for today to talk about child nutrition programs, but I have to react to what we have just been hearing. To say that they are not going to cut these child nutrition programs is the big lie, ladies and gentlemen, because if you make a block grant, you take last year's figure which may be higher than the year before's but say, ''We are not going to raise it in the future, we are just going to let the States spend it,'' you are cutting it.

If you do not take into account economic downturns, if you do not take into account what happens in community after community across this country which may be different than what is happening here, and then have the audacity to blame the Democrat support on our connections with Federal bureaucrats, that is just too absurd for words.

Ladies and gentlemen, we need to continue to support our children.

FEAR TACTICS EMPLOYED IN SUPPORTING FEDERAL NUTRITION PROGRAMS

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

Mr. DREIER. Mr. Speaker, pathetic is the only way to describe the message which has been emanating from the other side, trying to frighten the people of the United States of America about our goals for dealing with the issue of child nutrition.

We do not have a cut. We have a 4.5-percent increase. That is very clear. But as my friend from the other side of the aisle just said, we somehow in transferring this to the States will in fact allow a tremendous cut to take place. Baloney. There is a provision in this legislation which states that 80 percent of those funds that are provided must go toward the nutrition program and the requirement also states that no more than a 2-percent overhead can be provided.

We are increasing the level of funding, we are trying to make it more responsible so that in fact we do not see what exists today, 20 percent of those young people benefiting from the program coming from homes with incomes in excess of $50,000 a year.

We want the truly needy to benefit from this, we are increasing the level of funding for it, and they should quit the kind of fear tactics that they are imposing.

TORT REFORM

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

Mr. SAM JOHNSON of Texas. I will not even address the lies coming from the other side.

Mr. Speaker, I want to talk about tort reforms we are considering this week. They are important to every citizen in this country, so important that each of the 50 States is currently considering some type of overhaul of their own legal system.

In my home State of Texas, Governor Bush has declared a state of emergency to address these reforms and with good cause. Texas ranked fourth in the Nation in million-dollar verdicts between 1990 and 1993. Lawsuit abuse is out of control, so out of control it is crippling businesses, destroying jobs, and costing every household in Texas $2,700 per year.

Last year alone in Texas prisons there were 1,000 suits filed by prisoners for crazy reasons. One for being licked. Yeah, I said licked by a horse while on a work detail.

The time has come for my colleagues to take a giant step for America and answer the plea seen on a billboard in a town in south Texas that reads, ''Stop Lawsuit Abuse Now.''

FIXING THE WELFARE MESS

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

Mr. RIGGS. Mr. Speaker, I first of all will join with my colleagues who have used adjectives such as pathetic and audacious to describe the fear tactics and the continuing politics of envy that we hear coming from the other side of the aisle. I will add another,

though, adjective to describe what I have been seeing take place, and that is unconscionable. It is unconscionable for the House Democratic Party to treat welfare recipients as a political constituency for political gain.

Mr. Speaker, Americans have said that they are sick of a failed liberal welfare system that traps people in a cycle of dependency. Five million families, 9 million kids on AFDC, and at any given time over 50 percent of those families have been on AFDC welfare for over 10 years.

It is a system that ruins generation after generation, a system that has cost us as a country $5 trillion while making the situation worse. Two out of three black babies born out of wedlock, 20 percent of white children born out of wedlock.

Mr. Speaker, the American people want us to fix the welfare mess before it does any more damage and fix it, we will.

□ 1145

WELFARE REFORM

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

Mr. SHAW. Mr. Speaker, I have been sitting here listening to the speakers that came before me here this morning on the House floor criticizing the Republicans for what they are trying to do that is to reform welfare, criticizing the Republicans for bringing a child support bill to the floor and saying that it was not tough enough.

I will say to my friends in the Democrat Party you had 40 years to bring welfare reform to the floor and you never brought it; you had 40 years to bring a child support bill to the floor that was tough, and you never did it.

Now we are looking to you and we are reaching out to you as we are to the President, who gave a speech within the last hour on welfare reform, we are reaching out and saying come now and join with us because we are moving it forward. We are going to have welfare reform. It is going to pass this House. We are going to have a lot of Democrats that are going to be joining the Republicans who are pushing this agenda forward.

And you know what? We are going to be doing things for the poor that you never did. We are going to be doing things for the children that you neglected and we are going to reform welfare.

SUPPORT FOR TORT REFORM

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

Mr. WELDON of Florida. Mr. Speaker, it is a pleasure for me to rise today and speak in support of the tort reform or lawsuit reform being brought before the House by the Republican leadership. As a physician who has practiced medicine in the community for the past 7 years, I can say that I have seen firsthand the terrible effect of this runaway problem with lawsuits on our Nation and in particular on our ability to practice good, high quality, cost effective medicine.

The people who have been paying for this runaway crisis in excessive lawsuits are the people of the United States. The patients have been playing the costs.

The time has arrived, it is long overdue. Reform is needed and reform is now, this week, before the House of Representatives. And I beseech all of my colleagues on both sides of the aisle to support the Republican programs for dealing with this problem in our Nation and restoring true balance to our criminal and civil justice system.

DEMOCRATS SCARING CHILDREN ABOUT SCHOOL LUNCHES

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

Mr. BURTON of Indiana. Mr. Speaker, last week the Speaker of the House, NEWT GINGRICH, went out to a school here in Washington, DC, to try to support a program called the Earn and Learn Program. That is where they pay children $2 for reading a book and it is to encourage kids to learn. It is a great program; it is being adopted in many schools across this country.

But before he got there, two Members of the Democrat minority went out there and had lunch with the kids and told them that the Speaker was coming out and that he was going to take away their lunches, that the Speaker of the House was against them, he was going to take away the school lunch for all of the kids across the country and scared those little kids to death.

Now, that is wrong; that is wrong. The fact of the matter is we are going to increase school lunch funding by 4 percent, we are going to increase it. What we are going to cut is the bureaucracy. We are going to send it to the States in block grants, so that the Governors who understand their States and the mayors who understand their cities can distribute this money properly so that it goes to the intended purpose without a lot of bureaucratic expense.

And I really want to say to my colleagues on the Democrat side, if you criticize us for the school lunch program, criticize your colleagues for going out and scaring those little kids last week. That is wrong.

ATTORNEY ACCOUNTABILITY ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 104 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. 988.

□ 1159

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. 988) to reform the Federal civil justice system, with Mr. HOBSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, March 6, 1995, the amendment offered by the gentleman from Ohio [Mr. HOKE] had been disposed of and the bill was open to amendment at any point.

Two and one-half hours remain for consideration of amendments under the 5-minute rule.

Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana: In section 2, page 4, line 1, insert at the beginning of the line ''25 percent of''.

And on line 5, strike the period, insert a comma and add the following new language ''or the Court may increase the percentage above the 25 percent if in the opinion of the Court the offeree was not reasonable in rejecting the last offer.''

Mr. BURTON of Indiana. Mr. Chairman, I believe that if there is a frivolous lawsuit filed there ought to be a penalty assessed on the plaintiff. I believe that should be the case. I do not believe, however, it should be a 100 percent losers paying totally, and the reason I say that is because I have known a number of people who have been involved in litigations of this type who have had a legitimate lawsuit, and because of the jury or because of the judge or for whatever reason the ruling was against them, and they were not in a position to be able to pay exorbitant legal fees on the part of the defendant.

Many times these defendants are lawyers for large corporations who can drag these suits on for long periods of time and spend an awful lot of money. Look at some of the trials like you see on TV right now like the O.J. Simpson trial, you see how much time and effort and money is being spent on legal defense.

Some of these people are very proficient at what they do. Can you imagine, we are not talking about a murder trial now, but can you imagine a person in a civil case that is suing somebody and they have the ability to hire the kind of legal counsel you see in the O.J. Simpson case where millions of dollars might be spent in defending someone?

So I believe that there ought to be some middle ground. And that middle ground is exhibited in my amendment, and my amendment says that if the plaintiff loses the case, there is a 25-percent penalty. But if it is a frivolous

flagrant case, the judge has the ability to expand that up to 100 percent. So there is somewhat of a sliding scale.

I talked to the gentleman from Virginia [Mr. GOODLATTE] last night, the bill's sponsor, and he said he thought he could live with some kind of sliding scale. The problem is that neither the gentleman from Virginia [Mr. GOODLATTE], nor I, nor anyone in the body could come up with a sliding scale. So the next best thing is to come up with a hard percentage, like the 25 percent I am talking about, and then leave discretion to the judge in the event he feels like it is a case that was not meritoriou and was frivolous and he can raise that fee. I think that will discourage an awful lot of lawsuits.

In addition, I think this will bring both sides closer together than the loser pays provision that is already in the bill because it is going to encourage the plaintiff, because he knows there is a penalty if they lose the case; and it is going to encourage the defense because they know they are not going to get 100 percent even if they hire high-powered lawyers to win the case. So I think this will force more people to settlement, even more so than the entire loser pays provision in the bill.

So, Mr. Chairman, I believe this is a sound, reasonable amendment. It strikes a middle ground. It comes as close to the sliding scale the gentleman from Virginia [Mr. GOODLATTE] said he would accept without going to an actual sliding scale, which I think is an impossible thing to achieve.

Ms. HARMAN. Mr. Chairman, I rise in support of the Burton amendment.

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

Ms. HARMAN. Mr. Chairman, I would like to commend the gentleman from Indiana [Mr. BURTON] for trying to do something that concerns many of us in this body who have listened intensely to the debate on this issue. I think that everyone here does not want to deter meritorious lawsuits, but it is also true that there are abuses, and we do want to deal with those abuses in a fair way.

I think that the Goodlatte language, especially as amended by him, goes a long way toward doing that, but there are possible excesses in that language, and the gentleman from Indiana [Mr. BURTON] has suggested a remedy that would amount to a sliding scale of fee awards that would deal with those excesses.

I know the gentleman from Indiana [Mr. BURTON] speaks here from personal experience, and I think it is very commendable that he would offer this. I also want to say that should his amendment fail, I intend to offer an amendment to provide a different approach to this very difficult subject, which I think also merits consideration.

My bottom line here is this is not a partisan issue, this is about fairness, it is about curbing abuse, but it is also about permitting meritorious action.

I urge support for the Burton amendment.

Mr. MOORHEAD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana. The amendment would limit loser pays to a 25-percent recovery. This would in effect defeat the concept of loser pays. What this does is substantially reduce the incentive for the parties to settle their cases out of court.

If we are going to go on with a loser-pays provision, let us not weaken it or water it down to such a point that it defeats the whole purpose.

The other part of the amendment giving the judge discretion to increase the 25 percent would only lead to further litigations on whether the offer is reasonable or unreasonable. The amendment I believe would seriously weaken loser pay.

We have a number of provisions in the legislation now that puts restrictions on loser pay. We have tried to reach the areas where it is between, where the judgment is between the offer of the defendant and the offer of the plaintiff; there would be no loser pay involved there. There are provisions that a judge can use his discretion as to whether to provide for loser pay in the legislation.

I think that if we are going to go in this direction there is not much left of the loser-pay provision. I do not think that the 25 percent still left in here will have much effect on encouraging people to settle. I do not think it will have much to do to cut down on overall litigations. And for that reason I would ask for a ''no'' vote on this amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I am happy to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I do not quite understand the chairman's argument. He said that this would eliminate the forcing of a settlement before the trial takes place. It seems to me that this puts more of a balance into the legislation instead of having all of the burdens shifted over to the plaintiff.

Right now you are shifting 100 percent of the costs to the plaintiff if he does not settle and the judgment is below what was the last offer. And it seems to me that that is putting undue pressure on the plaintiff.

What I was trying to do was to try to reach a middle ground that was more fair than what the original legislation intended.

Mr. MOORHEAD. But actually it applies to both the defendant and the plaintiff. The plaintiff is not the only one that could be caught paying the other person's fees.

But I can tell the gentleman that you can limit the amount of money you may have to pay by prior to 10 days before trial making your final offer and you will not have to pay the fees that have accrued prior to that time. You many be able to strike under the present bill a large percent of what you might otherwise have had to pay.

But I do think that if you go down from there and have only 25 percent of what would accrue from that time forward, you do not have very much left out of your loser pays.

Mr. BURTON of Indiana. If the gentleman will yield on one further question. The further question is did the gentleman understand, he did not mention in his comments, that the judge does have latitude to increase that 25 percent to 100 percent if he chooses to do that?

Mr. MOORHEAD. I understand that, and I did comment on that in my comments, that you come to another argument when you go into that. You lead to further litigation and dispute as to whether the offer has been reasonable or unreasonable, many other things that could be involved there, and we are going to have an irregularity between one judge and another as to what you get out of the law as we intend it to be.

□ 1200

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman would yield further, I ask, ''Don't judges already have latitude?''

Mr. MOORHEAD. To a certain extent.

Mr. BURTON of Indiana. Then why would this exacerbate that situation?

Mr. MOORHEAD. I say to the gentleman, ''Primarily because, whey you cut from 100 percent to 25 percent, you're gutting the very issue we're talking about.''

Mr. BURTON of Indiana. But the fact of the matter is judges have latitude right now. What we are setting is a floor of 25 percent, and we are allowing them to go to 100 percent.

So what the gentleman wants to do is he does not want the judges to have any latitude; is that correct?

Mr. MOORHEAD. They do have some latitude under the bill as it is written.

Mr. BURTON of Indiana. But the gentleman does not want them to have this latitude.

Mr. MOORHEAD. Latitude in every single case where they have not found that it will work an injustice.

We have in our legislation that we have, we have provisions in those extreme cases where the judge does have a latitude.

Mr. BURTON of Indiana. Well——

Mr. MOORHEAD. I just think, if the gentleman is not in favor of loser pays, of course he is not going to like this at all. But under the amendments that we have put into the bill, a lot of the sting of loser pays has been taken out already——

Mr. BURTON of Indiana. If the gentleman would yield——

Mr. MOORHEAD. In the Goodlatte amendment.

Mr. BURTON of Indiana. One more brief comment, and that is this, that I

do agree that there should be a penalty, and I agree that the penalty should be pretty severe. Twenty-five percent is not peanuts in many of these cases, but what I disagree with——

The CHAIRMAN. The time of the gentleman from California [Mr. MOORHEAD] has expired.

(On request of Mr. BURTON of Indiana and by unanimous consent, Mr. MOORHEAD was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. What I disagree with is that this is putting such a huge burden on, in many cases, people who could not afford to pay the 100 percent, and—but at the same time the gentleman is still giving the judge latitude in the event it is a frivolous case. It seems to me this is as close to a sliding scale as the gentleman from Virginia [Mr. GOODLATTE] requested, as we can possibly come.

Mr. MOORHEAD. It is a sliding scale though.

Mr. BURTON of Indiana. Well, Mr. Chairman, I say to the gentleman, ''Well, you're giving the judge latitude; I mean that's a sliding scale.''

Mr. MOORHEAD. Possibility.

I say to the gentleman, ''I think you're just defeating loser pays.''

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

Mr. MOORHEAD. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Chairman, the gentleman from Indiana [Mr. BURTON] and I have been discussing since last night the gentleman's concerns, and what I would first say to the gentleman is that let us not forget that we are talking about diversity cases in Federal district court. We are not talking about, by any means, all tort cases. In fact, what we are really talking about are the vast majority of these cases not being the kind of tort cases the gentleman described. They are being mostly contract cases and issues——

The CHAIRMAN. The time of the gentleman from California [Mr. MOORHEAD] has expired.

(On request of Mr. GOODLATTE and by unanimous consent, Mr. MOORHEAD was allowed to proceed for 1 additional minute.)

Mr. GOODLATTE. Mr. Chairman, would the gentleman yield further?

Mr. MOORHEAD. I yield to the gentleman from Virginia.

Mr. GOODLATTE. It would be my hope that we could work something out along the lines of the amendment that I suggested there which would help out in the case where a plaintiff actually got a judgment against a defendant, but the defendant offered more under the proceeding that is provided for in the bill than what the plaintiff got from the jury, and under those circumstances, because a case is really two parts; it is part liability and part proving damages, and clearly the plaintiff would have proven liability in those circumstances. Then there is an argument to be made that it should be less than 100 percent. It would make it 50 percent.

If the gentleman would work with us along those lines and withdraw his amendment, it would be very helpful.

Mr. BURTON of Indiana. Mr. Chairman, would the chairman yield briefly?

Mr. MOORHEAD. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Let me just make two comments.

First of all, many of the States are working on similar legislation of this right now as far as State litigation is concerned. We all know that. I believe that what we do here today will serve as a model for many of those States, so this reaches beyond just Federal litigation in my view in the long run.

In addition to that, I read the gentleman's amendment, and, while I think that is a step in the right direction, the problem I have with that is we still have some jurors and some judges that may rule against a legitimate case, and what the gentleman's amendment does is only deals where the plaintiff gets some kind of a settlement. If the plaintiff does not get any settlement, then he or she still pays 100 percent of the defense cost for the defendant, and in my view, as my colleagues know, that could work an undue hardship.

My amendment, my amendment right now, says that they do have a 25-percent penalty, and, if it is truly a frivolous case, the judge can assess more than that, but it does leave some discretion with the court, and to me that makes some sense.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield further?

Mr. MOORHEAD. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Let me say to the gentleman from Indiana, let us not forget that under the current system that exists right now that the circumstances the gentleman just described where a judge or a jury unfairly ruled against a party, if they rule against a defendant, they are stuck right now paying attorney fees, and substantial attorney fees. Under a contingency fee case the gentleman describes, that would not be true of a plaintiff; you see?

So there is a definite disparity in the law as it exists right now.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman would yield, let me just say that all cases are not on a contingency basis.

Mr. GOODLATTE. That is correct.

Mr. BURTON of Indiana. And the gentleman keeps talking about a contingency basis, but many of those are on hourly rate, and so the plaintiff does pay legal fees in many of these cases on an hourly rate, and it is pretty doggone high.

So this contingency thing is real, but that is not 100 percent.

Mr. GOODLATTE. If the gentleman would yield further, the gentleman is correct, but in tort cases I think he would find the overwhelming majority, if not all of them, are going to be on a contingency fee basis. I am sure there are a few that are not, but very, very few.

What we are really talking about are other types of contract actions and so on where that would be the case, but then again that would be true of both parties facing that liability under the circumstances that the gentleman describes. My amendment would cure the difficulty that we are talking about here.

Mr. BURTON of Indiana. If the gentleman would yield further, I say to the gentleman, if your amendment would deal, in addition to those cases where the plaintiff got a settlement, but below the last best offer; if it went further than that, even where the plaintiff lost, I could probably accept that amendment, but the gentleman completely eliminates that possibility.

I say to the gentleman, in your amendment here that you just presented to me, if the plaintiff gets a zero grant or zero decision from the court, he still picks up 100 percent of the defense's legal fees. So that part of the amendment I don't think is good, and I could not accept that.

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

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend my colleague, the gentleman from Indiana [Mr. BURTON], for bringing a real-life situation into this debate which demonstrates the severe adverse impact that this bill would have on ordinary working people in this country. I also want to commend him for this effort to improve the provisions of the underlying bill, which I think his amendment would do. However at the same time I want to point out the problem that the amendment demonstrates that the underlying bill presents to us.

I say to my colleagues, ''When you try to apply this bill to other than frivolous cases, you are inevitably going to get into the very kind of situation that Mr. BURTON's amendment is trying to address, and, once you start to do this sliding scale approach, or once you try to do 25 percent, or 50 percent, or 75 percent, or 10 percent, what you have started to do is demonstrate the sheer irrationality of the entire approach that is being applied here because, once you get on that kind of slippery slope, as we used to call it in the law, you can't figure out where to draw the line in a way that it makes any kind of sense, and it doesn't show that a higher threshold necessarily makes any more sense. What it shows is that the underlying approach that you are using when you apply it to nonfrivolous lawsuits doesn't make any sense.''

So, Mr. Chairman, while I commend the gentleman for coming forward with the amendment, which is an improvement, it gets us on that slippery slope and moves us on this sliding scale toward a better bill, we would really be

better served if we went back to the approach of limiting the underlying bill only to frivolous cases.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. The effect of this amendment would be to say in a case where somebody loses a lawsuit for whatever reason that not only are their attorney fees limited in the fashion they have already been limited in the bill, and we have limited them in several respects: First of all, we have limited them to 10 days before the trial through the trial, and we have done that for good reason.

It has been pointed out that a party to a lawsuit through the discovery process could drive up the amount of attorney fees by loading up the other party with discovery motions, and depositions and so on. So we limit it to 10 days before trial through the trial, which is the time when one is, generally speaking, preparing for trial and preparing the case. Second, we have limited it so that the losing party would not be required to pay the prevailing party more than the attorney fees that the prevailing party is—the losing party is paying their own attorney.

The fact of the matter is that that also has a good purpose in the bill because it prevents the deep pockets that so many on the other side have talked about from loading up the attorney fees by bringing four attorneys into trial and so on. They cannot, by adding costs on their side, make the nonprevailing party, the losing party, pay more costs because it is limited that they cannot pay the other side more than they pay their own attorney. So they have the ability to some extent to control and to limit that.

Finally, we have in this bill a provision which allows the court in its discretion to not apply the provisions of this bill under two circumstances. One circumstance is where it finds that it would be manifestly unjust to do so, and that certainly gives the court discretion. In addition, the court can find that the case presents a question of law or fact that is novel and important and that substantially affects nonparties, and if a—and can exempt it for that reason as well.

This amendment will take that 75 percent further. Three quarters of the attorney fees that are provided for that are left in this bill would be taken out of the bill with this amendment. It is not a good amendment from that standpoint. It is not reasonable to think that just the 25 percent will have the kind of effect that we need to have on frivolous lawsuits, fraudulent lawsuits, nonmeritorious lawsuits, and not the kind of effect we need to have that is provided in this bill to encourage greater settlement of these cases. The effect of this will be say, ''Yes, you might have to pay a little bit of attorney fees, but it's going to be you don't have to pay a lot.''

For those reasons I would strongly urge that my colleagues defeat this amendment. This is not a good amendment from the standpoint of trying to do something about the explosion of litigation in this country.

The fact is that the Girl Scouts; we have talked about all these big corporate defendants in this country. Well, one of the organizations that supports the legal reforms we have are the Girl Scouts, and the Girl Scouts' counsel here in Washington, DC, says that the first 87,000 boxes of Girl Scout cookies that they have to sell goes to raise the $120,000 to pay their liability insurance. The effect of that is that, before one penny can be spent to help Girl Scouts with all the wonderful programs that Girl Scouts have, not one penny can be spent until they sell 87,000 boxes and raise $127,000 to deal with the liability.

Little Leaguers are opposed, are in favor, of legal reforms because they know that it is becoming increasingly difficult to get people to participate in allowing them to use their fields for ball diamonds because of the fact that they face greater and greater exposure to lawsuits, and the loss of insurance, and the risk of being brought in as parties to these cases.

This is not a problem that deals with corporate America alone. It certainly does add to the cost of consumer goods when corporations raise those prices to consumers. It certainly does have an effect on insurance companies when they raise insurance premiums to all Americans for their automobiles, for homeowners insurance, for any kind of insurance that we want to name. The costs are going up, and they are going up rapidly.

Mr. Chairman, the cost of our litigation system in this country is rising at a faster rate than the cost of our medical system in this country, which we spent all of last year addressing——

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GOODLATTE] has expired.

(By unanimous consent, Mr. GOODLATTE was allowed to proceed for 2 additional minutes.)

Mr. GOODLATTE. Mr. Chairman, the fact of the matter is that legal costs in this country are rising at a rate of 12 percent a year, far in excess, far in excess of what is happening even in the cost of medical care, but certainly three or four times the rate of inflation in this country.

□ 1215

And this amendment will reduce drastically the ability to use this provision to say, when you file a lawsuit, you take a risk. You have made the risk way too small, I would say to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Let me just say that I think that a 25-percent penalty is an inducement for settlement. The gentleman keeps acting like it is nothing. Twenty-five percent of the legal fees of the defendant can be an awful lot of money, especially in a Federal case. We are not talking about peanuts. I think that this will dissuade people from going to trial, and it will force a settlement. The gentleman acts like if it is not 100 percent, it is not going to force a settlement.

The other thing you are discounting is that if it is a frivolous case, the judge can start at the 25 percent and go all the way to the 100 percent level. So you can have total loser pays.

This is a good middle ground. It will dissuade people from going to court. It will force settlements. So I think the gentleman is overstating the case. It will not be as onerous as far as forcing settlements as 100 percent. But it certainly is going to force a lot of these people to settle out of court without going to trial. Twenty-five percent is a step in the right direction, and it still gives the judge latitude to go all the way to 100 percent. I think this is a good amendment.

Mr. GOODLATTE. Reclaiming my time, I would say to the gentleman that the mechanism I offered to deal with the case where the plaintiff proves the case but has been unreasonable in their settlement negotiations and gives them some relief there would be something that would be tolerable. But 25 percent in all cases regardless of whether or not they are meritorious or not, we know that when discretion is given to judges in these cases——

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GOODLATTE] has again expired.

(By unanimous consent, Mr. GOODLATTE was allowed to proceed for 2 additional minutes.)

Mr. GOODLATTE. When you take that in all cases and then ask the judge to give more, the history with rule XI sanctions is that it is very, very, very rarely done. And the attorneys know it, and they do not worry about rule XI sanctions because they know that the odds of them being applied to them are very, very remote. If you put this provision in, they are going to know that it is 25 percent. Maybe there is a remote chance of getting more, but it is not going to be 100 percent in the cases that it should be 100 percent in.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman will continue to yield, I understand the gentleman does not think the judges will assess this additional 75 percent in a case where it is a flagrant example of a frivolous case. But I do not think I agree with that. At least there is 25 percent penalty, a flat 25 percent right off the top.

Let me just say something about the amendment you referred to. The problem with your amendment that you suggested as an alternative, and it is a step in the right direction, is that it is 50 percent if the plaintiff gets less than

the last best offer. But in the event he or she gets zero, they still pay 100 percent of the defendant's legal expenses. And in many cases, I wish the gentleman would just pay attention here for a second, in many cases, you may have a jury or a judge who for one reason or another does not like the way the plaintiff looks and they rule that they should not get anything and then they have to pick up 100 percent of the cost.

If the gentleman made this 50 percent across the board, I would accept it.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I just wanted to say that I heard the gentleman citing the Girl Scouts, I just came from the Committee on Rules where they are citing the Girl Scouts. On Friday the Girl Scouts were on the front page of the Wall Street Journal saying please, please, this is not their legislation. Today in the Wall Street Journal, on the first section of section B, they are saying that once again. Let me quote, it says, ''It is not at all true, we have been harangued with frivolous lawsuits. That is absolutely not the case.''

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GOODLATTE] has expired.

(On request of Mrs. SCHROEDER, and by unanimous consent, Mr. GOODLATTE was allowed to proceed for 30 additional seconds.)

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will continue to yield, that is what the head of the Girl Scouts says. Having been a Girl Scout, when I was younger, the one thing they believe in is in truth. It says, ''Truth has been the first casualty.'' I really wish Members would stop citing the Girl Scouts, when they have been frantically trying over and over again to say they have not been inundated with frivolous lawsuits and you do not have to sell all of those cookies to pay this off. They really would like to get that out there. So I really think we ought to stop calling this the Girl Scout cookie bill because the Girl Scouts do not want that name.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GOODLATTE] has again expired.

(By unanimous consent, Mr. GOODLATTE was allowed to proceed for 1 additional minute.)

Mr. GOODLATTE. Mr. Chairman, I thank the gentlewoman for her comments. The fact of the matter is, the representative of the Girl Scouts here in the Washington Area District Girl Scout Council told me this personally, 87,000 boxes of cookies sold to raise $120,000 to pay liability insurance before they ever can spend a penny on anything else.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will continue to yield, I assume that the national office keeps those records. I think what happens here, it is like the old game we used to play in Girl Scouts called telephone. I think probably some of the leaders have heard that passed along. The national Girl Scout office has said that is not true.

Mr. GOODLATTE. Reclaiming my time, the representative of the Girl Scouts for the Washington District Council told me and a number of other Members of Congress and others personally that that was the fact. I am not representing that as something I know personally. I am representing it as what was told to me by a representative of the Girl Scouts.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

I just want to quickly answer that I think in all honesty that we ought to be listening to the Wall Street Journal which has now made two passes at that. We also ought to be listening to the National Girl Scout office of New York which would be handling those complaints. I think that that is very key. They have said this over and over again. This whole debate is full of all sorts of stories that get blown out of proportion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

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

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 214, not voting 18, as follows:

[Roll No 204]

AYES—202

Ackerman	Deal	Gutierrez
Andrews	DeFazio	Hall (OH)
Baesler	DeLauro	Hamilton
Baker (LA)	Dellums	Harman
Baldacci	Deutsch	Hastings (FL)
Barcia	Diaz-Balart	Hayes
Barrett (WI)	Dicks	Hefner
Bateman	Dingell	Hilliard
Becerra	Dixon	Hinchey
Beilenson	Doggett	Holden
Bentsen	Dooley	Hoyer
Berman	Doolittle	Hunter
Bevill	Doyle	Jackson-Lee
Bilirakis	Duncan	Jacobs
Bishop	Durbin	Johnson (SD)
Bonior	Edwards	Johnson, E. B.
Borski	Ehrlich	Johnston
Boucher	Engel	Kanjorski
Browder	English	Kaptur
Brown (CA)	Eshoo	Kennedy (MA)
Brown (FL)	Evans	Kennedy (RI)
Brown (OH)	Farr	Kennelly
Burton	Fattah	Kildee
Buyer	Fazio	Kleczka
Cardin	Fields (LA)	Klink
Chapman	Filner	LaFalce
Clay	Foglietta	Lantos
Clayton	Ford	Laughlin
Clement	Fox	Levin
Clyburn	Frank (MA)	Lewis (GA)
Coleman	Frost	Lincoln
Collins (IL)	Furse	Lipinski
Conyers	Gephardt	Livingston
Costello	Gilman	Lofgren
Coyne	Gonzalez	Longley
Cramer	Gordon	Lowey
Danner	Graham	Luther
Davis	Green	Maloney
de la Garza	Greenwood	Manton
Markey	Payne (NJ)	Stokes
Martinez	Pelosi	Studds
Martini	Peterson (FL)	Stupak
Mascara	Pomeroy	Tanner
Matsui	Poshard	Tejeda
McCarthy	Quillen	Thompson
McCollum	Rahall	Thornton
McDermott	Reed	Thurman
Meehan	Regula	Torres
Menendez	Reynolds	Torricelli
Mfume	Richardson	Towns
Miller (CA)	Rivers	Traficant
Mineta	Roemer	Tucker
Minge	Ros-Lehtinen	Velazquez
Moakley	Rose	Vento
Mollohan	Roybal-Allard	Visclosky
Moran	Rush	Volkmer
Morella	Sabo	Ward
Murtha	Sanders	Watt (NC)
Myers	Sawyer	Waxman
Nadler	Schroeder	Williams
Neal	Schumer	Wilson
Oberstar	Scott	Wise
Obey	Serrano	Woolsey
Olver	Skaggs	Wyden
Ortiz	Skelton	Wynn
Owens	Slaughter	Yates
Pallone	Spratt	
Pastor	Stark	

NOES—214

Abercrombie	Gallegly	Montgomery
Allard	Ganske	Moorhead
Archer	Gekas	Myrick
Armey	Geren	Nethercutt
Bachus	Gilchrest	Neumann
Baker (CA)	Gillmor	Ney
Ballenger	Goodlatte	Norwood
Barr	Goodling	Nussle
Barrett (NE)	Goss	Oxley
Bartlett	Gunderson	Packard
Barton	Gutknecht	Parker
Bass	Hall (TX)	Paxon
Bereuter	Hancock	Payne (VA)
Bilbray	Hansen	Peterson (MN)
Bliley	Hastert	Petri
Blute	Hastings (WA)	Pickett
Boehlert	Hayworth	Pombo
Boehner	Hefley	Porter
Bonilla	Heineman	Portman
Bono	Herger	Pryce
Brewster	Hilleary	Quinn
Brownback	Hobson	Radanovich
Bryant (TN)	Hoekstra	Ramstad
Bryant (TX)	Hoke	Riggs
Bunn	Horn	Roberts
Bunning	Hostettler	Rohrabacher
Burr	Houghton	Roukema
Callahan	Hutchinson	Royce
Calvert	Hyde	Salmon
Camp	Inglis	Sanford
Canady	Istook	Saxton
Castle	Johnson (CT)	Scarborough
Chabot	Johnson, Sam	Schaefer
Chambliss	Jones	Schiff
Chenoweth	Kasich	Seastrand
Christensen	Kelly	Sensenbrenner
Chrysler	Kim	Shadegg
Clinger	King	Shaw
Coble	Kingston	Shays
Coburn	Klug	Shuster
Collins (GA)	Knollenberg	Sisisky
Combest	Kolbe	Skeen
Cooley	LaHood	Smith (MI)
Cox	Largent	Smith (NJ)
Crane	Latham	Smith (TX)
Crapo	LaTourette	Smith (WA)
Cremeans	Lazio	Solomon
Cubin	Leach	Souder
Cunningham	Lewis (CA)	Spence
DeLay	Lewis (KY)	Stearns
Dickey	Lightfoot	Stenholm
Dreier	Linder	Stump
Dunn	LoBiondo	Talent
Ehlers	Lucas	Tate
Emerson	Manzullo	Tauzin
Ensign	McCrery	Taylor (MS)
Everett	McHale	Taylor (NC)
Ewing	McHugh	Thomas
Fawell	McInnis	Thornberry
Fields (TX)	McIntosh	Tiahrt
Flanagan	McKeon	Torkildsen
Foley	McNulty	Upton
Forbes	Metcalf	Vucanovich
Fowler	Meyers	Waldholtz
Franks (CT)	Mica	Walker
Franks (NJ)	Miller (FL)	Walsh
Frelinghuysen	Mink	Wamp
Frisa	Molinari	Watts (OK)

Weldon (FL)	Wicker	Zeliff
Weller	Wolf	Zimmer
White	Young (AK)	
Whitfield	Young (FL)	

NOT VOTING—18

Collins (MI)	Gibbons	Rangel
Condit	Jefferson	Rogers
Dornan	McDade	Roth
Flake	McKinney	Stockman
Funderburk	Meek	Waters
Gejdenson	Orton	Weldon (PA)

☐ 1241

The Clerk announced the following pair:

On this vote:

Mr. Flake for, with Mr. Jefferson against.

Messrs. BRYANT of Texas, CREMEANS, TAYLOR of Mississippi, SISISKY, and PORTER changed their vote from ''aye'' to ''no.''

Messrs. MYERS of Indiana, RICHARDSON, and TORRES 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. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment that has been redesignated the Conyers-Nadler amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 6, after line 24, insert the following:

(e) LIMITATION ON APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to civil actions to which any of the following applies:

(1) Section 772 of the Revised Statutes of the United States (42 U.S.C. 1988).

(2) Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.).

(3) The Fair Housing Act (42 U.S.C. 3601 et seq.).

(4) The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.).

(5) The Equal Access Act (20 U.S.C. 4071 et seq.).

Rule 11 of the Federal Rules of Civil Procedure, as in effect immediately before the effective date of such amendments, shall apply with respect to such civil actions.

Mr. CONYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. CONYERS. Mr. Chairman, this is an amendment which has been referred to indirectly throughout the debate, and it might gather the support of the manager of the bill on the other side. I will present it and hope that it does.

☐ 1245

I want to thank the gentleman from New York [Mr. NADLER], my colleague on the committee, for his work on a very important part of this bill.

This is an amendment that would preserve our citizens' hard-earned right to protect their civil and other constitutional rights including religious rights.

What we are doing essentially is exempting civil rights cases, religious cases, and gender cases from the bill in terms of attorney sanctions and payments. This leaves the decision on the merit in the hands of the courts.

The people of this country, the Members of this body, have fought too long and hard for religious and civil rights groups in this country to see these precious rights slip away in a little-noticed procedural provision in the Contract With America.

My amendment would safeguard these rights by providing that cases involving religious, racial, and gender discrimination can be brought without undue fear of chilling legal sanctions. Importantly, the amendment would allow rule 11 as it currently exists to provide for discretionary court-imposed sanctions to continue to apply in civil rights and religious cases. This contrasts with the mandatory court sanctions which are contained in the bill before us.

This is a very important distinction because we have a list of lawsuits and attorneys that have been sanctioned under this measure, in a disproportionately large amount of civil rights cases and religious cases. The attorneys have been brought to heel under rule 11, and we are very, very much afraid of what would happen if we would change this to mandating the court to impose these sanctions.

In cases where our citizens have to go to court to protect their constitutional rights, it is imperative that we have as open and fair a court procedure as possible. While rule 11 may have some limited role to play in these cases, it should not have a dominant or overreaching role as would be the case under this bill.

I remind the Members of the fire storm that erupted on Capitol Hill as a result of a 1992 Supreme Court decision, in Employment Division versus Smith, where the court discarded decades of free exercise jurisprudence by holding that the free exercise clause does not relieve individuals of obligations to comply with supposedly neutral laws that restrict their freedom of religion.

How would this occur? What we would do under H.R. 988 is make it more difficult for courageous citizens to bring legal actions to redeem their constitutional rights. It would mandate that litigants pay the other side's legal fees whenever a legal pleading was somehow shown to be unworthy. It would completely remove any equitable discretion by the courts. It also would create a great amount of contention among the parties.

I want to just tell Members a little bit about where rule 11 has come from over the years. We have got a number of studies, but one from the Georgetown Law Journal by Professor Nelken found that 22 percent of the rule 11 motions between 1983 and 1985 were filed in civil rights cases, even though these cases comprised only 7 percent of the civil docket.

At Fordham University, there was a study that in all reported cases from 1983 to 1987, rule 11 sanctions against civil rights plaintiffs were imposed at a rate of 17 percent greater than against all other plaintiffs.

In other cases, we found that the safe harbor provision in rule 11 now was very important and should be preserved.

Please support this civil rights amendment.

Mr. MOORHEAD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. CONYERS].

If I thought for 1 minute that rule 11 sanctions had fallen disproportionately on civil rights attorneys I would have crafted an amendment exempting them, but that's not the case.

The 1991 Federal Judicial Center study on the operation and impact of rule 11 was designed to examine several of the questions about the effects of the rule. The study found:

While the incidence of rule 11 activity has been higher in civil rights cases than in some other types of cases, the imposition rate of sanctions in civil rights cases has been similar to that in other cases.

The study found that rule 11 had not been invoked or applied disproportionately against represented plaintiffs and their attorneys in civil rights cases.

The FJC concluded that rule 11 has not interfered with creative advocacy or impeded the development of the law.

Professor Maurice Rosenberg, Columbia University School of Law, reviewed a subset of sanctioned civil rights cases and commented in his 1990 testimony to the Committee on Rules and Practice and Procedure:

Many complaints strain hard to pretend they involve civil rights claims so that, for example, attorneys' fees may accompany a successful or partially successful outcome.

If a complaint alleges that the towing away of plaintiff's car by the police or the refusal of the San Francisco authorities to allow softball to be played on the hardball field violated the plaintiff's civil rights, is that claim correctly counted as a ''civil rights action?'' That designation covers a wide assortment of grievances, many of which are pressed in order to break new legal ground or, as suggested above, for ulterior purposes.

Finally, the issue of fair administration of rule 11, like many other procedural issues, depends upon the fairness and competence of the Federal judiciary. When properly applied, rule 11 should not unjustly deter litigation by civil rights plaintiffs or any other group.

I urge a ''no'' vote on the amendment.

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

Mr. MOORHEAD. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding. Is he aware that the Judicial Conference studied the rule in 1989 after 16 experts and they made the two changes? First they

made the change that would leave the sanctions to the court's discretion and they created this safe harbor passage for rule 11 motions for 21 days.

This has been working very, very effectively and has cured the problem that I was pointing out to you, that there is no question that before that, we had a serious problem of civil rights and religious rights organizations' lawyers being sanctioned.

Is the gentleman familiar with the procedure, the change that rule 11 underwent?

Mr. MOORHEAD. Senior U.S. District Judge Milton Shadur of the northern district of Illinois said he generally would welcome the restoration of the old rule.

''The most recent changes watered it down,'' he says, ''by offering an out for lawyers who get caught when filing frivolous pleadings.''

''At this point rule 11 is pretty much dead,'' he said.

That dealt with what was done with these amendments that you are talking about. We are putting it back in as rule 11 was for 10 solid years, and virtually all of the judges across the country believed it helped them and it brought a better quality of justice to the courts.

Mr. CONYERS. If the gentleman would yield a final time, the gentleman was aware that this was studied by the Judicial Conference, went to the Supreme Court, passed muster there, is working very well. We are talking about December 1993. This is a very premature decision for us without sending it back up the chain of command for rulemaking in the Federal judiciary to snatch the discretionary sanction of the judge away from him after such a short notice.

I would urge the gentleman to realize the seriousness of what he is proposing here in opposing this very modest rulemaking sanction that I am modifying.

We are not eliminating rule 11. We are just saying the judge would have the discretion that he had as a result of all the work the judges did in 1993.

Mr. NADLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this amendment to exempt civil rights lawsuits from the mandatory rule 11 provision of the bill and to leave it up to the discretion of the judges. I hope that some of the gentlemen on the other side will listen to what I am about to say because I do not think it has been said before.

Last year, we passed the Religious Freedom Restoration Act to undo the Supreme Court decision in the Smith case. There are a number of other court decisions narrowing religious freedom which have not been undone and which people seek to try to challenge for reconsideration in court.

For example, there are a number of decisions narrowing the Religious Accommodations Act which various religious groups want to litigate as well as to try to get this Congress to change.

A memo that I have here from the Christian Legal Society says, for example, an attorney arguing a religious discrimination case and urging the courts to reject the reasoning in any of the existing cases could well be subject to the rule 11 sanctions as contained in this bill. The litigation route presently presents the only opportunity religious individuals will have to seek relief in employment discrimination cases. On this basis, and on the basis of the inclusion in the amendment to the Equal Access Act, the Christian Legal Society and the National Association of Evangelicals will support the amendment.

I have here, Mr. Chairman, and I hope the gentleman from California will pay attention to this so we can comment on it, a letter from the Christian Legal Society and the National Association of Evangelicals in support of this amendment, and I am going to read excerpts from it.

On behalf of the Christian Legal Society's Center for Law and Religious Freedom and the Public Affairs Office of the National Association of Evangelicals, we express our full support for any amendment that would exempt civil rights suits including those under the Equal Access Act and the Religious Freedom Restoration Act from this bill's purview.

The history of religious liberty demonstrates that the powerless sometimes must look to the courts in cases that ''push the envelope'' of the law in order to vindicate our most precious freedoms in ways that existing law does not. We are concerned that mandatory sanctions will discourage the bringing of meritorious religious claims, not just frivolous ones. The first freedom of the first amendment is too precious to risk such a chilling effect. Any interest in judicial efficiency is far outweighed by our duty to keep open the doors of the Federal judiciary to such cases.

Moreover, the preemptive effect of this bill is unnecessary in civil rights cases. Unlike commercial lawsuits, people rarely sue the government merely seeking a nuisance settlement. The few who do can still be dealt with under a discretionary rule 11. Federal judges have not shown that they need to have their judgment handcuffed in this way, at least not in civil rights litigation.

For any and all of these reasons, we support your amendment to section 4 of H.R. 988.

Thank you, * * *.

Respectfully yours, Steven T. McFarland, Director, Center for Law and Religious Freedom of the Christian Legal Society, and Forest Montgomery, General Counsel, Office of Public Affairs for the National Association of Evangelicals.

Mr. Chairman, I think this graphically shows why it is necessary to adopt this amendment if we are going to take our usual protective attitude toward religious liberty. I do not agree with this bill in general and I do not agree that we need to have mandatory rule 11 sanctions. But even many of those who do agree with that I would hope could recognize the distinction on civil rights and religious liberty cases. If someone is suing on a products liability case or a contract case or whatever, if you have a defendant with deep pockets, there are nuisance lawsuits, there are occasions where people will file frivolous claims, but if you are filing a constitutional claim on religious liberty, on religious accommodation, you are not going to have frivolous claims. No one is going to deliberately bring a frivolous religious liberty claim, rarely. We have not seen that problem in the courts and where we do, if we ever do, the nonmandatory, the discretionary rule 11 sanction could do. But to make a mandatory rule 11 sanction here when the religious liberty attorneys are going to have to be trying to persuade a court to change the existing precedent, to push the envelop is going to have a real chilling effect on that, and I do not think we need a real chilling effect on religious liberty.

I would hope that there would be reconsideration on this amendment and that it would pass.

□ 1300

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

(At the request of Mr. MOORHEAD and by unanimous consent, Mr. NADLER was allowed to proceed for 3 additional minutes.)

Mr. NADLER. I yield to the gentleman from California

Mr. MOORHEAD. Mr. Chairman, I think a lot of argument here is based upon a misunderstanding of what the law is presently and what we are doing to it.

Under sanctions in the present law it says if on a notice and a reasonable opportunity to respond the court determines that a subdivision had been violated the court may, subject to conditions stated below, impose an appropriate sanction upon the attorneys, law firms or parties who have violated subdivision (b) or are responsible for action. We changed that ''may'' to ''shall.'' But there is an awful lot of discretion there in the finding of whether there is a violation or not, and what any kind of a sanction, mild or otherwise, there should be. But that is present law.

We do take out of the bill the opportunity under motion to at the last minute, after it has been found they have violated the code by putting in amendments and other pleadings that should not be there, we give them 21 days to change their position, but that is after you are caught with the cookie jar in your hand, we say that they can change that. We have taken that 21-day grace period out and that is principally what the bill does to begin with.

I would like to say this as far as the National Association of Evangelicals and the Christian Legal Society. I have great respect for them. I have worked with them on many, many occasions. I think I have a 100-percent voting record with them, so I am not putting them down or anything else. But I do not think they understand what this is all about.

Mr. NADLER. Reclaiming my time, sir, I think they do understand. We do

not have a problem with the present law. But of course this bill would change the present law and what the Christian Legal Society and the National Association of Evangelicals are saying and what other religious groups that I have been speaking to in the last few days have said to me, is that making mandatory rule 11 sanctions, making it mandatory would have a chilling effect in this area. It may have a chilling affect in other areas and we are not talking about them. We do not have a problem with frivolous suits in civil rights and other areas and they are looking at pushing the envelop and they are very concerned about that.

Mr. MOORHEAD. If the gentleman will yield, that is of course not what this amendment is all about. It exempts a number of different acts of Congress from any portion of this thing which is certainly not in the present law, nothing that we have talked about before.

I will say this, as far as the National Association of Evangelicals who I know very well, they have not come in and testified, they have not commented to me about this in any way if they have a problem.

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will struggle on this issue to be nonemotional. I will struggle because I remember 25 years ago the very day I returned to North Carolina to practice law in what was regarded and is regarded as a civil rights law firm. In the middle of the night someone came and set a fire to the law firm office before I had practiced law in that office one day.

I will struggle because I have seen how much courgage it takes for a plaintiff or a group of plaintiffs to come forward in the face of racial oppression and assert their civil rights.

I will struggle because I have been before judges, 99 percent of whom I would remind my colleagues here are members of the majority race in this country, and I have heard them not understand the underlying basis of a civil rights claim because they have no history to relate that claim to, and to have them in the final analysis find that some portion of the claim is frivolous because they just simply cannot relate to people being abused and having their rights abused in that way.

My colleagues, this is not about some kind of theoretical fear that is being expressed here. There is a concern with frivolous lawsuits, but I remind my colleagues that in this amendment, and I want the gentleman from California to read the amendment, starting at line 9 of the amendment it specifically says ''rule XI of the Federal Rules of Civil Procedure as in effect immediately before the effective date of such amendments shall apply with respect to such civil actions.'' This is not doing away with rule XI.

I have heard my colleague here, the gentleman from Michigan [Mr. CONYERS], read without anybody paying attention, apparently, the disparity in the percentages of frivolous and sanction cases that exist in civil rights cases, 7 percent of the cases yielding a substantially disproportionate share of the sanctions. But I will remind my colleagues that nobody comes forward in the South in the time in which I grew up and brought forward any kind of frivolous civil rights action. It took courage. It took running the risk that your House would be burned down; it took running the risk that your law office would be burned down; it took running the risk that your friends down the street who call you Mr. Charlie would not speak to you again if you brought to light the fact that the employer down the street was discriminating on the basis of race in hiring of people.

This is not some theoretical concern that is being expressed in this amendment. I beg of my colleagues to take this amendment seriously, and vote it up and agree to put this exception in, and provide the kind of protection that these hardworking people, these law-abiding people who simply want to have their civil rights vindicated are bringing to the courts.

Mr. SCOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to add just one other point to this very briefly and that is that you could go through all of that what the gentleman from North Carolina said, and in fact you could have a winning lawsuit and still be forced to pay opposing attornerys' fees if you come in under an offer made sometime during the middle of trial.

Mr. Chairman, the reason that we have attorneys' fees provided in these kinds of cases is that the damage, the financial damage is ususally so small that you have an empty promise in discrimination laws if this amendment is not passed. The empty promise without attorneys' fees is you go to court and you will pay more than you could possibly get.

I would hope that this amendment would pass, would keep the law as it is, and that people who are discriminated against be vindicated and have those rights vindicated in court.

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

Mr. SCOTT. Mr. Chairman, I yield to the gentleman from Virginia.

Mr. GOODLATTE. I thank the gentleman for yielding.

Just a point of winning a law suit and still being required to pay attorney's fees, this would not apply to any of these actions, would it not, because these are all Federal question issues and would not come up under the modified losers pay provisions in the bill which only apply to diversity cases?

Mr. SCOTT. If you are calling it a Federal question, then the passage of this amendment would have no effect in the gentleman's interpretation.

Mr. GOODLATTE. I agree with that; but they are two different types of actions. They are mutually exclusive of each other.

Mr. SCOTT. Mr. Chairman, I would say to the gentleman if that is his interpretation, then the passage would do no harm to the bill and it ought to be adopted just to make sure.

Mr. GOODLATTE. Mr. Chairman, if I can follow up because the comments of the gentleman from North Carolina are indeed impressive, is there something about, and this is what troubles me from my side, is there something about an attorney or an individual who misbehaves with one of those cases and incurs sanctions that would differ from somebody, regardless of their background, regardless of their race or age or sex or anything else in any of the other areas where we apply the ''shall'' provision, which is what the amendment does, instead of the ''may'' provision, which is what the gentleman wants to preserve for these particular issues?

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

I would just simply say to the gentleman, there is a predisposition, there is a disposition, and fortunately over time it is beginning to wane I would acknowledge, and I do not want to leave the impression that our whole Federal or State benches are still where they were 15 or 20 years ago, but I would submit to the gentleman that in these cases there is a substantially higher likelihood that goes beyond insignificant statistical probability, if you go back and look at the statistics that the gentleman from Michigan [Mr. CONYERS] was talking about, that a finding of frivolousness is going to be found in these cases.

Mr. GOODLATTE. Does the gentleman think that is changed based upon changing it from ''may'' to ''shall''? I mean, if there is a discriminatory predisposition that the gentleman describes, would that not also be likely to occur in a circumstance where the judge has the discretion under the law as it exists now?

Mr. WATT of North Carolina. If the gentleman will yield further, I think what the gentleman is doing is sanctioning by this bill that kind of attitude, and giving latitude to it by saying you shall make, you shall do this; and the finding of frivolousness that there will be an inclination to do it anyway, and once you add on to it the word ''shall'' what we have done here is sanctioned that kind of attitude.

At least under the other standard we can at least try to get in the head of the judge and say look, Judge, you are applying a different standard in noncivil rights cases than you are in civil rights cases and try to embarrass him. But once you give him that extra little piece of ammunition, the ''shall'' in this bill, you have given that judge

who may be inclined, the literary license he needs to abuse the system.

Mr. SCOTT. Mr. Chairman, in summary I think I do not want to get away from the point this is a decision a person has to make before they even have the nerve to come forward, and this is just one more barrier to scaring them and daring them to come forth and vindicate their rights in court.

Ms. NORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I come forward as a former chair of the Equal Employment Opportunity Commission, very disquieted that in this bill mandatory sanctions could apply to civil rights actions, and disquieted on the basis of the record.

First, I ask my colleagues to be consistent. We have already exempted civil rights matters from the unfunded mandates bill and from the Regulatory Transition Act. Let us repeat that consistency here.

Why did we do it there and why should we do it here?

□ 1315

Civil rights actions are very difficult to bring. They always have been. They are more difficult to bring today than they were 30 years ago when the acts were passed. At that time getting an attorney was more likely because the discrimination was so widespread, and on the surface there was a bar, a private bar, that developed. Ten years after the act, when I came to chair the EEOC, that bar had virtually disintegrated. The reason is that when lawyers take an action under a civil rights case, they are taking a very large chance. They are hoping to get their fees back. They have to borrow money in order to mount a substantial case.

So if there is any hurdle in the way, what we found, even 10 years after the act—and we find 30 years after the act now—they hesitate and the bar itself simply was not available.

First of all, for a person to come forward, that plaintiff has to make a very difficult decision. She is almost always going against power. Who are the plaintiff's lawyers in the first place? These are usually small practitioners going up against counsel from large corporations. These people have lawyers on staff that can file endless motions to tie up these small practitioners whom we have said we want to bring these cases in order to vindicate civil rights.

Do we want people to bring these cases, or do we not want people to bring these cases? We have said in these two previous bills we do not need to destroy or disassemble the civil rights superstructure that we have put in place. We have not been inconsistent here.

Civil rights actions are different in all kings of ways. For example, for most of those actions, punitive damages are not available. Compensatory damages are often unavailable. Under Title VII, all you can get is your back pay. Most of these cases are settled by the time the case gets to court. The case has gone through some kind of conciliation often, or at least there has been an attempt to settle the case.

If we want to chill the right to bring a civil rights action, then we go back to these mandatory sanctions. I do not know where we could find a lawyer, almost all of them small practitioners, willing to come forward under these circumstances.

Mr. Chairman, the courts are very experienced. They know how to handle cases that are frivolous in the civil rights area. There have been hundreds of thousands of civil rights cases. This is a unique area of the law. We have encouraged people to come forward. We have continued to do so in the 104th Congress with the two bills I have named, the unfunded mandates bill and the Regulatory Transition Act.

I ask my colleagues please to be consistent. Let us stay together yet again on a civil rights provision. Let us support the Conyers amendment.

Mr. ABERCROMBIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, yesterday I spoke in my opposition to this bill in general, and I will speak in favor of this amendment at least.

Mr. Chairman, I am sad to report that one of the great intellects, one of the great playwrights of the 20th century, died less than 3 weeks ago, Robert Bolt. Robert Bolt wrote ''A Man for All Seasons,'' and I commend that to my colleagues who are contemplating voting for this bill let alone voting against this amendment.

Let me quote very briefly from the body of the work, ''A Man for All Seasons.'' As you may recall, this is about Sir Thomas More.

Sir Thomas More found himself in the position of having to defend the church, and there was an argument over religious freedom. And this was not the kind of argument that we may be having here today. He was having an argument with his prospective son-in-law, a man named William Roper. William Roper is described by Robert Bolt in a manner that I think might fit some of the people who are not thinking clearly about this today: ''William Roper, a stiff body in an immobile face with little imagination and moderate brain but an all too consuming rectitude, which is his cross, his solace, and his hobby.'' And I feel we have many people here like that today, Mr. Chairman.

So when Sir Thomas More was confronting his prospective son-in-law, young Mr. Roper, when Roper wanted to have someone seized and arrested because of their views, Roper says, ''There is! God's law.''

And Sir Thomas More said, ''Then God can arrest him.''

Then Roper said this is ''sophistication upon sophistication''—the kind of argument we are hearing on this floor today.

And More said, ''No, sheer simplicity. The law, Roper, the law. I know what's legal not what's right. And I'll stick to what's legal.''

''Then you set man's law above God's!

''No, far below; but let me draw your attention to a fact—I'm not God. The currents and eddies of right and wrong, which you find such plain sailing, I can't navigate. I'm no voyager. But in the thickets of the law, oh, there I'm a forester. I doubt if there's a man alive who could follow me there, thank God.''

And if he should go, ''if he was the Devil himself, until he broke the law!''

Then Roper says, ''So now you'd give the Devil benefit of law!''

Then Sir Thomas More said, ''Yes. What would you do? Cut a great road through the law to get after the Devil?''

Roper said, ''I'd cut down every law in England to do that.''

More said, ''Oh? And when the last law was down, and the Devil turned round on you—where would you hide, Roper, the laws all being flat? This country's planted thick with laws from coast to coast—man's laws, not God's—and if you cut them down—and you're just the man to do it—d'you really think you could stand upright in the winds that would blow then? Yes, I'd give the Devil benefit of law, for my own safety's sake.''

Mr. Chairman, we need to give the Devil the safety of law for our own benefit, for our own safety's sake. And on the question of religious freedom, how can we even be contemplating such a change as is being imagined in the underlying law which we are proposing to pass in this bill?

When the last law is down and the Devil turns on you, where will we hide?

Loser pays. Loser pays is a vestige of this history in England, and in which class warfare prevails. This is the aristocrats against the commoners. That is exactly what it is all about.

No one in good conscience, if they are going to think today, can find themselves resisting this amendment, and I hope and I pray that Members will think further upon what we are doing here.

I know the gentleman from California [Mr. MOORHEAD] as a colleague. I have had the opportunity to speak with him. I respect him. I think he is among the most decent persons that I have met in the Congress. I respect his civility. Some of the people I have talked to about this bill I respect as libertarians.

The CHAIRMAN. The time of the gentleman from Hawaii [Mr. ABERCROMBIE] has expired.

(By unanimous consent, Mr. ABERCROMBIE was allowed to proceed for 2 additional minutes.)

Mr. ABERCROMBIE. Mr. Chairman, I find myself discussing this not as a question of partisanship, not as a question of Democrats versus Republicans.

I do not find myself in a position, Mr. Chairman—and I refer again to my good friend, the gentleman from California, and some of the others I have discussed this with—of looking at this even as a question of winners and losers. On the particular issue, I think we are ill-served by this contract.

This is not a question of loser pays in regard to clients and lawyers. This is a question of whether we are losing as freedom-loving individuals. Some of my libertarian friends that I have on the other side of the aisle find themselves stumbling for an explanation to me as to how they can be for this. This is the ultimate defense of the individual against the State.

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

Mr. ABERCROMBIE. Yes, I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, the gentleman has given the most classic conservative argument I have ever heard. He is asking for us to protect our rights as individuals against forces that otherwise would prevail, whether they are the power of government or the power of wealth. The reference he has made to ''a man for all seasons'' is one of my favorites. I thank the gentleman for bringing it into this debate.

Mr. ABERCROMBIE. Mr. Chairman, I thank the gentleman.

As I bring this up, let me say that I make it a practice of reading this play at least once a year to remind myself of why I am in the Congress. This is one of the reasons why I am here, and I want to tell the Members that this debate has energized me. Sometimes I get up tired in the morning, and I am sure we all have done that. I read in the Post today how tired we all are because we have been moving at a fast pace. That is all right. I do not mind myself, but I realize I am here dealing with the fundamentals, not just me but all of us here, my dear friends and colleagues. We are dealing with the fundamentals. This is what this is all about.

More paid with his head. More paid with his head for standing up for freedom. We will not have to do that today. This is my political head or your political head. What difference does that make? Nobody is going to be shot coming out of this Chamber. Nobody is going to be arrested under these circumstances, not coming out of here. But it is not rhetoric for those whom it affects. And when it comes to religion, this is the first, Mr. Chairman. The first of all our amendments, Mr. Chairman, is freedom of religion, Minus this, we lose the entire basis of what the United States and democracy is all about.

I plead with the Members, please, to examine the basis of what we are doing here. It is not important to pass everything. It is not important to say yes, every ''i'' was dotted and every ''t'' was crossed in this contract, regardless of how we have come to feel about it. That is why we are having this debate.

I wish we had had more time in the committee hearing, but we did not. I appeal to the Members, at least on this amendment, please realize that the basis is not Democrat versus Republican. It is a matter of standing up for the fundamentals, standing up for the freedom of the people of the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

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

RECORDED VOTE

Mr. MOORHEAD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 229, not voting 11, as follows:

[Roll No. 205]

AYES—194

Abercrombie	Gilman	Owens
Ackerman	Gonzalez	Pallone
Andrews	Goodlatte	Pastor
Baldacci	Gordon	Payne (NJ)
Barcia	Green	Payne (VA)
Barrett (WI)	Gutierrez	Pelosi
Becerra	Hall (OH)	Peterson (FL)
Beilenson	Hamilton	Peterson (MN)
Bentsen	Harman	Pomeroy
Berman	Hastings (FL)	Poshard
Bevill	Hayes	Rahall
Bishop	Hefner	Reed
Bonior	Hilliard	Reynolds
Borski	Hinchey	Richardson
Boucher	Hobson	Rivers
Browder	Holden	Roemer
Brown (CA)	Hoyer	Rose
Brown (FL)	Jackson-Lee	Roybal-Allard
Brown (OH)	Jacobs	Rush
Bryant (TX)	Johnson (SD)	Sabo
Chapman	Johnson, E.B.	Sanders
Clay	Johnston	Sawyer
Clayton	Kanjorski	Schroeder
Clement	Kaptur	Schumer
Clyburn	Kennedy (MA)	Scott
Coleman	Kennedy (RI)	Serrano
Collins (IL)	Kennelly	Sisisky
Collins (MI)	Kildee	Skaggs
Conyers	Kleczka	Skelton
Costello	Klink	Slaughter
Coyne	LaFalce	Spratt
Cramer	Lantos	Stark
Danner	Laughlin	Stenholm
Davis	Levin	Stokes
de la Garza	Lewis (GA)	Studds
DeFazio	Lincoln	Stupak
DeLauro	Lipinski	Tanner
Dellums	Lofgren	Taylor (MS)
Deutsch	Luther	Tejeda
Dicks	Maloney	Thompson
Dingell	Manton	Thornton
Dixon	Markey	Thurman
Doggett	Martinez	Torres
Dooley	Mascara	Torricelli
Doyle	Matsui	Towns
Durbin	McCarthy	Traficant
Edwards	McDermott	Tucker
Ehlers	McNulty	Velazquez
Engel	Meehan	Vento
Eshoo	Menendez	Visclosky
Evans	Mfume	Volkmer
Farr	Miller (CA)	Ward
Fattah	Mineta	Waters
Fazio	Minge	Watt (NC)
Fields (LA)	Mink	Watts (OK)
Filner	Moakley	Waxman
Foglietta	Mollohan	Weldon (FL)
Ford	Montgomery	Williams
Fox	Murtha	Wilson
Frank (MA)	Nadler	Wise
Frost	Neal	Woolsey
Furse	Oberstar	Wyden
Gejdenson	Obey	Wynn
Gephardt	Ortiz	Yates
Geren	Orton	

NOES—229

Allard	Frelinghuysen	Myers
Archer	Frisa	Myrick
Armey	Funderburk	Nethercutt
Bachus	Gallegly	Neumann
Baesler	Ganske	Ney
Baker (CA)	Gekas	Norwood
Baker (LA)	Gilchrest	Nussle
Ballenger	Gillmor	Oxley
Barr	Goodling	Packard
Barrett (NE)	Goss	Parker
Bartlett	Graham	Paxon
Barton	Greenwood	Petri
Bass	Gunderson	Pickett
Bateman	Gutknecht	Pombo
Bereuter	Hall (TX)	Porter
Bilbray	Hancock	Portman
Bilirakis	Hansen	Pryce
Bliley	Hastert	Quillen
Blute	Hastings (WA)	Quinn
Boehlert	Hayworth	Radanovich
Boehner	Hefley	Ramstad
Bonilla	Heineman	Regula
Bono	Herger	Riggs
Brewster	Hilleary	Roberts
Brownback	Hoekstra	Rogers
Bryant (TN)	Hoke	Rohrabacher
Bunn	Horn	Ros-Lehtinen
Bunning	Hostettler	Roukema
Burr	Houghton	Royce
Burton	Hunter	Salmon
Buyer	Hutchinson	Sanford
Callahan	Hyde	Saxton
Calvert	Inglis	Scarborough
Camp	Istook	Schaefer
Canady	Johnson (CT)	Schiff
Cardin	Johnson, Sam	Seastrand
Castle	Jones	Sensenbrenner
Chabot	Kasich	Shadegg
Chambliss	Kelly	Shaw
Chenoweth	Kim	Shays
Christensen	King	Shuster
Chrysler	Kingston	Skeen
Clinger	Klug	Smith (MI)
Coble	Knollenberg	Smith (NJ)
Coburn	Kolbe	Smith (TX)
Collins (GA)	LaHood	Smith (WA)
Combest	Largent	Solomon
Cooley	Latham	Souder
Cox	LaTourette	Spence
Crane	Lazio	Stearns
Crapo	Leach	Stockman
Cremeans	Lewis (CA)	Stump
Cubin	Lewis (KY)	Talent
Cunningham	Lightfoot	Tate
Deal	Linder	Tauzin
DeLay	Livingston	Taylor (NC)
Diaz-Balart	LoBiondo	Thomas
Dickey	Longley	Thornberry
Doolittle	Lowey	Tiahrt
Dornan	Lucas	Torkildsen
Dreier	Manzullo	Upton
Duncan	Martini	Vucanovich
Dunn	McCollum	Waldholtz
Ehrlich	McCrery	Walker
Emerson	McHale	Walsh
English	McHugh	Wamp
Ensign	McInnis	Weller
Everett	McIntosh	White
Ewing	McKeon	Whitfield
Fawell	Metcalf	Wicker
Fields (TX)	Meyers	Wolf
Flanagan	Mica	Young (AK)
Foley	Miller (FL)	Young (FL)
Forbes	Molinari	Zeliff
Fowler	Moorhead	Zimmer
Franks (CT)	Moran	
Franks (NJ)	Morella	

NOT VOTING—11

Condit	McDade	Rangel
Flake	McKinney	Roth
Gibbons	Meek	Weldon (PA)
Jefferson	Olver	

☐ 1347

The Clerk announced the following pairs:

On this vote:

Mr. Jefferson for, with Mr. Roth against.

Mr. Flake for, with Mr. Weldon of Pennsylvania against.

Mr. DAVIS and Mr. SCHUMER changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Chairman, I offer an amendment. I would like to say I will not ask for a recorded vote on this amendment.

The CHAIRMAN. The gentleman is recognized for debate only on Mr. GOODLATTE's time. The Chair will have to reserve the ability to separately recognize for the purpose of offering an amendment.

PARLIAMENTARY INQUIRIES

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

The CHAIRMAN. The gentleman will state it.

Mr. GOODLATTE. Mr. Chairman, do I have the ability to yield to the gentleman from Michigan [Mr. SMITH] for the purpose of offering an amendment?

The CHAIRMAN. The gentleman has only the ability to yield for the purpose of debate. The amendment must be offered by the gentleman from Michigan in his own right.

Mr. GOODLATTE. I yield to the gentleman for the purpose of debate. I apologize to the gentleman that he will not be allowed to offer an amendment under these circumstances.

Mr. SMITH of Michigan. Mr. Chairman, then I would yield back to the gentleman, because I am still in hopes that I can have the 5 minutes to offer my amendment.

Mr. GOODLATTE. Mr. Chairman, that being the case, I yield back my time.

Mr. SMITH of Michigan. Mr. Chairman, I have a parliamentary inquiry

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Michigan. Inasmuch as my amendment was printed in the RECORD, do I understand I have a right to have a vote on that amendment?

The CHAIRMAN. If the gentleman is recognized before the expiration of 7 hours at 2:20, the time set for consideration of the bill under the rule, then the gentleman will be accorded the opportunity to offer and have a vote upon his amendment.

Mr. SMITH of Michigan. It is my understanding, Mr. Chairman, that I have the right to be recognized and to have that vote on the amendment, even if there is no debate, is that correct?

The CHAIRMAN. The gentleman is correct, if the gentleman offers his amendment before 2:20.

AMENDMENT OFFERED BY MR. BRYANT OF TEXAS

Mr. BRYANT of Texas. 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. BRYANT of Texas: AMENDMENT NO. 1: Page 4, insert the following after line 21 and redesignate the succeeding paragraph accordingly:

''(8) This subsection applies only to a claim brought against a small business concern as defined under section 3 of the Small Business Act.''.

Mr. BRYANT of Texas. Mr. Chairman, the bill before the House today, as those who have carefully watched this debate now, is one that would for the first time in American history shift the burden from where it has always been to the loser in a lawsuit to pay the costs of the winner for bringing the lawsuit, so that if a person brings a case, even though it appears to be meritorious, even though it is a case that anyone would agree could go either way, when he accidentally, for some reason, unforeseeably loses, he then faces the enormous burden of paying all of the expenses of the person on the other side. The result of that, of course, is to make it very difficult for people of little means to ever have access to our system of justice in the United States.

Now, the rationale given for this bill is that we have to somehow, according to the advocates of it, make business life a little bit easier for the overburdened manufacturer, the small manufacturer out there, who cannot do business because he is constantly faced with the possibility of being sued and losing.

Yet the bill applies to any type of manufacturer of any size whatsoever. When we complain that the bill is simply making it easy for the biggest and the largest and the strongest companies in our country to produce products of an inferior type that might later injure someone, and yet never be sued, they say oh, no, we are not trying to protect the big boys. We are just trying to create an even playing field. We are really looking at a way to protect the little guys.

Well, the amendment which I have before the House at this moment does just that. What it says is that the loser-pay bill on the floor today only applies when the defendant is a small business as defined by the section 3 of the Small Business Act. What is that? That is a business with 500 or fewer employees.

I submit to you that we are embarking on a mission here for which we have no evidence, for which we have been given no direction based upon any empirical data. If we are going to do that, for goodness' sake, we ought to limit the effect to small businesses and not allow the biggest of the businesses, the ones that can well afford to pay their own costs, to be exempt from any type of a lawsuit that is brought against them, in effect because no one will ever dare to bring a lawsuit for fear they might lose because of the color or their skin or the side of the head on which they part their hair or some other frivolous reason.

All of those involved in litigation understand there is always a risk that a case can be lost, even a case that is firmly grounded as to the facts of the case and the law. When you add the loser-pay rule to our Federal jurisprudence, you put an average person in the extremely difficult position of deciding whether to risk the equity in their homes or the money that they put away for their children before pursuing even the most meritorious of claims.

Let me point out, this does not hurt rich folks because they can afford to absorb the costs. It does not hurt poor folks because a poor person is not going to be in any position to pay an opposing side's attorney fees. They can simply get their obligation in that regard discharged in a bankruptcy proceeding. But it goes to middle class Americans who do not have enough to be unconcerned about the costs, and have a great deal to lose if they are so unhappy so as not to win a case which otherwise appears to be meritorious.

If we are going to have a law like that, and I do not think we should, but if we are going to have a law like that on the books, by golly, the effect of it ought to be limited to cases in which the defendant is a small business, not a gigantic business that can well afford to handle its own litigation costs.

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

Mr. BRYANT of Texas. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I want to commend the gentleman, because in the closing hours on this debate, the gentleman has done as much to improve it as any provision that has been brought. It would be a protection only for small businesses who would be exempt from the loser-pay feature of this bill.

Mr. BRYANT of Texas. That is correct.

Mr. CONYERS. I am pleased to support it and accept it on our side, and I hope that because of the limited debate opportunity that the gentleman has, that the other side would consider it carefully in terms of accepting it as well.

Mr. BRYANT of Texas. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments.

To recapitulate, the amendment says that the loser-pay bill on the floor today will only apply when the defendant is a small business, that is, one with 500 employees or less. A small business is defined in the amendment as the term ''small business'' is defined by section 3 of the Small Business Administration Act.

Mr. Chairman, I urge Members' support for the amendment.

Mr. MOORHEAD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas.

Mr. Chairman, his amendment would limit the settlement and attorneys fees provisions of H.R. 988 to cases against small business. We do not intend to limit the application of these provisions to a large or a small business. As now written under the bill, it applies to

any litigant in Federal court under the diversity statute.

The purpose of this legislation is to try and encourage all parties to settle and not go to trial whenever possible. I do not know what percentage of cases filed under the diversity statute are filed by small businesses or how often they are the defendants, but loser-pays should be applied to everybody, and not be based on the size of a business to the exclusion of ordinary litigants. The focus of loser-pays is on the strength of a claim and to discourage weak and frivolous cases.

Mr. Chairman, I urge a ''no'' vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BRYANT].

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

RECORDED VOTE

Mr. BRYANT of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 214, not voting 13, as follows:

[Roll No. 206]

AYES—177

Abercrombie
Baesler
Baldacci
Barcia
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
Meehan
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Schroeder
Schumer
Scott
Serrano
Skelton
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—244

Ackerman
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
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
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
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
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—13

Andrews
Condit
Cox
Flake
Gibbons
Jefferson
McDade
McKinney
Meek
Rangel
Roth
Torricelli
Williams

□ 1417

The Clerk announced the following pairs:

On this vote:

Mr. Flake for, with Mr. Cox against.

Mr. Jefferson for, with Mr. Roth against.

Mrs. FOWLER changed her vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. INGLIS of South Carolina. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman is recognized for 3 minutes.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. INGLIS of South Carolina. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Chairman, I appreciate the gentleman yielding to me.

It is somewhat of a frustrating experience to have amendments, as Members from both sides of the aisle have had only to be pre-empted and ultimately denied the opportunity to offer those amendments.

The members of that committee are given priority. Mr. Chairman, the members of that committee are essentially all attorneys, so those of us who are members of other occupations get little opportunity to say ''wait a minute.''

Mr. Chairman, the title of this bill is ''The Attorney Accountability Act.'' In fact, this bill as currently written does little to make attorneys accountable. The only part of this bill that does anything to make lawyers accountable for their actions is the change in rule XI.

That change, requiring a mandatory penalty for violation of the rule, applies only in the small number of cases in which an attorney is actually sanctioned by a judge under rule XI. As we have heard from most everybody, Mr. chairman, there are very few sanctions that take place. If ever this sanction does take place, the judge even has the right to waive the penalty on the attorney and assess all of the sanction penalties on the client.

Mr. Chairman, my amendment would have required attorneys to accept some responsibility for their actions by making them liable for 50 percent of the unpaid costs of unnecessary litigation that the client does not pay fully. I think this is important.

Mr. Chairman, under H.R. 988 as currently drafted, attorneys seeking a big, contingency fee payday have an incentive to litigate weak cases aggressively. If the client wins, the lawyer cashes in. If the client loses, the client is stick with the bill. It's even better if the client's poor—then no one has to pay.

My amendment makes an attorney liable for half of any attorney's fee award that a client can't pay. This sanction is not unduly harsh. There can be no award of fees unless:

First, a settlement is offered;

Second, the offer is rejected; and

Third, the jury returns a verdict less than the offer.

In the few cases in which these conditions are met, the award is limited:

First, it's capped at the amount of the offeree's expenses;

Second, it's limited to the actual cost incurred from the time of the offer through the end of the trial; and

Third, the judge has discretion to moderate or waive the penalty when it would be manifestly unjust.

These modest steps are necessary if we truly intend to make attorneys accountable. My amendment tells lawyers: This is a court, not a lottery office. You're an officer of this court. As an officer of this court, you have a responsibility to the court and the other litigants not to waste their time and money. And if you ignore these responsibilities, you can be held liable. I ask the House to vote ''yes'' on the Smith amendment to H.R. 988.

Mrs. SCHROEDER. Mr. Chairman, I regret that the time constraints imposed by the rule precluded consideration of the Harman amendment, which replaces H.R. 988's ''loser pays'' provision with the attorneys fees standard in the securities bill.

The goal of deterring frivolous lawsuits is a worthy one. However, H.R. 988's loser pays provision goes well beyond that; it gives a wealthy party the power to slam the courthouse door shut in the face of a middle-income or poor individual with a reasonably strong case. The Harman amendment strikes a better balance—it deters suits that are frivolous, but allows ordinary people to pursue close cases.

Assume a case in which the damages are high—for example, $500,000—and the amount of damages is essentially undisputed. However, the defendant's liability is not a certainty. The plaintiff's attorney advises him that the liability question is fairly strong, but it isn't a slam dunk. The attorney estimates that the odds are perhaps 70–30 in favor of winning the liability question. In this kind of case, under our current system, the plaintiff will either win a judgment of something very close to $500,000, or will win nothing. This is clearly not a frivolous case; it is a reasonable case for the plaintiff to pursue, even if, in the end, he loses. Under current law, even a poor or middle-income plaintiff will be able to pursue this case, because he can obtain representation on a contingency fee basis, and does not assume any risk of having to pay the other side's attorneys fees if he loses.

But let us assume that H.R. 988 is in effect. Assume that the defendant is a large corporation, whose decisionmaking with respect to the case is not particularly affected by the possibly of recovering its attorneys fees, because they are considered to be a routine cost of doing business. The defendant makes a $1 offer to the plaintiff, which is filed and served very early in the case. The defendant's primary motivation is not to reach a reasonable settlement; it is to try to deter the lawsuit altogether by playing on the plaintiff's unwillingness to roll the dice on his life savings on a 70–30 gamble.

The plaintiff is a middle-income individual who has a contingency-fee agreement with his attorney, and has managed to salt away some savings, which he hopes to use for his children's college education, or perhaps to support either his own retirement, or his parents in the event they need his support later in their lives.

Under the terms of section 2 of H.R. 988—the Goodlatte loser pays provision—if the plaintiff loses the case, he will end up losing his life savings to pay the defendant's attorneys fees. These fees will be considerable; because the plaintiff has a contingency fee agreement with his own attorney, he will be required to pay the defendant a fee calculated on an hourly rate limited only to the number of hours his own attorney worked. Because liability was a close question, his own attorney worked many hours to prepare this case. There is no reasonable counter-offer the plaintiff can make that will protect him from having to pay attorneys fees if he loses, because the only offer that would protect him would be an offer to dismiss his case. Because H.R. 988 does not give him a way to avoid risking his life savings if the defendant offers him $1, the plaintiff has to be willing to gamble his life savings in order to pursue a case with high damages and a 70–30 probability of winning liability. The Harman amendment, by contrast, protects the individual who seeks access to the courts in a case where liability is reasonably likely, but not a slam dunk. Unless we adopt the Harman amendment, the results of this bill are:

First, the middle-income plaintiff, who is strongly risk-averse, can pursue even a relatively strong case only by putting his life savings on the line.

Second, the bargaining power between individuals and large corporations is very uneven, because the plaintiff is risking his life savings, while all of the risks on the defendant's side are absorbable as a cost of doing business.

Third, the court cannot step in to level this playing field, because even though H.R. 988 allows the court to decline to order the loser to pay if the court finds that requiring payment would be manifestly unjust, the report filed by the Judiciary Committee states very clearly that the standard governing this exception is ''an exceptionally high one, extending well beyond the relative wealth of the parties.'' Thus, the fact that the winning defendant is a large corporation, and the losing plaintiff is a middle-income plaintiff who will have to use all of his life savings to pay the defendant's attorneys fees, is not something that the Republican majority believes is a manifest injustice.

The respected conservative British magazine, the Economist, has called for the repeal of the so-called English rule, that is, loser pays, in England, precisely because it shuts the courthouse door to middle-income parties. Let's not make the mistake of giving large corporations and wealthy individuals an unfair advantage in our civil justice system. The American way is equal justice under law. H.R. 988 replaces that with a system of all the justice you can afford. I urge adoption of the Harman amendment.

The CHAIRMAN. All the time has expired.

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. BARRETT of Nebraska, having assumed the chair, Mr. HOBSON, 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. 988), to reform the Federal civil justice system, pursuant to House Resolution 104, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the 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.

The SPEAKER pro tempore. The question is on the passage of the bill.

MOTION TO RECOMMIT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CONYERS. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONYERS moves to recommit H.R. 988 back to the Committee on the Judiciary with instruction to report back forthwith with the following amendment:

Strike section 2 of the bill, and insert the following:

SEC. 2. AWARD OF COSTS AND ATTORNEY'S FEES IN FEDERAL CIVIL DIVERSITY LITIGATION.

Section 1332 of title 28, United States Code, is amended by adding at the end the following:

''(e) AWARDS OF FEES AND EXPENSES.—

''(1) AUTHORITY TO AWARD FEES AND EXPENSES.—In any action over which the court has jurisdiction under this section, if the court enters a final judgment against a party litigant on the basis of a motion to dismiss, motion for summary judgment, or a trial on the merits, the court shall, upon motion by the prevailing party, determine whether (A) the position of the losing party was not substantially justified, (B) imposing fees and expenses on the losing party or the losing party's attorney would be just, and (C) the cost of such fees and expenses to the prevailing party is substantially burdensome or unjust. If the court makes the determinations described in clauses (A), (B), and (C), the court shall award the prevailing party reasonable fees and other expenses incurred by that party. The determination of whether the position of the losing party was substantially justified shall be made on the basis of the record in the action for which fees and other expenses are sought, but the burden of persuasion shall be on the prevailing party.

''(2) SECURITY FOR PAYMENT OF COSTS IN CLASS ACTIONS.—In any private action arising under this section that is certified as a class action under the Federal Rules of Civil Procedure, the court shall require an undertaking from the attorneys for the plaintiff

class, the plaintiff class, or both, in such proportions and at such times as the court determines are just and equitable, for the payment of fees and expenses that may be awarded under paragraph (1).

''(3) APPLICATION FOR FEES.—A party seeking an award of fees and other expenses shall, within 30 days of a final, nonappealable judgment in the action, submit to the court an application for fees and other expenses that verifies that the party is entitled to such an award under paragraph (1) and the amount sought, including an itemized statement from any attorney or expert witness representing or appearing on behalf of the party stating the actual time expended and the rate at which fees and other expenses are computed.

''(4) ALLOCATION AND SIZE OF AWARD.—The court, in its discretion, may—

''(A) determine whether the amount to be awarded pursuant to this subsection shall be awarded against the losing party, its attorney, or both; and

''(B) reduce the amount to be awarded pursuant to this subsection, or deny an award, to the extent that the prevailing party during the course of the proceedings engaged in conduct that unduly and unreasonably protracted the final resolution of the action.

''(5) AWARD IN DISCOVERY PROCEEDINGS.—In adjudicating any motion for an order compelling discovery or any motion for a protective order made in any action over which the court has jurisdiction under this section, the court shall award the prevailing party reasonable fees and other expenses incurred by the party in bringing or defending against the motion, including reasonable attorneys' fees, unless the court finds that special circumstances make an award unjust.

''(6) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to limit or impair the discretion of the court to award costs pursuant to other provisions of law.

''(7) PROTECTION AGAINST ABUSE OF PROCESS.—In any action to which this subsection applies, a court shall not permit a plaintiff to withdraw from or voluntarily dismiss such action if the court determines that such withdrawal or dismissal is taken for purposes of evasion of the requirements of this subsection.

''(8) DEFINITIONS.—For purposes of this subsection—

''(A) The term 'fees and other expenses' includes the reasonable expenses of expert witnesses, the reasonable cost of any study, analysis, report, test, or project which is found by the court to be necessary for the preparation of the party's case, and reasonable attorneys' fees and expenses. The amount of fees awarded under this subsection shall be based upon prevailing market rates for the kind and quality of services furnished.

''(B) The term 'substantially justified' shall have the same meaning as in section 2412(d)(1) of title 28, United States Code.''.

Mr. CONYERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, this has been a long 2 days on a bill that has presented a lot of problems to people. I am, on the motion to recommit, introducing a concept that was presented by the gentlewoman from California [Ms. HARMAN] which would limit the so-called loser pays provisions to those cases where the settlement offer was reasonable and made in good faith.

This is the same standard being adopted in the context of the Republican bill on securities litigation, H.R. 1058. This is the precise language in the Republican bill on securities scheduled to be on the floor shortly.

I would hope that my Republican colleagues would be able to see the logic of extending the same standard to injured tort victims as they do to stockholders. If someone loses a limb in a product liability case, they should have the same access to justice as an investor who has received fraudulent information.

The English rule, which requires losers to pay the legal fees of winners, which I had not thought would ever be popular in America, since we have the American rule, would substantially eliminate justice for the middle class members of our society.

As in England, those without a significant financial cushion will simply be unable to afford the risks of losing litigation.

Ms. HARMAN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Speaker, I thank the gentleman for his heroic attempt to allow me to offer an amendment that is now part of the motion to recommit.

Essentially the motion would borrow fee-shifting provisions from the 1980 Equal Access To Justice Act, which is now a Federal law, and from the precise language that will be offered later today in the securities litigation reform bill by the gentleman from California [Mr. COX], which sets up a three-part standard for fee shifting. We feel that this would be much more fair than the language of the gentleman from Virginia [Mr. GOODLATTE] in the present bill.

Mr. Chairman, I would commend the gentleman from Virginia [Mr. GOODLATTE] for his enormous effort to provide a standard that is fair, but I would point out that in making that standard mandatory, he could very well cause unfair results in close cases and the Cox language, which we will debate fully later, would take care of those problems.

I would urge support for the motion to recommit, and I would urge consideration of this much better language.

Mr. CONYERS. Mr. Speaker, in closing, the loser pays is a phrase that appeals to everyone who has heard it. It removes itself to anecdotes about court cases that appeared or produced an absurd or abusive outcome, but government by anecdote can produce disastrous policy.

Although the Contract With America claims that the loser pays provision is intended to penalize frivolous lawsuits and discourage the filing of weak cases, it is almost certain to have adverse consequences which limit access to justice.

The Harman amendment to recommit essentially cushions some of the worst features that now exist in the bill, and, as I have said before, it duplicates the bill on securities litigation by adopting the very same standard.

Please support the motion to recommit this bill.

Mr. MOORHEAD. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from California [Mr. MOORHEAD] is recognized for 5 minutes.

Mr. MOORHEAD. Mr. Speaker, the motion to recommit, unlike the loser pays language in H.R. 988, would take control out of the hands of the party and give it to the courts.

Moreover, an award of attorneys' fees under this amendment is merely discretionary with the court and not mandatory, like the language of H.R. 988. This amendment would also make the losing party's lawyer vulnerable for attorneys' fees.

This approach completely overlooks the fact that a decision to settle the case or press the case to trial is a decision of the party and not their lawyer. The lawyer cannot settle a case without the consent of his client.

The ultimate decision must be the client's as to whether a settlement is made or not. If the approach in this amendment were adopted, the lawyer would have to evaluate every case with a view toward his own liability, which would easily conflict with the interests of the party he purports to represent.

Mr. Speaker, this amendment, while appropriate for securities cases, should not be applied across the board. It will gut the loser pays language in H.R. 988. I urge its defeat.

Mr. Speaker, I yield the balance of my time to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding to me, and I thank the chairman of the subcommittee for his fine work on this legislation, and the other side for the very civil way this debate has been conducted.

However, Mr. Speaker, I must rise in opposition to this motion to recommit, because it will return us to the situation we gave right now.

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It will eliminate the opportunity we have to truly say that when you go into Federal court, you have to be responsible, you have to be prepared to take responsibility for your own actions. By giving to the judge the discretion of whether or not to apply attorneys' fees, you will put us back to the situation we have right now with rules like rule 11, which has the effect of saying, ''Yes, we have sanctions, but, gee, maybe we wont't apply them,'' and the evidence is that they have not been applied.

There are some other problems with this amendment. For one thing, this amendment incorporated in the motion to recommit could allow the court to require that the winning party's legal fees be paid by the losing party's attorney.

This is a very wrongheaded concept in American justice. You should not ever drive a wedge between anybody and their lawyer who has all kinds of ethical responsibilities in the representation of their client.

Ms. HARMAN. Mr. Chairman, will the gentleman yield just for one question?

Mr. MOORHEAD. I yield to the gentlewoman from California.

Ms. HARMAN. Is this not the precise language that will be offered in the next bill we take up, the securities litigation bill, that was drafted by the gentleman from California [Mr. COX], including the possibility that attorneys could pay the fee awards?

Mr. GOODLATTE. I have to say I am not on the committee who produced that bill, so I do not know. You may be correct. If so, I will attempt to change that language in that bill.

But the point is here that if we take away the mechanism that has been set up in this bill, we will have eliminated all of the incentives we created to settle cases, all of the incentives we have created to not bring frivolous, fraudulent, or nonmeritorious lawsuits in U.S. district court. The compromise that we have come up with as changed from the original bill is a very, very good effort to control the overload of lawsuits in our courts without having to go back to a system now where there is no pressure on some individuals not to be responsible when they decide to bring an action in court.

I strongly urge the defeat of this motion to recommit.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). 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.

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

RECORDED VOTE

Mr. CONYERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 193, not voting 10, as follows:

[Roll No. 207]

AYES—232

Allard	Ballenger	Bass
Archer	Barcia	Bereuter
Armey	Barr	Bilbray
Bachus	Barrett (NE)	Bilirakis
Baker (CA)	Bartlett	Bliley
Baker (LA)	Barton	Blute
Boehlert	Graham	Paxon
Boehner	Greenwood	Payne (VA)
Bonilla	Gunderson	Peterson (MN)
Bono	Gutknecht	Petri
Brewster	Hall (TX)	Pombo
Brownback	Hancock	Porter
Bryant (TN)	Hansen	Portman
Bunn	Hastert	Pryce
Bunning	Hastings (WA)	Quillen
Burr	Hayworth	Quinn
Burton	Hefley	Radanovich
Callahan	Heineman	Ramstad
Calvert	Herger	Regula
Camp	Hilleary	Riggs
Canady	Hobson	Roberts
Castle	Hoekstra	Rogers
Chabot	Hoke	Rohrabacher
Chambliss	Horn	Roukema
Chenoweth	Hostettler	Royce
Christensen	Houghton	Salmon
Chrysler	Hunter	Sanford
Clinger	Hutchinson	Saxton
Coble	Hyde	Scarborough
Coburn	Inglis	Schaefer
Collins (GA)	Istook	Schiff
Combest	Johnson, Sam	Seastrand
Cooley	Jones	Sensenbrenner
Cox	Kasich	Shadegg
Crane	Kelly	Shaw
Crapo	Kim	Shays
Cremeans	Kingston	Shuster
Cubin	Klug	Skeen
Cunningham	Knollenberg	Smith (MI)
Davis	Kolbe	Smith (NJ)
de la Garza	LaHood	Smith (TX)
Deal	Largent	Smith (WA)
DeLay	Latham	Solomon
Dickey	Leach	Souder
Doolittle	Lewis (CA)	Spence
Dornan	Lewis (KY)	Stearns
Dreier	Lightfoot	Stenholm
Duncan	Linder	Stockman
Dunn	Livingston	Stump
Ehlers	LoBiondo	Talent
Emerson	Lucas	Tate
English	Manzullo	Tauzin
Ensign	McCollum	Taylor (MS)
Everett	McCrery	Taylor (NC)
Ewing	McHugh	Thomas
Fawell	McInnis	Thornberry
Fields (TX)	McIntosh	Tiahrt
Flanagan	McKeon	Torkildsen
Foley	McNulty	Upton
Forbes	Metcalf	Vucanovich
Fowler	Meyers	Waldholtz
Fox	Mica	Walker
Franks (CT)	Miller (FL)	Walsh
Franks (NJ)	Minge	Wamp
Frelinghuysen	Molinari	Watts (OK)
Frisa	Montgomery	Weldon (FL)
Funderburk	Moorhead	Weldon (PA)
Gallegly	Morella	Weller
Ganske	Myers	White
Gekas	Myrick	Whitfield
Geren	Neumann	Wicker
Gilchrest	Ney	Wolf
Gillmor	Norwood	Young (AK)
Gilman	Nussle	Young (FL)
Gingrich	Ortiz	Zeliff
Goodlatte	Oxley	Zimmer
Goodling	Packard	
Goss	Parker	

NOES—193

Abercrombie	Clayton	Engel
Ackerman	Clement	Eshoo
Andrews	Clyburn	Evans
Baesler	Coleman	Farr
Baldacci	Collins (IL)	Fattah
Barrett (WI)	Collins (MI)	Fazio
Bateman	Conyers	Fields (LA)
Becerra	Costello	Filner
Beilenson	Coyne	Foglietta
Bentsen	Cramer	Ford
Berman	Danner	Frank (MA)
Bevill	DeFazio	Frost
Bishop	DeLauro	Furse
Bonior	Dellums	Gejdenson
Borski	Deutsch	Gephardt
Boucher	Diaz-Balart	Gonzalez
Browder	Dicks	Gordon
Brown (CA)	Dingell	Green
Brown (FL)	Dixon	Gutierrez
Brown (OH)	Doggett	Hall (OH)
Bryant (TX)	Dooley	Hamilton
Buyer	Doyle	Harman
Cardin	Durbin	Hastings (FL)
Chapman	Edwards	Hayes
Clay	Ehrlich	Hefner
Hilliard	McHale	Schroeder
Hinchey	Meehan	Schumer
Holden	Menendez	Scott
Hoyer	Mfume	Serrano
Jackson-Lee	Miller (CA)	Sisisky
Jacobs	Mineta	Skaggs
Johnson (SD)	Mink	Skelton
Johnson, E. B.	Moakley	Slaughter
Johnston	Mollohan	Spratt
Kanjorski	Moran	Stark
Kaptur	Murtha	Stokes
Kennedy (MA)	Nadler	Studds
Kennedy (RI)	Neal	Stupak
Kennelly	Nethercutt	Tanner
Kildee	Oberstar	Tejeda
King	Obey	Thompson
Kleczka	Olver	Thornton
Klink	Orton	Thurman
LaFalce	Owens	Torres
Lantos	Pallone	Torricelli
LaTourette	Pastor	Towns
Laughlin	Payne (NJ)	Traficant
Lazio	Pelosi	Tucker
Levin	Peterson (FL)	Velazquez
Lewis (GA)	Pickett	Vento
Lincoln	Pomeroy	Visclosky
Lipinski	Poshard	Volkmer
Lofgren	Rahall	Ward
Longley	Reed	Waters
Lowey	Reynolds	Watt (NC)
Luther	Richardson	Waxman
Maloney	Rivers	Williams
Manton	Roemer	Wilson
Markey	Ros-Lehtinen	Wise
Martinez	Rose	Woolsey
Martini	Roybal-Allard	Wyden
Mascara	Rush	Wynn
Matsui	Sabo	Yates
McCarthy	Sanders	
McDermott	Sawyer	

NOT VOTING—10

Condit	Johnson (CT)	Rangel
Flake	McDade	Roth
Gibbons	McKinney	
Jefferson	Meek	

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The Clerk announced the following pairs:

On this vote:

Mrs. Johnson of Connecticut for, with Mr. Flake against.

Mr. Roth for, with Mr. Jefferson against.

Mr. CHAPMAN changed his vote from ''aye'' to ''no.''

Mr. BACHUS and Mr. SHAYS changed their vote from ''no'' to ''aye.''

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. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 988, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1058, SECURITIES LITIGATION REFORM ACT

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1058 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 105

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. 1058) to reform Federal securities litigation, and for other purposes. The first reading of the bill shall be dispensed with. 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 Commerce. After general debate the bill shall be considered for amendment under the five-minute rule for a period not to exceed eight hours. The bill shall be considered as read. During consideration of the bill for 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. Points of order under clause 7 of rule XVI against the amendments printed in the report of the Committee on Rules accompanying this resolution are waived. 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.

SEC. 2. H. Res. 103 is laid on the table.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I might consume. All time yielded will be for debate purposes only.

(Mr. DREIER asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. DREIER. Mr. Speaker, this is a modified open rule providing for consideration of H.R. 1058, the Securities Litigation Reform Act, with 1 hour of general debate. Following general debate, the bill will be open for amendment under the 5-minute rule for a period not to exceed 8 hours.

While there is no requirement that amendments be printed in the RECORD prior to their consideration, priority in recognition can be accorded by the Chair to Members who have had their amendments preprinted.

Mr. Speaker, the rule waives clause 7 of rule XVI relating to germaneness for two amendments. One is the amendment offered by my friend from the other side of the aisle, the gentleman from Oregon [Mr. WYDEN], which establishes audit procedures to detect financial fraud in securities matters. The second amendment is offered by a Member of the majority, the gentleman from California [Mr. COX], to exempt securities fraud from the RICO statute.

Upon completion of the consideration of all amendments to the bill the rule provides for one motion to recommit to the minority.

Mr. Speaker, this is a fair rule, providing for an open amendment process. While there is a cap on total time for amendments, the minority is able to give priority consideration to whatever germane amendments their leadership considers most important. Let me repeat: that they are able to give priority consideration to whatever germane amendments they consider most important.

The Committee on Rules majority is not shutting particular amendments out of the process. Securities litigations reform is a critical step in our effort to help create more high-quality private-sector jobs right here at home.

Private securities legislation is undertaken today in a system that encourages meritless cases, destroys thousands of jobs, undercuts economic growth, and raises the prices that American families pay for goods and services.

Mr. Speaker, the defenders of the status quo in the minority have said on issue after issue this year: ''If it ain't broke, don't fix it.'' Well, this is one time there is no doubt that the current system is broke, and we are very fortunate that the bill being reported forward from the committee will fix it.

H.R. 1058 creates a system that swiftly finds and punishes real fraud and allows the victims of fraud to be fully compensated for their losses. At the same time it will free innocent parties from wasteful and baseless litigation designed to enrich litigators alone. While Chairman BLILEY of the Commerce Committee and Chairman FIELDS of the Subcommittee on Telecommunications and Finance have done tremendous work in bringing this bill to the floor, I would like to note the tireless efforts of my friend from Newport Beach, CA [Mr. COX].

Mr. COX is a former securities lawyer and has been involved in securities litigations reform since his days at Harvard Law School. He has pushed this important reform effort throughout his 6 years in the House, and was ready to move forward when the new majority in the Congress made real reform possible. His hard work and leadership has been critical to this effort.

Mr. Speaker, presenting this modified open rule to the House reminds me of a report that I heard last week on National Public Radio's Morning Edition. It was about a graduate school course offered by American University here in Washington, DC. The subject of the course was lobbying. As I listened to the trials and tribulations faced by those in the lobbying community with all of the changes occurring here in Congress, I was very proud to hear that the professional lobbyists under the new majority's policy of open rules find the issue of dealing with open rules extraordinarily difficult.

In the words of the lobbyist that has taught the course for years, and I quote:

A position of more open rules is a detrimental thing to a lot of lobbying interests. One of the lobbyist's commandments is ''keep it off the floor.'' If you can get something done in committee and have it sealed and come out with a closed rule, then you're safe. If everything is amendable on the floor, that makes the job of the lobbyist that much harder because then you're dealing with 218 folks instead of just 22 or 23.

Mr. Speaker, lobbyists know that the new Committee on Rules has brought a new openness to the House, and they do not like it. The new majority on the Committee on Rules and the many Members of Congress that are supporting the more open rules are doing right by the American people.

House Resolution 105, this rule, is no exception. It is another in a growing series of rules that do not pick and choose amendments to stifle debate. I urge my colleagues to support this very fair, balanced, modified open rule as we proceed with debate on the Securities Litigations Reform Act.

Mr. Speaker, I include for the RECORD material on the amendment process under special rules reported by the Rules Committee, 103d Congress versus the 104th Congress.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of March 7, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	18	86
Modified Closed[3]	49	47	3	14
Closed[4]	9	9	0	0
Totals:	104	100	21	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 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 March 2, 1995]

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 (2/10/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (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: v.v. (2/2?/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 (3/1/95).
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 105 (3/6/95)	MO			

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; PQ-previous question vote.

Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

□ 1500

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I must rise in opposition to this rule. Legislation of this complexity and which may ultimately have an enormous impact on securities markets and investor transactions in this country deserves informed and considered debate. H.R. 1058 was not thoroughly examined in the Commerce Committee, and now, this rule does not give the House an opportunity to thoroughly consider this legislation. In fact, Mr. Speaker, there is ample proof that in the haste to send this legislation, along with the other pieces of H.R. 10, to the full House, a significant issue was left out, or perhaps forgotten.

That issue, relating RICO to securities transactions only came to the attention of the Rules Committee yesterday afternoon—2 days after the original rule, H.R. 103, had been reported to the House. In order to provide for the consideration of the RICO issue, it was necessary for the Rules Committee to meet and report yet another rule on H.R. 1058. Yet, in spite of the fact that another issue was added to the debate on H.R. 1058, the Rules Committee did not see fit to allow the House any more time to debate these important issues through the amendment process.

Mr. Speaker, House resolution limits consideration of all amendments to H.R. 1058 to 8 hours. That 8 hours includes time for voting—which, in effect, places strict limits on the consideration of amendments. I opposed this limit during the debate on this rule in the Committee on Rules last Friday and last night and I bring my opposition to the floor today. Limiting the time to consider amendments ultimately limits the debate and the number of amendments which may be offered. This limitation is contrary to the stated objectives of the Republican majority to open the House to free and unfettered debate. Considering the complexity of this legislation and the potential impact it may have on our economy, I question whether 8 hours is really an adequate amount of time to debate this matter in a free and unfettered manner.

In fact, Mr. Speaker, the gentleman from Michigan [Mr. DINGELL] originally requested 12 hours for consideration of amendments on this bill. The majority has asked that the Democrats on the Rules Committee confer with our leadership to determine the number of hours that we feel would be adequate to cover the anticipated amendments to legislation scheduled for the floor. The Democratic members of the Rules Committee made a responsible request last Friday: that request was based on our best estimates of the time needed to thoroughly debate this legislation. Our request was based on our discussions with the ranking minority member of the Commerce Committee after his consultations with his members.

Last week, the majority of the Rules Committee saw fit to only grant 66 percent of the requested time. And, last night when an additional issue, some say a major issue, was added to the issues to be considered by the House, the majority refused to grant any additional time for consideration of amendments to H.R. 1058. Mr. Speaker, it is for this reason that I must oppose this rule. Last week we made a good faith offer under the terms articulated by Chairman SOLOMON and last night we reiterated our position.

Mr. Speaker, the Democratic members of the Rules Committee believe the 8-hour time limit is inadequate for the consideration of this legislation because of the enormity of the issue, as well as the addition of the RICO amendment. We support efforts to deter those who abuse the judicial system by filing meritless lawsuits. We support efforts to provide substantive sanctions on those who engage in these activities. The desire to make corrections in the process is indeed bipartisan—the only question is how to accomplish those corrections. Members need time to consider all the options.

Democratic members have made a good faith effort to participate in the deliberations on the rule for this bill, but again our efforts have been rebuffed. In spite of bipartisan desires to end frivolous lawsuits while protecting average investors and honesty in the securities market, this is not a bipartisan rule. For this reason, I urge defeat of the rule.

AMOUNT OF TIME SPENT ON VOTING UNDER THE RESTRICTIVE TIME CAP PROCEDURE IN THE 104TH CONGRESS

Bill No.	Bill title	Roll-calls	Time spent	Time on amends
H.R. 667	Violent Criminal Incarceration Act.	8	2 hrs. 40 min.	7 hrs. 20 min.
H.R. 728	Block Grants	7	2 hrs. 20 min.	7 hrs. 40 min.
H.R. 7	National Security Revitalization.	11	3 hrs. 40 min.	6 hrs. 20 min.
H.R. 450	Regulatory Moratorium	13	3 hrs. 30 min.	6 hrs. 30 min.
H.R. 1022	Risk Assessment	6	2 hrs	8 hrs.
H.R. 925	Takings	8	2 hrs. 40 min.	9 hrs. 20 min.
H.R. 988	Attorney.			

MEMBERS SHUT OUT BY A TIME CAP—104TH CONGRESS

This is a list of Members who were not allowed to offer amendments to major legislation because the 10 hour time cap on amendments had expired. These amendments were also pre-printed in the Congressional Record. This list is not an exhaustive one. It contains only Members who had pre-printed their amendments; others may have wished to offer amendments but would have been prevented from doing so because the time for amendment had expired.

H.R. 728—Law Enforcement Block Grants: 10 Members.

Mr. Bereuter, Mr. Kasich, Ms. Jackson-Lee, Mr. Stupak, Mr. Serrano, Mr. Watt, Ms. Waters, Mr. Wise, Ms. Furse, Mr. Fields.

H.R. 7—National Security Revitalization Act: 8 Members.

Ms. Lofgren, Mr. Bereuter, Mr. Bonior, Mr. Meehan, Mr. Sanders (2), Mr. Schiff, Mrs. Schroeder, Ms. Waters.

H.R. 450—Regulatory Moratorium: 15 Members.

Messrs. Towns, Bentsen, Volkmer, Markey, Moran, Fields, Abercrombie, Richardson, Traficant, Mfume, Collins, Cooley, Hansen, Radanovich, Schiff.

H.R. 1022—Risk Assessment: 3 Members (at least three other Members had amendments

prepared but were not allowed to offer them: Mr. Doggett, Mr. Mica, Mr. Markey).

Mr. Cooley (2), Mr. Fields, Mr. Vento.

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

Mr. DREIER. Mr. Speaker, I yield 4 minutes to my friend and classmate, the gentleman from Humboldt, TX [Mr. FIELDS], the distinguished chairman of the Telecommunications Subcommittee.

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Speaker, I rise in support of the rule on H.R. 1058, the Securities Litigation Reform Act.

Today's votes will bring to an end the debate on one of the least understood and potentially most important legal reforms the Congress will address this year. The arcane subject of securities litigation reform concerns a great many more people than just the nine law firms that dominate this practice. It concerns more than the handful of law school professors who seem intent on examining the individual trees and missing the forest. It concerns more than the accountants and the brokers and the lawyers.

H.R. 1058 concerns desperately needed reforms that focus on the need to protect the employers of American workers from being abused by a handful of lawyers. It concerns protecting American shareholders who invest their savings and use them to provide for their own welfare, the education of their children, and to insure they have a secure retirement. American investors are entitled to see us protect them from watching their hopes and confidence disappear when the companies in which they invest their savings are victimized by those who file abusive and frivolous lawsuits.

Perhaps the greatest contribution to the debate on this subject has been to help people understand there are shareholders on both sides of these cases, and that in most cases they all lose. Even SEC Chairman, Arthur Levitt, has noted:

> there is a sense in which class action lawsuits simply transfer wealth from one group of shareholders, those who are not members of the plaintiff class, to another group of shareholders. Large transaction costs accompany this transfer, as the total amount paid to attorneys on both sides may equal or even exceed the net amount paid to the plaintiff class.

Something is very wrong with a civil litigation system in which only the lawyers win.

H.R. 1058 is about Congress removing the incentives that exist in the current system for lawyers to sue a company because the price of its stock has dropped. It is about protecting the corporations that play so large a role in this country's economy from having to divert resources that are used to run and expand their businesses into defending frivolous lawsuits. This legislation is sorely needed, it is not an academic exercise. Witnesses have testified before the Commerce Committee for the last two Congresses that abusive litigation costs have led their companies to contract their business, to cancel research and development, and to be less forthcoming with financial information to their shareholders.

This is an open and fair rule, that allows consideration of all legitimate amendments. Let us cure this sickness, Mr. Speaker, and restore the health of America's employers. I urge my colleagues to support the rule.

Mr. FROST. Mr. Speaker, for the purposes of debate only, I yield 6 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 8 minutes.

Mr. MOAKLEY. Mr. Speaker, I thank the gentlemen for yielding.

Mr. Speaker, the rule we are considering today adds another Republican broken promise to that ever growing heap. The Republicans promised to let the American people have their say in Government by granting 70 percent open rules. They are breaking that promise.

Republicans promised to consider every single contract item under an open rule. Mr. Speaker, they are breaking that promise also.

I guess, Mr. Speaker, legislating is not as easy as it looks. In their hurry to finish the contract and begin the April recess, the Republicans forgot to put the civil RICO amendment offered by the gentleman from California [Mr. COX] in H.R. 10. They also made a series of mistakes in the committee report which would have opened all sorts of points of order.

But they decided to throw away the old bill and come up with a new one that has never seen the inside of a congressional committee room. That way they protect the bill from all types of points of order.

Once again, the Republicans sang the praises of a deliberative democracy. Where is that chorus now, Mr. Speaker? It certainly was not in committee. In fact, the amendment this rule adds was not even considered by a congressional committee. It had no hearing, and it was never reported out.

How is that for sunshine? Mr. Speaker, this restrictive rule will keep the people's representatives from improving this bill by capping the time allowed for amendments. Democrats asked for 12 hours for amendments, and the Republicans said they had time only for 8 hours, because they did not want anything to interfere with their April 8 recess.

Well, I cannot help it, Mr. Speaker, if the Republicans put themselves on schedules, but we at least, if we are not part of the schedule, we should not have to abide by all of the schedules.

Then they added the controversial rewrite of the civil RICO laws, and they still refused to increase that 8 hours to 10 or 12 hours.

I would add, Mr. Speaker, that Republican time caps are even worse than they look, and all the time caps that we had issued in the last couple of Congresses, not one person was ever frozen out of bringing their amendment forward.

Under the Republican time caps, they include actually the voting time. That means an 8-hour rule or an 8-hour debate time is only about 6 hours, and once again, they have broken their promises.

Mr. Speaker, just so I can show you what they mean by moderate open rules, H.R. 728, law enforcement block grants, shouted to the rafters, ''This is an open rule, this is a moderate open rule,'' they froze out 10 Members with their amendments.

Let me tell you, the Members frozen out were the gentleman from Nebraska [Mr. BEREUTER], the gentleman from Ohio [Mr. KASICH], the gentlewoman from Texas [Ms. JACKSON-LEE], the gentleman from Michigan [Mr. STUPAK], the gentleman from New York [Mr. SERRANO]; at least this is an equal opportunity freezing out of all kinds of Members.

On H.R. 7, the National Security Revitalization Act, moderate open rule, ''This is what we promised you,'' eight Members, and their amendments died on the altar down there.

The Regulatory Moratorium Act, H.R. 450, 15 members were not able to bring their amendments forward; 1022, H.R. 1022, risk assessment, three Members, and at least three other Members had amendments prepared but were not allowed to offer them. And even the Attorney Accountability Act, four Members were frozen out, the gentlewoman from California [Ms. HARMAN], the gentleman from Michigan [Mr. SMITH], the gentleman from Mississippi [Mr. PARKER], and the gentleman from Ohio [Mr. LATOURETTE]. ''These are open rules.''

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I am happy to yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend from south Boston, the former chairman of the Committee on Rules, for yielding.

The reason I underscore the fact he is the former chairman of the Committee on Rules, Mr. Speaker, is that it is so apparent the disparity that one must look at between the 103d Congress and the 104th Congress.

The gentleman from Massachusetts [Mr. MOAKLEY], Mr. Speaker, has just said that these Members were knocked out, prevented from having the opportunity to offer these amendments. The Committee on Rules did not have a single thing to do with that, Mr. Speaker. The Committee on Rules said that we will provide a process that is open and accountable. We made it very clear this is a modified open rule. This is a modified open rule.

Mr. MOAKLEY. Reclaiming my time, the Committee on Rules had everything to do with this, because the Committee on Rules could have given more time in order that those Members who struggled to get those amendments in proper form could have brought them forward.

Mr. DREIER. If the gentleman would yield further, the point is very clear, and that is the Committee on Rules did not make the decision which amendments could and could not be offered, as has been the case in past Congresses. It is up to the leadership of each party to establish their priorities.

We are not trying to say that an idea cannot be considered here on the House floor. What we are saying is that with this outside time constraint of 8 or 10 or 12 hours, which we have had, what we have said is you all establish your priorities and then bring them to the House floor and have an up-or-down vote on them.

Mr. MOAKLEY. It is really up to the Committee on Rules to offer the amendments, to offer the time to bring these amendments to the floor, and I do not care how my friend cuts it and talks about leadership. Being on the Committee on Rules, you can make a bill, if it is a germane bill, or you waive points of order, and you bring it to the floor, if you give it time, it can be heard.

☐ 1515

Last year we had time caps on half a dozen bills. Not one person was frozen out from the debates. Under their time caps, there is not a bill that goes by that people are not frozen out.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from California.

Mr. DREIER. I thank the gentleman for yielding.

Mr. Speaker, not one person was frozen out in debate. What happened in the 103d Congress was that Members were frozen out from the third floor, frozen out because they were told their amendments could not even be offered because we had so many closed rules.

Down here we are saying any amendment that is germane can be offered. We have an outside limit of sometimes 8 to 12 hours.

Mr. MOAKLEY. Mr. Speaker, reclaiming my time——

The SPEAKER pro tempore. (Mr. DICKEY). The gentleman from Massachusetts has 5 seconds remaining.

Mr. MOAKLEY. Five seconds? Well, thank you.

Mr. DREIER. Mr. Speaker, I yield an additional 5 seconds to the gentleman from Massachusetts.

Mr. MOAKLEY. I am overwhelmed. I want to make the point that the Republican Party came down and said, ''What happened in the 103d Congress will never happen again. We are going to give out open rules.'' Well, where are they?

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to my friend and classmate, the gentleman from Findlay, OH [Mr. OXLEY], Chairman of the Subcommittee on Commerce and Trade.

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

Mr. OXLEY. I thank the gentleman for yielding this time to me, and I rise in support of the rule as well as H.R. 1058.

Our committee has worked long and hard on providing for a reasonable set of rules that these kinds of debates can take place. I think we have achieved that.

I want to pay particular tribute to the gentleman from Texas, the chairman of the Subcommittee on Telecommunications and Securities, and also to the gentleman from California [Mr. COX], and my friend from Louisiana, who has really been the godfather of this provision for a number of years. We appreciate his ability to work with the majority in crafting what I think is a very effective bill that will start to get some common sense back into our legal process and at the same time permit people who are truly aggrieved to pursue their claims in court.

I thought the debate in the committee was lively, informative, and I suspect the same thing will occur on the floor during general debate and the amending process.

Securities litigation reform is a bill whose time has come. It is a provision that will allow for, I think, some dealing with securities litigation that is long overdue. Numerous groups throughout the country support this effort. We think that those companies that are just starting out, entrepreneurial companies particularly, are highly vulnerable to these kinds of strike lawsuits. That is exactly what this bill tries to mitigate and to change.

I think the gentleman is correct, the rule is proper, and the bill is a good step in the right direction and true commonsense legal reform.

Mr. Speaker, today I rise in strong support of H.R. 1058, The Securities Litigation Reform Act.

Is there a person in this Congress or in this country who honestly believes that our current system of securities fraud litigation does not require serious and immediate reform?

H.R. 1058 is the answer.

As we speak, a strike suit plague is devastating our Nation and crippling American competitiveness.

Unprincipled lawyers are spreading this plague at an alarming rate. One firm in particular files a strike suit every 4.2 business days, and 1 of every 8 companies listed on the New York Stock Exchange has been crippled by strike suits.

While these lawyers claim to sue in the name of the investor, a number of recent studies show otherwise. For example, the National Economic Research Association has concluded that investors recover just 7 cents on every dollar lost.

Their actual recovery is even lower. Plaintiffs' lawyers usually take one-third of all the settlement proceeds.

The strike suit plague is forcing our companies to squander resources rather than devoting them to productivity and job creation. It stifles innovation and adds tens of millions of dollars to the cost of doing business. It is time we rid our countryside of this disease and cure our Nation's economy.

Strike suits are devastating our Nation. A study by the Rand Institute of Civil Justice says excessive litigation—largely designed to coerce settlements from successful defendants—may cost our economy as much as $36 billion each year.

All Americans pay a hidden litigation tax to subsidize the massive cost of strike suits. Some pay with their jobs, as workers are laid off in the wake of extorted settlements. Scores of other able-bodied Americans are never hired in the first place. Research and development and other investments that spur economic growth are slashed. Consumers pay higher prices for their goods and services. All of us pay the price for strike suits as the lawyers quietly walk away with fortunes in extorted settlements.

It is time to rid our Nation of this strike suit epidemic. It is time for a litigation tax cut.

I urge you all to support H.R. 1058 in the name of the fiscal health of all Americans.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

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

Mr. DINGELL. Mr. Speaker, make no mistake of it, H.R. 1058 will encourage securities fraud. It is a bad bill. Milken, Boesky, people like that would have been delighted to have functioned under the provisions of this legislation.

The rule is a bad rule; it is unfair, and it does not give sufficient time for the matters involved in this legislation to be properly addressed. Both should be rejected by the House.

Now, I am no water or spear carrier for trial lawyers. I began pushing product liability over 10 years ago. Two weeks ago I voted for legislation to reform product liability laws. I have long felt there was a real need for reforming medical malpractice and for dealing with securities litigation, which does happen to constitute a problem.

But this legislation goes well beyond meeting needs. It does what the old Chinese story tells about: It burns down the barn to cook the pig.

H.R. 1058, in its zeal to eliminate abuses, goes too far. It creates shelters, it creates loopholes, and it creates incentives for securities fraud. It will impair the transparency, the fairness of our marketplace, and it will make it more difficult for the SEC to deal with problems of securities fraud, and it will raise real questions about whether Americans can continue to trust and to believe that their securities markets are the best and fairest and most open in the world.

This legislation is opposed by a large number of people and agencies that should be listened to carefully.

It is opposed by the Securities and Exchange Commission, the State securities regulators, Attorney General of the United States, the U.S. Conference of Mayors, the Government Finance Officers Association, individual investors and all major consumers groups—all opposed.

The American Association of Retired Persons, the Gray Panthers, Consumers Union, Consumer Federation of America—all oppose it.

Citizen Action, Public Citizen, and the U.S. Public Interest Research Group all oppose this legislation.

Why? Because it is bad legislation, because it does not adequately protect the interests of the honest, innocent and small investors, and because it threatens the trust of the American people in the American securities market.

I need to remind my colleagues on the Republican side of the aisle that one of the reasons the United States is regarded as the wonders of the world in terms of our securities markets and capital-raising system is the fact that our system is known to be fair and people know they can trust it. This is a peculiarity not found elsewhere in the world.

The bill suffers from multitudes of defects, and these reveal the extreme goals of the supporters, goals like ''losers pays,'' establishing a defense against recklessness that allows a miscreant to get off by the simple statement of, ''Ooops, I forgot the law,'' and imposing harsh pleading requirements that are impossible to meet for real-life plaintiffs with good cases.

I would observe that under the requirements for Scienter in the pleadings in this legislation a person who has been wronged by securities fraud will need not only a layer but he will need a psychiatrist and a psychic to tell him what was going on inside the mind and head of the wrongdoer who skinned him and thousands of other Americans of their hard-won and thousands of other Americans of their hard-won and hard-earned savings.

The process? The process was intolerable. Neither I nor the ranking member of the relevant subcommittee were included in the discussions on the bipartisan compromise.

Members and staff received markup documents the night before markup. That is insufficient time to review and prepare amendments and statements. We were then presented with totally different documents and totally different legislation the next day, without time to review or to understand the changes.

Debate was inexplicably and unfairly shut down at 2:30 p.m. on Thursday, February 16, in a markup which had already been shortened by prolonged recesses for negotiations and by a process which permitted neither adequate hearings nor opportunity to amend or to ask questions or witnesses.

This was dictated by the Republican leadership because of scheduling the bill on the floor. Originally, it was not even intended for the SEC to be heard. The SEC came forward and said that the bill, as originally drafted, would even foreclose their anti-fraud actions at the Securities and Exchange Commission.

This legislation still has significant defects. It ought to be recommitted, it ought to be defeated, it ought to be amended, but it should not be passed.

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to the distinguished gentleman from east Petersburg, PA [Mr. WALKER], chairman of the Committee on Science.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I have been fascinated by the series of speeches that have been made on this rule and several others that seem to basically complain about the fact that things are actually getting done in the U.S. Congress these days.

Now, they are not things that the Democrats want to have done, so they bleed and bray out here on the House floor about the nature of the process.

But the fact is that we are moving legislation they do not happen to agree with, and particularly a lot of the left-wing special-interest groups they are beholden to do not agree with, several of whom were named by the gentleman from Michigan.

It is true those groups probably do not agree with what we are doing, but then they always were for big-government solutions to virtually everything that comes down the pike.

But I am particularly fascinated by the discussions that we have had on the floor today about the process by which we are passing legislation and particularly the concept of open rules.

I have consistently come to this floor over a period of years and talked about need for open rules. I made those points within the leadership of the House of Representatives. I would prefer things come out here under an open rule. But I must say that I was somewhat disappointed in the earliest days of this process when apparently the Democrat leadership decided to sabotage open rules and were part of a process that called adjournment votes and a variety of other things in order to try to undermine that process, simply so they could come to the floor now and complain about the fact that the rules are not open as they would like.

I think that is a nice tactic, it makes for good legislation. It makes, though, for a very difficult process to defend.

I would also say that I think the complaints about the fact that it is done under a period of time is also a rather interesting argument. The period of time, of course, forces the Democrat leadership to actually pick amongst their Members who have amendments to bring forward, or to refuse to pick among them, which is what they are really doing now, in an act of total ineffectual leadership they are refusing to pick among their Members.

So, against what you give them a full day to debate, 8 hours, 10 hours, 12 hours, and so on, and they cannot manage their time well enough to figure out how to get various amendments to the floor, which leaves them then in the position of being able to go to the floor and say, ''This Member, somehow during a 10-hour period, was unable to work his amendment in.''

I would suggest that at the very least what we are doing is debating these issues under a 5-minute rule and having a free and open debate about the issues, a debate which is much better than the system the Democrat leadership would like to go to, which picks the members in the Rules Committee.

You see, what the Democrat leadership would really like to have done is they would like to go up to the Rules Committee and have the Republicans choose the Democrat who will be able to offer amendments. That gets them off the hook. Then they get a chance to complain about the fact that this Member was knocked out and it was the terrible Republicans who did not allow this Member to have his amendment.

Well, actually I think it is a better system to allow Members to come to the floor freely and offer their amendment and debate them under the 5-minute rule. And if the Democrats want to do the job of picking and choosing amongst their Members, they can certainly do that. But the system is far better than the closed system operated by the Democrats for all too many years.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I rise in opposition to this rule for one very simple reason: It is not going to allow us enough time to debate a very complex and important issue that will potentially affect every single American.

At the subcommittee level we debated only from 1 until 7, with many rollcalls on the floor during that markup. At full committee we started in the morning, but it was the day we were breaking for Jefferson/Jackson weekend. As a result, with many rollcalls on the floor, we only had, again, a couple of hours to debate these very important issues.

We went before the Committee on Rules and we asked, quite reasonably, I think, for an open rule with unlimited time so we could bring these issues out on the floor.

The problem now, as we know, is that the majority is limited by their Contract With America in allocating any time to any of these very important issues. So, as a result, despite the fact we are given 8 hours here on the floor, 1 hour is on the rule, 1 hour is on general debate, 6 hours are left over. And

to add insult to injury, the Republicans on the Rules Committee have now reported out a second rule allowing for a nongermane amendment to be made by the gentleman from California [Mr. COX], and that will also come out of the time of the consideration of this legislation.

Let me say quite simply that there are four good reasons to oppose the legislation substantively as well. One, an English rule which the very conservative——

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MARKEY. I would be happy to yield on the gentleman's time.

□ 1530

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. MARKEY].

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Massachusetts has an additional minute.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I simply wanted to inquire of my friend, the gentleman from Massachusetts; did he say that the 1 hour that the rule is being considered is out of the 8 hours that is considered for the amendment process?

Mr. MARKEY. Mr. Speaker, I have been informed that that is, in fact, accurate, and I thank the gentleman from California for his clarification.

Mr. DREIER. And the 1 hour of general debate is also——

Mr. MARKEY. Mr. Speaker——

Mr. DREIER. Eight hours is an amendment process——

Mr. MARKEY. The staff of the Committee on Rules has just informed me of that.

Mr. DREIER. I want my friend to enjoy his entire additional 30 seconds.

Mr. MARKEY. I thank the gentleman very much, but at the same time we have to note that all the rollcall time does come out of that 8 hours, and the time for the additional amendment that the Committee on Rules has put in order to allow a nongermane amendment is also coming out of the time of our ability to consider this legislation.

A English rule is built into this law which puts the burden on the loser in any lawsuit. It makes it almost onerously impossible for anyone to bring a lawsuit against a large financial institution in this country. It, second, imposes an I-forgot defense. That is, if any of the people who are engaging in any of this fraud say, ''Well, I forgot,'' then they are protected.

Remember the old Saturday Night Live skit where Steve Martin would stand up at the end and say, ''Well, I've got a sure-fire, guaranteed defense.''

I say to my colleagues, ''Anytime you're stymied for an answer to any charge which is being made against you, just say, 'I forgot,'" and that is our defense here today.

Mr. Speaker, we are going to allow that as a defense in these important cases, and, third, we have the depleting requirements which require a specific pleading at the get-go of any of this legislation requiring any plaintiff to be Carnac in terms of their ability to know what was going on in the intent of the defendant's mind at that time, although they know with some certainty that some fraud has been perpetrated, and finally the fraud on the market——

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is important to clarify that we have 8 hours of time on amendments, an hour of general debate, and an hour on this rule, a total of 10 hours.

Mr. Speaker, I yield 2 minutes to my friend and another classmate from Richmond, VA, the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce.

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

Mr. BLILEY. Mr. Speaker, I rise in support of this rule to provide for consideration of H.R. 1058, the Securities Litigation Reform Act. This bill is title II of H.R. 10, the Common Sense Legal Reforms Act, as reported by the Commerce Committee. It is ground breaking legislation, part of the original Contract With America.

As we said in the contract, America has become too litigious a society. We sue each other too often, too easily, and regrettably, too well. The burden on the Federal courts is enormous. The number of lawsuits filed each year has almost tripled in the last 30 years. President Bush's Council on Competitiveness concluded the American litigation explosion carries high costs for the American economy. We see it everyday as manufacturers withdraw products from the market, or discontinue product research, reduce their work forces, and raise their prices.

There is a problem even more insidious than an increase in the number of lawsuits filed. It is the realization that an increasing number should never have been filed in the first place. The Congress has been petitioned repeatedly over the last few years by executives of some of America's fastest growing high tech companies, as well as the accounting and securities professions, who believe the civil liability system is broken. In case after real case, they can show from their experiences that the system no longer recovers damages for investors who are actually wronged and it unfairly focuses the enormous costs of litigation on reputable public companies and not upon those who engage in fraud.

The subject of litigation reform has been before our committee under both Democrat and Republican control. Late in the 103d Congress the committee held two hearings on the subject, and early in the 104th we held two more. Empirical studies show that virtually all claims in 10b–5 class actions, meritorious and frivolous, are settled. Unfortunately, the settlement amounts bear no relationship to the underlying damages, but instead are related principally to the amount claimed, or the defendants' insurance coverage.

Much of H.R. 1058 is no longer controversial, despite the continuing cries of the plaintiffs' bar and their supporters in the State securities commissions. Most Members of Congress now understand and agree with us that lawyers should not pay referral fees to brokers who send them clients, or that named plaintiffs should be barred from receiving bounty payments. Most Members are appalled that the current system is a race to the courthouse which rewards the first to file, regardless of how little merit the case has. Only the most strident supporters of plaintiff lawyers disagree with the provisions of H.R. 1058 that require disclosure to class members of settlement terms or that private plaintiffs legal fees should not be paid out of SEC disgorgment pools.

H.R. 1058 will not cure all the ills of a litigious society that looks to the courts to solve its problems. But it will help to restore some balance between plaintiffs and defendants and to constrain that small group of plaintiff securities lawyers who have gamed the procedure and turned our judicial system into a weapon against American businesses, workers, and shareholders.

This rule is drafted to provide for an open and constructive debate of the problems and the solutions proposed in H.R. 1058. I urge my colleagues to support the rule.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

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

Ms. HARMAN. Mr. Speaker, this is a bad rule for a good bill, a bill I will probably support.

We have just concluded a frustrating debate on the Legal Reform Act under a bad rule, and many ideas that could have perfected that bill could not be considered. I, for one, had hoped to change the fee shifting mechanism in that bill to make it identical to the fee shifting provisions in this bill. A bipartisan group wanted to make the change, but the inadequate time for debate elapsed before we could offer our substitute. Had the substitute been considered, I believe it would have passed, and this Member and many others would have supported that bill.

H.R. 1058, to which this rule pertains, includes important and meritorious steps to reform securities litigations to

reduce the costs and distractions of unwanted litigation. Several amendments to be offered by the gentlewoman from California [Ms. ESHOO] and the gentleman from California [Mr. MINETA] will further ensure that high technology companies, which are essential to U.S. competitiveness, are reasonably and properly protected by its provisions.

In true bipartisan style, Mr. Speaker, I would like to commend the gentleman from California [Mr. COX], my friend and colleague, for his leadership on this issue. He described himself yesterday as a recovering corporate attorney. Not only did he and I attend the same law school, but I suffer from the same affliction. I, too, am a recovering corporate attorney.

Securities litigation needs reform. This is a good bill. It is a shame debate will be so truncated.

Mr. Speaker, the future of our Nation's future competitive advantage lies in our ability to develop products and services that are on the leading edge of technology and research. The business ventures which undertake such activities are among the fastest growing sectors of our economy. Indeed, they are the pride of our economy.

Regrettably, many of these business ventures are saddled by the costs and distractions of unwarranted and meritless lawsuits, filed when stock prices fluctuate for reasons often beyond the control of business management. The consequences of these abusive suits are settlements and costly legal proceedings unconnected to the merits of the underlying case. Despite the absence of wrongdoing by managers, corporations are essentially forced to pay large sums to avoid even larger expenses associated with legal defense. Advocates of litigation reform cite empirical studies that show virtually all claims in 10b–5 class actions, meritorious or not, are settled.

Let me share an example from the world's leading manufacturer of computer workstations, Sun Microsystems.

Founded in 1982, the company now has annual revenues in excess of $4 billion with over 13,000 employees world-wide, including many in my district.

Since it's initial public offering in March 1986, the company has been profitable every quarter except June 1989. In that quarter, as the result of the introduction of new technology and the switch-over to a new internal management system, the company reported a loss.

When it issued a special public advisory it was hit with three securities class actions within days.

And, when the company actually announced its earnings results, two more class actions quickly followed. The five suits were consolidated into a single suit seeking over $100 million.

In September 1990, despite the fact that Sun Microsystems had a profitable quarter, two more suits followed the company's announcement that earnings were about 10 cents per share less than what analysts expected. These two suits were consolidated into a suit seeking over $200 million.

Mr. Speaker, these suits have drained a staggering amount of money from Sun Microsystems—money that could have been devoted to product development, research, even a return on earnings. In the period from June 1989 to January 1993, Sun Microsystems spent over $2.5 million on attorney's fees and expenses. And this does not include the value of the time lost by management.

Because of the possible exposure of $300 million, and with only $35 million covered by insurance, the company agreed to settle the first suit for $25 million and the second suit for $5 million.

Amazingly, after these settlements were announced, Sun was hit with an unprecedented derivative action in State court alleging that the settlements were too generous. These actions were also settled, with Sun paying plaintiff's attorney $1.45 million and its own attorneys $500,000.

Mr. Speaker, what did shareholders get because of these suits? Nothing more than minor changes to Sun's internal policies.

Mr. Speaker, the record is replete with such examples. Examples like Silicon Graphics, Inc. of Mountain View, CA and Rykoff-Sexton, Inc. of Los Angeles. Examples that do not even begin to measure the huge waste in resources spent defending as well as prosecuting such suits.

These are resources which companies, like small high-technology and emerging growth companies, can better devote to research, and product development and promotion.

The bill, and the improvements that will be offered through the amendments, will reform securities litigation, end abusive lawsuits, and lift the unwarranted burden placed on companies that provide the competitive edge of America's economy.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Newport Beach, CA [Mr. COX], the foremost congressional authority on securities litigation.

Mr. COX of California. Mr. Speaker, I will reserve for general debate most comments on the substance of the legislation, but I would like to speak a little bit about the process by which this bill came through subcommitte, came through committee, after two hearings and is coming to the floor.

I found, when I first was elected to Congress, that the House and the Senate were in the business, rather routinely, of producing thousand-page epics that nobody read. The S&L bailout bill comes to mind. Nineteen hundred and eighty-nine it came up here, drafted by the administration. Nobody in the House or Senate read it. We know that because it was not printed in the RECORD until after the vote took place. It happened that when we did the 6-year transportation reauthorization bill, even though I was on the Subcommittee for Surface Transportation, we did not get a markup for the 6-year transportation reauthorization, not in subcommittee, and in committee we got the whole bill the first time, and for the record my hands are probably a foot or so apart. The whole bill got plunked down on our desks the very day of the markup, and that was the first time we saw that bill, and then, when it went to conference, it was changed so dramatically that nobody knew what was going on. It was produced, I think, about three in the morning, or something, and we voted on this huge bill without anybody having read it or understood it. This has become rather routine.

Contrast with the way the Congress used to run what we have been doing with securities litigation reform. We had two hearings, this Congress. We have had hearings in prior Congresses as well. The bill was bottled up in committee, and, after those hearings, we went to subcommittee markup, and we had a very long subcommittee markup that was so long that we were arguing about adjectival modifiers of words in particular lines. The bill itself is not very long, and of course everyone has read it. Then we went to full committee, and we made still more amendments. There was some criticism in full committee because amendments were allowed, that we were changing the bill in committee, although that is what markups are supposed to be all about, and here we are on the floor with a rule that is so open that just about everybody who wants to offer amendments is able to do so.

Nonetheless, I understand how the ranking member might be upset because the bill came out of committee with only 10 Democrat votes. It was produced 33 to 10, a huge bipartisan majority for a very, very sound bill. If it did anything like what we have been hearing here on the floor today, of course those Democrats and all of the Republicans would not have voted for it, but it protects investors. It protects investors by providing a guardian ad litem or a steering committee that their class-action lawyer will now deal with to make sure that the clients get represented. It prevents bonus payments to favored plaintiffs in a class action so all the class is treated equally. It says that in the future the lawyers are going to have to pay attention to their clients when they file these kinds of lawsuits, and they are going to have to know that they have a case first so that the investors in a company that might be extorted from will also be protected.

Finally I should point out that some of this I-forgot business relates to the fact that this is a fraud statute, it is not a negligence statute, and we do not have negligence in the securities laws now, nor will we have it after this bill.

Mr. FROST. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, I thank the gentleman from Texas [Mr. FROST] of the Committee on Rules for according me this time, and I rise on this rule to point out with strong vehemence my opposition to this last minimum effort to completely undercut the jurisdiction of the Committee on the Judiciary and allow the majority to offer an amendment to H.R. 1058 that would end civil RICO lawsuits for securities fraud.

The Racketeer Influence and Corrupt Organizations legislation would now be brought to an end with one sentence that has never been examined in either the former Committee on Commerce, the present Committee on the Judiciary, in any subcommittees or full committees. As a matter of fact, it was not even on this rule. It was through a remeeting that this rule even allowed it to be joined, and this is one of the great protections against fraud that exists in our law today.

It is absolutely incredible that the RICO amendment that is included in here is broader than any RICO amendment that Congress has ever considered before. The previous attempts at this legislation have failed, and those attempts do not ever go as far as this sweeping amendment that we are considering with such a short amount of time.

We need more time. We could use the whole time for this bill on RICO alone, and it is with great regret that I have to make these points about a very important part of this rule.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Westbury, NY [Mr. FRISA], a new member of the Committee on Commerce.

Mr. FRISA. Mr. Speaker, I thank the gentleman from California [Mr. DREIER], my friend, for yielding this time to me.

Mr. Speaker I am happy to rise in support of the rule which will provide more than ample time for careful, thoughtful, deliberate consideration of this much needed measure which will finally bring about reforms to our legal system.

□ 1545

Mr. Speaker, the American people want our system to work, and we know that right now it has not been working. I find it rather amazing that my good friends on the Democrat side, who have not been able to do anything about these reforms for 40 years, are now complaining that we are moving toward reform too quickly.

Well, I think the American people spoke last November 8, Mr. Speaker, and they have sided with the Republican majority in saying it is long past time to act, to use some common sense, to enact some changes to our system.

Let us roll up our sleeves and get down to work. Mr. Speaker, constituents in my district, hard-working, taxpayers, put in an 8-hour day, and they can get the job done. I do not know why the Democrats in Congress cannot get the job done in 8 hours to amend this legislation.

Mr. Speaker, I urge all of my colleagues to rise in support of this rule so we can get to debate on the bill itself, and then for a full 8 hours, a full day's work, to amend the legislation, pass it, move it to the Senate, so finally we will have those legal reforms.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, I will shortly offer an amendment that stipulates that if there is a major fraud that corporate managers refuse to remedy, the corporate auditor would have to report the fraud to Government regulators.

I want to thank Chairman SOLOMAN and Mr. HALL from the Committee on Rules for their effort to support it, and would like to note that the gentleman from Louisiana [Mr. TAUZIN] joins me as a cosponsor in offering this amendment.

This amendment has passed the House twice, it has the support of the Securities and Exchange Commission and the accounting profession. I would like to note that if this amendment had been the law of the land in the Keating case, the auditor, instead of slinking away when the auditor saw the wrongdoing, the auditor would have been required to bring that to the attention of Government regulators and taxpayers would have been spared considerable liability.

Mr. Speaker, I urge my colleagues to support this amendment. The last time it came before the Committee on Commerce it passed unanimously with the support of every member of the committee.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana.

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Louisiana [Mr. TAUZIN] is recognized for 3 minutes.

Mr. TAUZIN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have great sympathy for those who believe this bill is moving too fast this session, but I remind my colleagues that I offered this bill two Congresses ago. I crafted this bill two Congresses ago with the hopes we could have hearings two Congresses ago. We got no hearings.

I refiled it last year, 182 Members of the Congress last year cosponsored it; 67 Democrats. And we could get no hearings until the very last week or two of the session when it was too late for us to take any action on the bill.

There were 4 years for this Congress to move on this bill if we had wanted to take that time. But for 4 years, we could never even get this bill moving, except finally a series of hearings right at the end of the session.

We have had hearings again this year. We have had markups, subcommittee and the full committee. We will have a full and active debate the next day and a half, with 8 hours for folks to offer amendments under this modified open rule. And I am excited that we will finally get a chance to fix something that desperately needs fixing.

The old rule that ''If it ain't broke, do not fix it'' not only applies here, it applies in buckets. When 93 percent of these cases settle, most of them at 10 cents on a dollar, we have a system that is ultimately broke. We have a system made for the attorneys. When 8 cents on the dollar is all that is recouped for the stockholders, when most of the suits are brought to shake down companies, to shake them down any time their stock prices drop a couple points, when these suits are produced on Xerox machines, when the same plaintiff repeatedly appears in the suit time after time, one of them 35 times, you begin to see a picture of professional plaintiffs.

I ask the attorney who brought that suit for the same plaintiff 35 times if perhaps he did not have a professional plaintiff, or if maybe this was the most unlucky person in America.

It is time for us to put an end to that kind of a legal system. When a legal system preys upon our economy instead of trying to render justice, something is wrong. The bill we will present to you today had the support of eight Democrats on the Committee on Commerce, almost half of our membership. It will have the support of many Democrats and Republicans on the floor today and tomorrow. It will truly be a bipartisan effort to put an end to a terrible legal system and to replace it with one that works, one that corrects fraud, one that urges plaintiffs to bring good cases and take them to a conclusion, to prove fraud exists, and to make the guilty parties pay, and to end this business of frivolous shakedown lawsuits that is threatening to cripple many small businesses just trying to get going and discourage them to disclose more information to us, not keep it all secret because they are afraid of another lawsuit right around the corner.

Mr. Speaker, this is a day we have long waited for. This day and the next day ought to produce a good legal system instead of the rotten one we have. I look forward to it under this rule.

Mr. FROST. Mr. Speaker, for the propose of debate only, I yield the remaining time to the gentleman from West Virginia [Mr. WISE].

The SPEAKER pro tempore. The gentleman from West Virginia [Mr. WISE] is recognized for 4 minutes.

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

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I think somewhere there has to be a middle ground between the previous Republican speaker who was ecstatic that we were going to be allowed 8 full hours of debate. Of course, that includes voting time, which, if you look at the chart of the last bills under this so-called open rule procedure, means about 25 percent of

that debate time is taken up. Somewhere between 8 hours that the Republican gentleman was excited about and the 200 years of common law in jurisprudence and getting into court, that threatens to be upset. So somewhere between 8 hours of debate time and 200 years, perhaps we could have a little more debate time.

I am delighted that the gentleman from Louisiana is happy. I am happy it is coming to the floor. But I think on something of this magnitude, dealing with the securities industry, one of the pillars of the economy in our country, that you need better than 8 hours of debate time, including the voting time.

Remember, the voting time takes a minimum of 17 minutes. Now, let us look at the chart in the past on voting time. To those who say that the problem is that the Democratic minority does not allocate its time wisely enough or manage it, I might point out on the H.R. 728, the Law Enforcement Block Grants, there were at least two Republicans, Mr. BEREUTER and Mr. KASICH, who joined a number of Democrats in being shut out from offering amendments. H.R. 7, the National Security Revitalization Act, Mr. BEREUTER and Mr. SCHIFF joined a number of Democrats in being shut out from being able to offer amendments. The regulatory moratorium, there were at least three Republicans shut out. Mr. MICA was shut out on the risk assessment bill. Just most recently, Ms. HARMAN, who has appeared here already, was shut out, and Mr. SMITH of Michigan, a Republican, was shut out as well.

Once again, we cannot even get in the Republicans to offer their amendments. Some might say if Republicans and Democrats are being shut out, what is the difference? The difference is on the Republican side, being in the majority, they get to craft the bill. Democrats do not. So the best bite we get at the apple is here on the floor.

Also, I might point out the only bite many of us get at the apple is on the floor, right here, and that is why this kind of rule is restrictive and not open, and I think violates the promise that the Republicans gave us of open rules on the contract items.

So picking right back up again, because this is the only time I get under this with the time limitations, I would just urge people to understand that on these very important contract items, when they say there is an open rule, there is no open rule; that indeed 25 percent of the time is being taken up alone on votes. Meritorious votes, some called by Republicans, some called by Democrats, some called by Members of both sides, interestingly enough, when it is clear that is an overwhelming majority. So you get a situation on the risk assessment bill, 10 hours of debate, with 2 hours taken up by rollcall votes alone.

Mr. Speaker, we can do business better than this, If you were in a courtroom, even under the legal reform being put forward this week, you would get a chance to make your arguments. You would get a chance to have a full and open hearing. You would get a chance for every point of view to be offered for all evidence, if you would, if you consider an amendment to be offered. You would get a chance to have that done. Not here. Not here.

Talk about a contract, there is a breach of contract, and that is that open rules will precede each of these items. There is no open rule in this. No matter how you dress it up or put it, it is a race to the clock. A race is what is involved in here. How quickly can you talk and can you get a vote and will there be time for the next person, Republican or Democrat, to be able to offer their amendment.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for six minutes.

Mr. DRIER. Mr. Speaker, this is not a so-called open rule. This is not a wide open rule. This is a modified open rule. What it means very simply is the Committee on Rules did not say what amendments are going to be made in order. The Committee on Rules said that any Member who has a germane amendment can stand up here on the floor and say ''Mr. Speaker, I have an amendment at the desk,'' and that amendment has to be considered.

The only constraint is the outside 8-hour limitation on debate, and that limitation simply means that we have to responsibly determine exactly what priorities there are and what they should be.

Now, there have been some arguments that have come forward from my friends on the other side of the aisle that somehow this is a rule which is closed and we are shutting out people. Well, we have heard from the gentleman from Louisiana, making this clearly a bipartisan modified open rule. The gentleman believes , as I am sure other Democrats do, along with Republicans, that this rule will allow for consideration of legislation that for years and years and years Democrats and Republicans have tried to bring up to deal with the question of securities litigation reform. Tragically, because of the recalcitrant leadership of the past, they were unable to do that.

This rule allows every single idea that is out there to be considered.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. DRIER. I yield to the gentleman from West Virginia.

Mr. WISE. I understand what the gentleman is saying in terms of anyone can bring any idea up. But do you not think it is a closed rule if any idea will not be able to be offered because of the clock, including Republicans' ideas, as precedence goes to members of the committee first.

Mr. DRIER. Reclaiming my time, the answer is a resounding no. This is a modified open rule, because what it says to my friend is if he has an amendment that he wants to offer, and one of his colleagues also has an amendment that he decides is equally as important, they should say let us take 10 minutes each so we can get the full membership of this House on record to vote up or down on this amendment.

So my point, Mr. Speaker, is that every idea, every single idea, can be considered if we can structure it in such a way that all of those proposals move forward.

Mr. WISE. If the gentleman will continue to yield, if that is the case, why did Mr. BEREUTER and Mr. KASICH, for instance, when they were protesting, particularly Mr. BEREUTER the other day on the law enforcement block grants, why did not Members of your party get together? The fact is this closes people out.

Mr. DRIER. Unfortunately, they did not get together. That was something that was not able to be worked out under that process. What we are saying to both leaderships is establish priorities, but under an open amendment process. Let us proceed with making this institution accountable.

In years past the Committee on Rules would kill ideas from the left or the right, not allowing them to even be considered here. Now every one of those ideas can come up under an 8-hour time limit.

Now, as I listen to the people whom I represent, they know that the Gettysburg Address was delivered in 3 minutes. They believe that we should, within an 8- or 10- or 12-hour period, we will be spending as Mr. MARKEY said, a total of 10 hours on this, with 1 hour for general debate, 1 hour of debate on the rule, and 8 hours for amendments, they believe within 10 hours we might be able to under an open amendment process consider these ideas.

Mr. WISE. If the gentleman will yield further, do they know how many days it took to prepare that 2-minute Gettysburg Address?

Mr. DREIER. I do not know, the 3-minute address.

Mr. WISE. The shorter it is, the longer is spent to prepare it.

Mr. DREIER. Reclaiming my time, I would say Mr. TAUZIN, who said that three Congresses ago he introduced this legislation, that totals 6 years that it took to prepare this, and I believe that Mr. TAUZIN and others who have been involved in this should have an opportunity to consider this, and it is going to be done under a fair and open process. I suspect the gentleman from south Boston would like me to yield.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

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

□ 1600

Mr. MOAKLEY. Is it not true though that the gentleman's party promised

open rules, more open rules than they had the year before?

Mr. DREIER. The gentleman is absolutely right. That is exactly what we have provided, many more open rules than we had in the 103d Congress or the 102d Congress. What we have got is a structure where modified open and open rules are 82 percent, about 82 percent of the legislation that we have considered. I think that, as we listen to people like Cokie Roberts, who, when I was quoting National Public Radio earlier——

Mr. MOAKLEY. She erred, she was in error.

Mr. DREIER. Cokie Roberts erred by saying that we are doing this under an open process. Well, Cokie happens to have spent a great deal of time observing this institution. She also has, there have also been a lot of other people who have looked from the outside. And they have watched this on television and they have said, ''You all are doing it under an open process.'' Why? Because they see that a modified open rule, while it does have an outside time cap, does in fact give every Member the right to offer their amendment, have it considered, have it voted on.

Mr. MOAKLEY. The gentleman promised that the contract on America would be based on all open rules.

Mr. DREIER. I do not know about a contract on America. I know about a Contract With America.

Mr. MOAKLEY. Was it not true that the gentleman's people said that these would be all open rules?

Mr. DREIER. Well, my people said that we would consider——

Mr. MOAKLEY. Did not the Speaker say that?

Mr. DREIER. It was said that we would consider these proposals under an open amendment process. That is exactly what we are doing. We are doing it under a modified open rule.

Mr. MOAKLEY. The gentleman is changing it. He is going to consider them under an open process. It does not mean an open rule.

Mr. DREIER. Mr. Speaker, I suspect that it would be best for me to say that I urge an ''aye'' vote on this fair and responsible modified open rule.

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 SPEAKER pro tempore (Mr. DICKEY). The question is on the resolution.

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

Mr. FROST. 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 pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 257, nays 155, answered ''present'' 1, not voting 21, as follows:

[Roll No. 208]

YEAS—257

Allard	Ganske	Nussle
Archer	Gekas	Oxley
Armey	Geren	Packard
Bachus	Gilchrest	Parker
Baker (CA)	Gillmor	Paxon
Baker (LA)	Gilman	Peterson (MN)
Ballenger	Gonzalez	Petri
Barr	Goodlatte	Pickett
Barrett (NE)	Goodling	Pombo
Bartlett	Gordon	Porter
Barton	Goss	Portman
Bass	Graham	Pryce
Bateman	Gunderson	Quillen
Bereuter	Gutknecht	Quinn
Bevill	Hall (TX)	Radanovich
Bilbray	Hancock	Rahall
Bilirakis	Hansen	Ramstad
Bishop	Hastert	Regula
Bliley	Hastings (WA)	Riggs
Blute	Hayworth	Roberts
Boehlert	Hefley	Rogers
Boehner	Heineman	Rohrabacher
Bonilla	Herger	Ros-Lehtinen
Brewster	Hilleary	Roukema
Browder	Hobson	Royce
Brownback	Hoekstra	Salmon
Bryant (TN)	Hoke	Sanford
Bunn	Horn	Saxton
Bunning	Hostettler	Scarborough
Burr	Houghton	Schaefer
Burton	Hoyer	Schiff
Buyer	Hunter	Schumer
Callahan	Hutchinson	Seastrand
Calvert	Hyde	Sensenbrenner
Camp	Inglis	Serrano
Canady	Istook	Shadegg
Castle	Jacobs	Shaw
Chabot	Johnson (CT)	Shays
Chambliss	Johnson, Sam	Shuster
Chenoweth	Jones	Sisisky
Christensen	Kasich	Skeen
Chrysler	Kelly	Skelton
Clinger	Kim	Smith (MI)
Coble	King	Smith (NJ)
Coburn	Kingston	Smith (TX)
Collins (GA)	Kleczka	Smith (WA)
Combest	Klug	Solomon
Cooley	Knollenberg	Souder
Cox	Kolbe	Spence
Cramer	LaHood	Stearns
Crane	Latham	Stenholm
Crapo	LaTourette	Stockman
Cremeans	Laughlin	Stump
Cubin	Lazio	Talent
Cunningham	Leach	Tate
Davis	Lewis (CA)	Tauzin
de la Garza	Lewis (KY)	Taylor (MS)
Deal	Lightfoot	Taylor (NC)
DeLay	Lincoln	Thomas
Diaz-Balart	Linder	Thornberry
Dickey	Lipinski	Thornton
Doolittle	LoBiondo	Tiahrt
Dornan	Longley	Torkildsen
Dreier	Lucas	Torres
Duncan	Manzullo	Torricelli
Dunn	Martini	Upton
Ehlers	McCollum	Vucanovich
Ehrlich	McHugh	Waldholtz
Emerson	McInnis	Walker
English	McIntosh	Walsh
Ensign	McKeon	Wamp
Everett	Meyers	Watts (OK)
Ewing	Mica	Weldon (FL)
Fawell	Miller (FL)	Weller
Fields (TX)	Mineta	White
Flanagan	Molinari	Whitfield
Foley	Montgomery	Wicker
Forbes	Moorhead	Williams
Fowler	Morella	Wilson
Fox	Murtha	Wolf
Franks (CT)	Myers	Wyden
Franks (NJ)	Myrick	Young (AK)
Frelinghuysen	Nethercutt	Young (FL)
Frisa	Neumann	Zeliff
Funderburk	Ney	Zimmer
Gallegly	Norwood	

NAYS—155

Abercrombie	Barcia	Berman
Ackerman	Barrett (WI)	Bonior
Andrews	Becerra	Borski
Baesler	Beilenson	Boucher
Baldacci	Bentsen	Brown (CA)
Brown (FL)	Hilliard	Pastor
Brown (OH)	Holden	Payne (NJ)
Bryant (TX)	Jackson-Lee	Payne (VA)
Cardin	Johnson (SD)	Pelosi
Clay	Johnson, E.B.	Peterson (FL)
Clayton	Johnston	Pomeroy
Clement	Kanjorski	Poshard
Clyburn	Kaptur	Reed
Coleman	Kennedy (MA)	Reynolds
Collins (IL)	Kennedy (RI)	Richardson
Collins (MI)	Kennelly	Rivers
Conyers	Kildee	Roemer
Costello	Klink	Rose
Coyne	LaFalce	Roybal-Allard
Danner	Lantos	Rush
DeFazio	Levin	Sabo
DeLauro	Lewis (GA)	Sanders
Dellums	Lofgren	Sawyer
Deutsch	Luther	Schroeder
Dingell	Maloney	Scott
Dixon	Manton	Skaggs
Doggett	Markey	Slaughter
Dooley	Martinez	Spratt
Doyle	Mascara	Stark
Edwards	Matsui	Stokes
Engel	McCarthy	Studds
Eshoo	McDermott	Stupak
Evans	McHale	Tanner
Farr	McNulty	Tejeda
Fattah	Meehan	Thompson
Fazio	Menendez	Thurman
Fields (LA)	Mfume	Towns
Filner	Miller (CA)	Traficant
Foglietta	Minge	Tucker
Ford	Mink	Velazquez
Frost	Moakley	Vento
Furse	Mollohan	Visclosky
Gejdenson	Moran	Volkmer
Gephardt	Nadler	Ward
Green	Neal	Waters
Gutierrez	Oberstar	Watt (NC)
Hall (OH)	Obey	Waxman
Hamilton	Olver	Wise
Harman	Ortiz	Woolsey
Hastings (FL)	Orton	Wynn
Hayes	Owens	Yates
Hefner	Pallone	

ANSWERED ''PRESENT''—1

Lowey

NOT VOTING—21

Bono	Gibbons	McDade
Chapman	Greenwood	McKinney
Condit	Hinchey	Meek
Dicks	Jefferson	Metcalf
Durbin	Largent	Rangel
Flake	Livingston	Roth
Frank (MA)	McCrery	Weldon (PA)

□ 1620

Mr. MOLLOHAN changed his vote from ''yea'' to ''nay.''

Mr. RAHALL changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BONO. Mr. Speaker, I was unavoidably detained, and was not able to vote on rollcall vote 208.

Had I been here, I would have voted ''aye'' on rollcall 208, the rule on H.R. 1058, Securities Litigation Reform Act.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 481

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 481.

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

There was no objection.

SECURITIES LITIGATION REFORM ACT

The SPEAKER pro tempore. Pursuant to House Resolution 105 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. 1058.

☐ 1621

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. 1058) to reform Federal securities litigation, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Virginia [Mr. BLILEY] will be recognized for 30 minutes, and the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia [Mr. BLILEY].

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

Mr. Chairman, I rise in support of H.R. 1058, the Securities Litigation Reform Act. A recent survey by the National Venture Capital Association found that 62 percent of responding entrepreneurial companies that went public in 1986 had been sued by 1993. The survey concluded that, if historical rates continue, ''unprecedented numbers of newly public companies are likely to be sued in the coming years.'' This is a national tragedy and a situation the Congress cannot allow to continue. H.R. 1058 is an important first step in our continuing review of litigation reform.

H.R. 1058 is the product of months of intensive negotiations. I would like to highlight for the Members of this body major changes that were made to this legislation during the committee drafting process.

The entire bill has been modified where necessary to make clear that restrictions on bringing legal actions based on the antifraud provisions of section 10 of the Securities Exchange Act and rule 10b–5 apply only to private suits, not to SEC enforcement actions. The legislation was intended to curb strike suits, not SEC enforcement actions, and that is now what it does.

Similarly, the bill has been modified to apply only to implied actions under section 10b, and does not override other sections of the securities laws that provide their own express causes of action. Strike suits are almost always brought under section 10, and actions based on other sections of the securities laws have not been a problem.

The intentional fraud-only standard of H.R. 10 has been modified. H.R. 1058 provides for actions based on misrepresentations or omissions done recklessly, but a defendant found reckless can only be held for the proportionate share of his liability. The definition of recklessness is based, in part, on language taken from the leading case in this area. Intentional fraud will still bring joint and several liability, as well it should. Anyone who intentionally breaks the law should know that he will be responsible for all damages that flow from his actions.

The bill preserves the principle of ''fraud on the market'' by removing the obligation in H.R. 10 to prove reliance in each instance of misrepresentation. Existing case law allowing plaintiffs to meet their obligation of showing reliance by relying on the market price will be codified for the first time. Members who seek to apply fraud on the market to all securities and not just those with liquid markets do not understand the legal principle and economic theories that underly the legislation.

The provision governing fee shifting, ''Loser Pays,'' has been modified significantly under the terms of H.R. 1058. The prevailing party can recover his costs only if he can prove that the losing party's case was without substantial merit, and that imposing those costs on the loser will not be unjust to either side. This entire provision applies to judgments; if a case is settled, it does not apply.

One thing has not changed. H.R. 1058 addresses the same issue as H.R. 10 did, that is, the crying need to reform the process by which securities class actions are litigated. H.R. 1058 is a refinement of H.R. 10, brought about by debate and consultation between many Members on both sides of the aisle. I urge its support by all Members of the House.

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

Mr. MARKEY. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, what I would like to do to help all those who are trying to decide how they are going to vote here today is to perhaps assist them by applying a multiple choice test, so that people can choose themselves, as we go through the test, which they think would be the correct answer.

Let me begin by asking which one of these four categories would be hurt by H.R. 1058: A, insider traders; B, fraudulent derivative brokers; C, wrongdoer accountants; or D, fraud victims.

The correct answer there is D, fraud victims would in fact be harmed, because it is going to essentially cripple the ability of private fraud actions to be brought by individual investors who have in fact had their life savings ripped off by investors, by companies that have misled them in their investment strategy.

Next question: out of the 235,000 suits filed in 1994, how many were securities fraud cases in this country: A, 31,800 out of the 235,000; B, 9,500; C, 18,670; D, 290, 290 out of the 235,000 cases. The correct answer is 290 cases in the securities fraud area.

The next question, by what percentage have securities fraud class actions increased over the last 20 years in our country: A, a 150-percent increase; B, a 100-percent increase; C, a 50-percent increase; D, minus 4.3-percent. The correct answer is D, a 4.3-percent decrease in securities fraud actions brought over the last 20 years.

☐ 1630

Next question, just trying to be helpful:

Out of the 14,000 public companies, how many were sued each year on average in securities fraud class actions over the last several years?

A. 7,000 public companies sued each year.

B. 3,500 public companies sued each year.

C. 1,400 companies in America sued each year.

D. 125 companies sued for fraud each year in the United States.

The correct answer, D, only 125 companies are sued each year in the United States for securities fraud.

Next question:

Which is H.R. 1058's solution to the derivatives crisis facing dozens of municipalities and other counties in the United States?

A. Improve the supervision and regulation of derivatives dealers.

B. Strengthen fraud liability.

C. Increase customer protections.

D. Make it virtually impossible for victims to recover their losses from fraudulent brokers.

The answer, D, make it impossible for all intents and purposes for there to be a recovery when individuals have been injured.

Next question:

Which one do the English not like?

A. Tea.

B. Soccer.

C. Fish and chips.

D. The English rule.

The correct answer is the English rule. they do not like the English rule in England.

Economist, the leading conservative periodical in that country, last month editorialized against the English rule arguing that the American rule is a better rule if ordinary individuals are to be compensated for harm which has befallen them because of fraudulent activity in the financial marketplace.

Next question:

Which is not a defense to securities fraud under H.R. 1058?

A. The plaintiff did not plead specific facts of my state of mind.

B. The plaintiff did not read on line 12 of page 68 of the prospectus where I made my fraudulent misrepresentation.

C. Sorry, I forgot the truth.

D. None of the above.

The answer, D.

H.R. 1058 requires plaintiff's complaints to make specific allegations which, if true, would be sufficient to establish scienter as to each defendant

at the time the alleged violation occurred. In addition, it is expressly made insufficient for this purpose to plead the mere presence of facts inconsistent with a statement or omission alleged to have been misleading.

Next question:

How much will H.R. 1058 reduce the Federal budget?

A. By $100 million.

B. By $50 million.

C. By zero.

D. It will increase it by up to $250 million over the next 5 years.

The answer, D, it will increase the Federal deficit by $250 million according to the Congressional Budget Office because of the needed additional enforcement by the Securities and Exchange Commission out in the financial marketplace.

Finally, under H.R. 1058, who will pay fraud victims the share of the damages caused by the primary wrongdoer who is in jail or bankrupt?

A. The reckless wrongdoers who participated in the fraud.

B. Aiders and abetters in the fraud who helped to make it possible.

C. The accountants who claim they forgot to disclose the fraud.

D. Nobody.

The answer is, D, nobody else would have to pay if somebody lost their life's fortune after being misled into a terrible investment with information which was completely and totally erroneous.

That is the problem we have with this bill. We hope that as we move into the specific amendments that those who are concerned about integrity and honesty in the financial marketplace will support some of the amendments we have to improve the bill.

Mr. BLILEY. Mr. Chairman, for purposes of debate only, I yield 5 minutes to the gentleman from Texas [Mr. FIELDS], chairman of the Subcommittee on Telecommunications and Finance.

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Chairman, I begin with a quiz of my own.

Were the remarks of my friend:

A. Inaccurate.

B. Misleading.

C. Entertaining.

D. Good-natured.

I think the answer is ''all of the above,'' and we are going to have plenty of time to debate this.

I rise in support of H.R. 1058, the Securities Litigation Reform Act. This legislation revolutionizes the standard by which all disputes under securities laws will be litigated.

For example, the Securities Litigation Reform Act will introduce the concept of proportional liability into the Federal securities laws for the first time. A defendant may be liable for joint and several damages only if found to have acted knowingly. Defendants found liable for recklessness will be held proportionately liable. A person will be liable for all the damages he causes but only the damages that person causes. The concept is common sense and so simple one must wonder why it was not adopted long ago.

Arguably, the adoption of proportional liability alone is the most significant development in private securities litigation in the 61 years since the Federal securities laws were passed. This provision alone will go a long way toward eliminating strike suits, in that deep-pocket defendants will no longer be subject to the same coercive pressure to settle. By the adoption of this provision, we will eliminate the abuses of the current system that amount to a socialization of the risk. More importantly, Congress should do everything it can to ensure that the constitutional right of wrongly accused defendants, yes, even corporate defendants, to have an opportunity to defend themselves in court is protected. The costs of defending frivolous lawsuits today prevents that from happening. Proportional liability is a reform that will help accomplish this objective.

It is impossible to review the impact of spurious litigation and the abuses possible within the current securities class action system and not realize how important this bill is for the economic welfare of our country.

Critics of this legislation will tell us that private securities litigation is a critical addition to an effective enforcement program at the Securities and Exchange Commission. We agree, but surely frivolous lawsuits are not a necessary part of the Securities and Exchange Commission enforcement mechanism. Lawsuits brought solely for the purpose of coercing settlements out of deep-pocket defendants have no place in our law enforcement mechanism.

The frightening implication of the arguments of opponents of litigation reform is that everything is just fine the way it is. They see strike suit lawyers bringing lawsuits as a regulatory device that should be encouraged to promote market efficiency. We on this side of the aisle could not disagree more. We believe the only justifiable purpose for a lawsuit is to recover damages for people who have been injured. Academic studies of class action strike suits, however, show that even successful plaintiff shareholders recover just pennies on the dollar. The lawyers without clients who bring these suits take home millions of dollars in fees. Strike suits do not contribute to market efficiency. They contribute to affluent lifestyles of strike suit lawyers.

H.R. 1058 is dramatic, it is revolutionary legislation because that is what is necessary. The old ways of doing things are just not working. The bill provides that the losing party, his attorney or both will pay the prevailing party's legal fees if a court enters a final judgment against them. The court has discretion not to award fees if the losing party establishes that its position was substantially justified. The court will require the attorney, the class, or both to post security for costs to ensure that funds are available to pay the legal fees if they are awarded. This section represents a compromise from the original ''loser pays.'' It will be a powerful deterrent to the filing of frivolous suits. It will also ensure that successful plaintiffs receive a full recovery of their damages and that successful defendants do not suffer injury from having been wrongly accused.

Some provisions in this legislation are not revolutionary but just good public policy. For the first time in the securities laws, a standard for reckless conduct is defined. Similarly for the first time the Federal securities laws have been modified to specifically allow proving reliance by demonstrating a fraud on the market, that that has occurred. Finally, the bill creates a safe harbor for forward looking statements issued by companies so that they need not fear litigation if projections they make in good faith do not turn out as expected.

H.R. 1058 is a breakthrough piece of legislation. I urge the support of all my colleagues.

Mr. MARKEY. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. TAUZIN].

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

Mr. TAUZIN. Mr. Chairman, a good legal system is not one that is measured by the number of lawsuits that are filed. It is not one measured by the length of those lawsuits, about how many judgments are rendered. Quite the contrary. A good legal system is one that deters bad behavior and, therefore, leads to fewer lawsuits. It is one in fact that encourages settlements of merited cases rather than the massive settlement of all cases regardless of merits.

On that test, this legal system we are trying to reform today is a rotten one. The gentleman from Massachusetts has told you that there were only a few cases filed. Let me give Members the facts.

In 1993, there were 723 of these cases pending, more than any other year except 1974. In fact, in the last 4 years, from 1990 to 1993, there have been 1,180 of these cases filed and that is almost equal to the number filed in the 10 previous years. Many more lawsuits. While Federal lawsuits are generally declining by 30 percent, these lawsuits are up by 10 percent.

Second, these lawsuits are not sailboats sailing on the ocean of litigation. These are massive carriers, massive lawsuits. The 723 cases pending today estimated request $28.9 billion in damages. These are huge lawsuits that clog up the system and that send a message out to everybody across America that the lawsuits are waiting for you the first time your stock prices drop.

The ripple effect of these lawsuits is massive. To businesses sued and those

not sued, the message is simple: ''Don't tell investors anything about your company because anything you say will be held against you in a lawsuit filed by lawyers who xerox the claims, appoint their own clients and get a lawsuit going worth billions of dollars in which most of the parties end up settling at 10 cents on the dollar.''

Let me ask Members something: When 93 percent of these cases never reach a jury, when most of them are settled for 10 cents on the dollar, do you not get the impression I get, that this is a system where merit does not matter, everybody settles all the time?

Why? Because these are massive lawsuits and merit does not count. The liability is so huge, the shotgun effect of the lawsuit against all parties is so dramatic, the damages claimed is so huge that the temptation is to get out of it as fast as you can, 10 cents on the dollar, take care of the lawyer, do not worry about the stockholders, is the way this system works.

This is a bad legal system. And when we are told, as we are told, that only 6 cents on the dollar ends up being recovered for stockholders under this system, you and I ought to be deeply concerned about it. It means that real fraud is not being prosecuted. It means that meritless cases are filed and stockholders get nothing, but a few big law firms in America are doing quite well.

When you have that kind of a system where merit does not matter, where lawsuits are filed on a Xerox machine, where one lawyer in California says, ''I have the best law practice in America, I have no clients,'' he just names whoever he wants to represent the class and files a lawsuit.

When you have professional plaintiffs appearing time after time on these lawsuits and bounties, legal bounties paid in order to get these lawsuits going, when you have got that kind of a system, is not time to reform it?

For 4 years now, I have been asking this Congress to do that and I am delighted today we will have that chance. As we debate amendments over the next 8 hours, let me tell Members that we have tried to accommodate concerns. We have tried to bring this bill this year as close as we can to the Dodd-Domenici bill of last year and to the Tauzin bill of last year that got 182 cosponsors, 67 Democrats to cosponsor it.

We will see when this debate is over an awful lot of Members on both sides of this aisle voting for this measure. We will improve it in the process in the next 8 hours. It will be a better bill, closer to the bill that we offered last year and the year before. I am proud to tell Members the coalition that I have been working with has endorsed this bill and the effort to improve it is still on this floor. We will join with many other Democrats in a bipartisan effort to improve this section of the law.

When we are through, we are going to have a statute that discourages fraud because it counts on real merited cases to be filed, and it counts on them to be brought to fruition and the guilty parties punished. It will be a system that discourages frivolous, shakedown strike lawsuits that benefit no one in this country except the few law firms who make a havoc of our legal system and a ton of money over it.

Mr. FIELDS of Texas. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. COX], one of the principal authors of the legislation.

Mr. COX of California. Mr. Chairman, it is frequently said that lawyers are turning America into a nation of victims. Thanks to the trial bar which makes its living fanning these flames, not only real injuries but every imaginable harm is now compensable in court, except one; the one category of injury for which there is seemingly no recompense is injury inflicted by lawyers themselves.

What is the remedy for the ruinous economic losses, the delays, and the sheer misery caused by the fraudulent abuse of our laws, in particular of our securities laws? The answer is none. None. Fraudulent securities litigation may be the most egregious instance of this cure today. It is a legal torture chamber for plaintiffs and defendants alike, more suitable to the pages of Charles Dickens' ''Bleak House'' than a nation dedicated to equal justice under law.

The current system of private securities litigations is an outrage and a disgrace. It cheats both the victims of fraud and innocent parties by lavishly encouraging meritless cases, it has destroyed thousands of jobs, undercut economic growth and American competitiveness and raised the prices every American pays for goods and services.

It mocks the many victims of real fraud who receive pennies on the dollar while the lawyers take millions. The only beneficiaries are the lawyers. Their clients typically get a pittance for their claims.

Who are the victims of these strike suits which are brought to generate settlement value, which are brought in order to generate a nuisance value so that the lawyers can be paid simply to stop their harassment? First and foremost, victims of this kind of system are the victims of real fraud.The current system herds them into powerless classes of plaintiffs who are completely under the thumb of strike suit lawyers. The class members do not even have the chance to participate personally; oftentimes they are not even identified until very late in the proceedings.

Earlier today we heard from a company in Arlington, VA, just across the river from the Capitol, who spent hundreds of thousands of dollars responding to one of these strike suits generated for the purpose of making the company pay the lawyers to go away. The class representative that was selected by these lawyers as the most representative of all of the plaintiffs finally sent a postcard to the company and ended it this way by saying, ''I did not know the lawyer was going to do this; he talked to my wife. He acted against my wishes. I was in the hospital at the time. I like your company.''

That is the degree to which class action lawyers are able to control this kind of litigation. The lead plaintiffs who supposedly represent the victims' interests are not average investors. As often as not the so-called lead plaintiffs are virtually employees of the counsel. As one of the leading attorneys in this area once put it, and as the gentleman from Louisiana [Mr. TAUZIN] so eloquently reminded us, he said, ''I have the greatest practice of law in the world. I have no clients.'' That is the way class action securities strike suit lawyers view their opportunity to harass ordinary investors.

The same stable of tame lead plaintiffs appears in case after case. That is why our bill puts a limit on the number of suits that professional plaintiffs can bring to five in every 3 years.

How bad is this problem? Harry Lewis has appeared as lead plaintiff in an estimated 300 to 400 lawsuits. Rodney Shields has been in over 80 cases. William Weinberger has appeared in 90 cases just since 1990. One court recently called one of these professional plaintiffs the unluckiest investor in the world. Obviously, a wry sense of humor, that judge.

With the lawyers in charge of the litigation, it is little wonder they manage to benefit their own interests at the expense of their clients. Many recent studies have shown that the current system encourages strike suits lawyers to ignore even overwhelming cases of fraud. Flagrant cases that should lead to 100 percent recovery are instead settled for cents on the dollar while the lawyers get millions in settlement fees.

Even when the fraud victims get a full recovery the current winner-loses system unique to America still ensures they will never get fully compensated. Their attorneys' fees and costs come right off the top. And because the plaintiffs' lawyers, not the victims, control the litigations, they make sure those attorneys' fees are top dollar no matter how meager their clients' recovery.

The current system ensures that investors will suffer ever more avoidable losses in the future. Even good faith reasonable predictions about the future events of a company's prospects are penalized under the current securities laws. The threat of lawsuits over so-called forward looking information, how is this company going to do in the future, is so serious that many if not most CEO's these days refuse to talk to the press at all about their company's performance and yet that is exactly the kind of information the market needs to operate. How a company has performed in the past is interesting, but everybody wants to know what is going to happen from here forward.

That is the information the market seeks out. Because the market is after that information they are now getting it through the black market and under the table. We would like to make sure that it is quality information, that a reasonable statement made in good faith should be available and should come from the source.

Strike suits claim virtually every American as a victim. Most particularly by this I mean ordinary workers and consumers all are victims of the heavy litigations tax levied by strike suit lawyers. The tens of millions of dollars siphoned off each year by strike suits represents thousands of workers not hired, new products delayed or canceled outright and vital research that will never be done, and price increases imposed on consumers. This tax will fall most heavily on high-tech biotechnology and other growth companies, the very industry most critical to American competitiveness.

One out of every four strike suits targets high-tech companies. High-tech and biotech companies have paid 40 percent of the costs of strike suit settlements handing out some $440 million, however, over the last 2 years alone.

Strike suits claim a last category of victims: tens of millions of Americans who have invested in securities through their labor union pension funds, ESOP's or their individual mutual fund. They suffer twice. They suffer whenever price fluctuation triggers the suit, and they suffer again through the costs of litigating and settling the strike suits that follow.

The current system is not protecting them; our legislation will.

Mr. MARKEY. Mr. Chairman, I yield 2 minuted to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, at the first Committee on Commerce hearing on this issue I stated that our final objective must be the Congress must pass and the President should sign into law legislation which provides relief from meritless lawsuits and do it this year. Let me state the plain facts. Meritless lawsuits are crippling our high-technology industry. They cost money, they cut investment and stifle initiative. They must be stopped.

Twenty-six of the 40 largest high-tech companies in Silicon Valley have been sued. In fact I think if you place them all in the room, all of the players in Silicon Valley, the only difference between them is those that have sued and those that will be.

H.R. 1058 attempts to stop these suits and I commend my colleagues for bringing this issue to the floor. We share the same goal of ending frivolous lawsuits.

In my view, in the effort to right the wrongs, many of the reform proposed by H.R. 1058 go too far. By eliminating such protections as the recklessness standard for fraud, this legislation would strip the ability of shareholders with legitimate claims, let me underscore that again, with legitimate claims to go to court.

Just yesterday the White House called H.R. 1058 ''manifestly unfair,'' and the chairman of the SEC, Arthur Levitt, has said the Commission cannot support the bill. That is why it is being debated, that is why it has been brought to the floor, and that is why there are many key amendments that will be offered to improve the bill.

So Mr. Chairman, high technology businesses should not have to wait another year. They need relief now.

Recently I introduced legislation, H.R. 675, along with my colleague, the gentleman from California, Mr. NORM MINETA, who is my next-door neighbor and represents part of the Silicon Valley, which mirrors the broad bipartisan legislation introduced again this year by Senators DODD and DOMENICI. I believe H.R. 675 will put an end to frivolous suits while protecting investors' rights. This bill, I believe, protects investors' rights and is a bill which ultimately I think will break a legislative stalemate which would only delay protection for our high technology community.

We must craft a piece of legislation that stops the frivolousness and yet still protects shareholders and investors, and the bill before us today I think is a step in the right direction.

In my view, the balance of the work still remains to be done. As H.R. 1058 advances through the legislative process, our objective again must be to end meritless lawsuits quickly and efficiently and with fairness, and I think that is an operative word.

Mr. Chairman, my constituents need and deserve relief, and I look forward to working on producing that for them.

Mr. FIELDS of Texas. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. GILLMOR].

Mr. GILLMOR. Mr. Chairman, I thank the gentleman for yielding time to me, and I rise in support of H.R. 1058, the Securities Litigations Reform Act.

This week we are going to be debating a number of important legal and economic issues, and one of the most critical will be finally addressing the explosion of abusive and speculative litigation known as ''strike suits.'' For too many years American high technology and manufacturing companies have faced the unreasonable risk and threat of litigation at the cost of higher product prices, diminished earnings shareholder returns, reduced capital investment, and a less vibrant American economy.

As a result many people are not willing to serve on the boards of directors of these companies. Many companies, even where there is no fraud and no negligence committed, are faced with the tremendous cost of litigations. It also makes companies far less willing to disclose useful and valuable information to the public. Such abuses simply cannot be allowed to continue unchecked.

Robert Samuelson, a noted economist, pointed out the huge increase in legal costs in our society. Over a 22-year period legal fees as a percent of the gross national product increased nine-tenths of 1 percent to 1.7 percent, nearly double.

When you consider that 3 or 4 percent is considered good growth in the economy, and you drain off 1.7 percent in nonproductive fees of this sort, it is clear the tremendous harm that it does to our economy, the harm it does to jobs and to the standard of living of the average working American.

Let me close by quoting from Jim Kimsey, who represents the American Electronic Association, before the Telecommunications Committee.

Of the explosion in securities litigation he said: "We believe the current securities litigation system promotes meritless litigation, shortchanges investors, and costs jobs. It is a showcase example of the legal system run awry. It is bad law, bad policy, and bad economics."

Mr. Chairman, the time has come to act and pass securities reform litigation.

Mr. MARKEY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL] the ranking minority member of the full committee.

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

Mr. DINGELL. Mr. Chairman, I ask unanimous consent to use a modest display.

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

There was no objection.

Mr. DINGELL. Mr. Chairman, there are ways of cleaning up the abuses that exist with regard to citizens' suits regarding securities. But this legislation is not the way that it should be done.

My colleagues on the Republican side would have us believe that the securities industry and the marketplaces of this country are some kind of kindergarten or perhaps a cloistered nunnery where nothing that is good for us is brought out. No, sir, nothing could be further from the truth. The hard fact of the matter is this is the place where rascals and rogues go to plunder the American people, honest investors who invest their life savings and that is all. And this legislation, while it might correct abuses of which the other side complains, will also strip law-abiding citizens of their rights to litigate where wrongdoing has been done to them and where their assets have been stolen by wrongdoing.

□ 1700

This is not a handout from the trial lawyers. This is a prestigious business publication. It says, ''Can you trust your broker?'' The answer is you may be able to, but you may not. It is inside the publication, and I would commend it to the reading of my colleagues.

Look at some of the things that have had happened recently in the securities industry, and you will understand why

it is that this is bad legislation: a billion-dollar collapse of Barings investment banking firm in England. The lawsuits against the perpetrators of that wrongdoing would have probably been sheltered by this legislation. Similarly, the $2 billion collapse of Orange County investments that led that county to declare bankruptcy probably would be sheltered by this legislation. Limited partnership fraud so far has cost Prudential Securities better than $1 billion. Twelve billion dollars in litigation in a fraud case against Drexel Burnham Lambert; the case was settled for $3 billion, no shakedown by trial lawyers, but action by the Federal Government.

How about the securities fraud and insider trading scandals perpetrated by Ivan Boesky, Dennis Levine, Martin Siegel and others on Wall Street?

What about some other splendid securities frauds which probably would have been sheltered under this legislation? Lincoln Savings and Loan, Charlie Keating and his cohorts; they sold worthless bonds to the elderly in bank lobbies; Washington Public Power Supply System, a massive default of $10 billion and more in bonds, led to a class-action lawsuit which resulted in more than an $800 million settlement, probably would have been proscribed under the legislation that we are addressing. In Salomon Brothers, a group of elite institutions worked together to raid government bonds auctions; probably lawsuits would have been banned under the legislation we are talking about. At Miniscribe, the company shipped bricks in boxes instead of hard disk drives, or at Phar-Mor, where executives maintained two sets of books so that as much as $1 billion could be diverted for personal interests. Those are some of the better.

But you know that in some 35 other communities other than Orange County, some publicly supported institutions also reported massive losses in 9 months, these because of exotic derivatives, and it goes on and on, Kemper Financial Services, which was recently charged by the SEC with illegally diverting stock trades for the benefit of its own profit-sharing plan. Kemper settled a similar charge earlier with the SEC for $10 million. We do not know how much they are going to come up with on this one.

The Wall Street Journal reported the SEC charged more than a dozen individuals and companies with wireless cable fraud bulking 3,000 investors out of $40 million. On February 27, the Journal and the Times reported Hanover, Sterling & Co., a brokerage company, was ordered to cease all operations. Why? Because thousands of investors in the 16 stocks to which the firm was a market-maker suffered massive losses ranging from 57 percent to 80 percent when the shutdown was reported.

Business Week on February 20 said, ''Can you trust your broker?'' The answer, as I have said, was not reassuring. It says a rising wave of cynicism, both inside and outside the industry on widely accepted ways of doing business at the largest and most prestigious firms.

What we are talking about here is legislation that has been offered by my Republican colleagues that shelters wrongdoing. It does not only protect innocent people against strike suits, but it requires, for example, that in pleading, a pleader has to prove what was going on inside the head and the mind of the wrongdoer, and the question then is, what is the representative of the hurt litigant? Is it a lawyer? Is it a psychic or is it a psychiatrist?

This is outrageous legislation and should be rejected.

Mr. FIELDS of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Colorado [Mr. SCHAEFER].

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

Mr. SCHAEFER. Mr. Chairman, I rise today in support of H.R. 1058, the Securities Litigation Reform Act.

As a member of the Telecom and Finance Subcommittee, I have long supported similar legislation to fix our broken securities litigation system. The system is broken for defrauded investors who recall and recover only a small amount of their losses when part of valid cases. The system is broken for businesses, especially the startup high-tech firms who rely on capital markets for financing. And it is broken for the general public who ultimately must pay the price of frivolous litigation in the form of slower economic growth, fewer jobs, and higher prices.

It is very clear we have a serious problem. I say to my colleagues, strike a blow for our small businesses and startup enterprises. Support H.R. 1058.

Mr. FIELDS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GANSKE].

Mr. GANSKE. Mr. Chairman, I rise today in strong support of H.R. 1058.

We must end abuse that is eroding our legal system. As stated by SEC Chairman Arthur Levitt, private actions are intended to compensate defrauded investors and deter securities violations.

If the current system fails to distinguish between strong and weak cases, it serves neither purpose effectively. I could not agree more.

Unfortunately, this is precisely with what we are left today, an ineffective system.

The changes mandated by this legislation would help restore responsibility and respectability to our corporate system. First, the provision that imposes loser-pays rules when the court determines the position of the losing party was not substantially justified are warranted. This would prevent the consummate race to the courthouse. Plaintiffs will have to weigh the merits of the case before filing suit. Opponents claim this will have a chilling effect on plaintiffs' right to sue. This is simply not the case.

The modified loser-pays provision will only result in fee shifting in cases that should not have been brought in the first place. The only thing chilled by this provision would be meritless suits which I believe deserve to be put in the deep freeze.

Second, as for the definition of recklessness, the current law is vague and uncertain. Parties may engage in nearly identical conduct, yet courts reach completely different results. The vagueness and uncertainty of the current standard has led to a great deal of inconsistency, confusion, and unfairness in our judicial system.

I think all of us would agree that by creating consistency we can increase fairness and decrease the probability of injustice in our legal system.

In general, most strike suits under current law do more harm than good. Reform is needed for two main reasons. No. 1, proper plaintiffs must have a place to redress valid grievances.

Mr. MARKEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I would just like to point out to my colleagues that there are 435 votes in this House to improve class action security fraud lawsuits.

We want to stop the race to the courthouse. We want to sanction lawyers who bring frivolous cases or bring them in bad faith.

But what we really hear from the other side about the virtues that our antifraud laws bring to our investors and to our market, we rarely hear about the need for a balanced approach to reform. We rarely hear the mention of the terrible frauds that have occurred over the last 10 years, and we never hear assurances from the other side that their legislation will not adversely impact these disastrous situations like Drexel and Milken and Boesky and Lincoln Savings and Keating and Miniscribe and many others.

If the legislation brought here today was meant to shut down these legal firms that take professional plaintiffs and terrorize private corporations across this country, I think we can find a consensus. The truth of the matter is though the legislation we are considering here today shuts down the good suits, the legitimate suits, the suits that have to be brought by individuals in this country against Boesky and against Milken and against Keating and against all of those S&L scam artists that were out there in the 1980's, the scam artists that resulted in the U.S. Congress being forced to vote for 100 to 150 billion dollars' worth of taxpayer dollars in order to insure that those who had put their life savings in the S&L's and banks across this country did not in fact face bankruptcy.

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

Mr. FIELDS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I thank the gentleman, the distinguished chairman of the subcommittee, who wrote this legislation.

Mr. Chairman, the engine of economic growth in this country is under assault from some lawyers who give the term ''gone fishing'' an entirely new meaning.

These strike-suit lawyers are trolling for easy money won from vulnerable companies whose only crime is being subject to a volatile market.

Entrepreneurial high-tech companies in my State such as EMC Corp. based in my district are being hit with strike suits which seek damages for loss in stock value. This is a company that has created thousands of jobs in the State of Massachusetts. Since going public in 1986, it has been the subject of two such suits. One was filed less than 24 hours after the company disclosed quarterly earnings lower than the previous quarter.

This kind of situation is not unusual. Hundreds of suits are filed by lawyers and professional plaintiffs who prey on small high-tech firms because their stocks tend to be more volatile and they are more inclined to settle.

In fact, between 1989 and 1993, 61 percent of all strike suits were brought against companies with less than $500 million in annual sales, and 33 percent against companies with less than $100 million in sales.

Mr. Speaker, the problem is critical, because these high-tech companies are the job-creating innovators, where many of our cutting-edge products originate. These are companies that are leading our export efforts in our economy. Biotechnology companies in my district are developing treatments for cancer and AIDS. These kinds of strike suits are jeopardizing the development of those life-saving products by holding these companies hostage.

These companies are forced to divert resources, energy, talent, and money to fighting these unwarranted strike suits.

Mr. Chairman, I urge my colleagues to support this bill, and let us have a strong growth export economy.

Mr. MARKEY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. CONYERS], the ranking minority member of the Committee on the Judiciary.

Mr. CONYERS. Mr. Chairman, I thank the gentleman from Massachusetts for yielding to me and commend him on the excellent job that he has done today and through the years on this very important subject.

Ladies and gentlemen, the committee report explaining why this legislation is needed talks about the typical case of high-growth, high-technology stock which experiences a sudden change in price, thereby giving rise to securities lawsuits and a claim for damages by shareholders.

But that is not the type of lawsuit that would be affected by the one killer amendment by the gentleman from California who will offer it very soon in this debate. By blocking all possibility of civil RICO lawsuits for securities fraud, the Cox amendment would incredibly harm plantiffs such as the elderly bondholders who were cheated out of their life's savings by Charles Keating in the Lincoln Savings and Loan debacle. It would deny any effective remedy for the thousands of depositors of the Bank of Credit and Commerce International, the notorious BCCI, which regulators from 62 countries united to shut down because of the bank's fraudulent practices.

Why an amendment of such a broad sweep that it would prevent lawsuits against some of the biggest white-collar criminals in the Nation's history, even though the sponsors of the amendment may not have intended such a result? The answer is this amendment was hastily put together without the benefit of any hearings or debate in any committee or the possibility of a markup where there could have been important improvements, and now within an 8-hour ambit, we are asked to consider the revocation of the greatest single crime-fighting bill provision, RICO, on the law books today.

☐ 1715

It is a shame for what is going on now.

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from California [Mr. COX], who is a member of the Committee on the Judiciary, by the way.

Mr. COX of California. Mr. Chairman, I point out that the RICO amendment, which the gentleman is accurate in stating that I will soon offer, was in fact inadvertently left out of the bill when we combined the Commerce and Judiciary portions. It was in the original bill introduced on January 4, also in the original bill of last year and introduced and made public as part of the Contract With America in October. It has always been in the bill.

Mr. CONYERS. Well, may I just respond to the gentleman? Could we inadvertently leave it out when there were no hearings on it? It was mentioned in the bill, but there were a lot of things mentioned in the bill. On this pretext, anything that was not put in the bill could have been accidentally left out.

The problem that we have is that the gentleman's amendment is asking the Congress in broad daylight to believe that the biggest amendment for fighting civil fraud that has ever been put on the books was accidentally left out. I guess we accidentally did not have any hearings. I guess there accidentally were not any witnesses. I guess this was all an accident that needs to be corrected right now.

If it was an accident, let us go back and do it correctly. The provision of this amendment is broader than any attempt at a modification of RICO, and the gentleman knows it.

Mr. FIELDS of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. I thank the gentleman for yielding to me.

Mr. Chairman, something I learned a long time ago from my father that I think would do us all well and that is his definition of a good lawyer. And a good lawyer is somebody who solves problems rather than creates them.

The legislation that we are considering has in fact addressed an issue before us that is causing and wreaking havoc with a large number of America's most consistent job-providing industries.

I believe the American people are sick and tired of those who feed off of our system and weaken American competitiveness. They are sick of the unscrupulous few who make a mockery of our concept of justice by exploiting the legal system for their own personal gain.

Mr. Chairman, a glitch in the Securities and Exchange Act of 1934, called rule 10 B–5, created a new group of parasites known as professional plaintiffs. These professional plaintiffs are recruited by those who figured out how to exploit our judicial system by filing frivolous lawsuits.

Currently, exploitation of rule 10 B–5 allows these clever few to sue companies through the use of professional plaintiffs for fraud whenever the price of a stock drops. These professional plaintiffs, or parasites, if you will, who hold only a tiny share of stock, launch fishing expeditions and rack up formidable discovery fees to force the defendants to settle out of court rather than to pay the costs of defending themselves. The result has been a threefold explosion of securities fraud suits over the last 5 years. One out of every eight companies on the New York Stock Exchange has been hit with this type of suit. I believe America's economic growth is stifled by such a perversion of our legal system by a small handful of lawyers that file the lion's share of suits, hitting one in every four high-technology firms in our country today. Just nine law firms in this country have accounted for two-thirds of the 1,400 class suits filed between 1988 and 1993.

The threat that exploitation of rule 10 B–5 poses to our time, our peace of mind, and our pocketbooks, the pocketbooks of the average American, is immoral and should be illegal.

I am supporting the Securities Reform Act because it will free American Businesses from the ever-present threat of baseless and expensive lawsuits. This bill will deter the practice of frivolous lawsuits that serve only to line the pockets of those who rob our corporations of investment capital and rob them of the resource for competitive research and development and ultimately rob us of an increased standard of living and high-wage jobs.

I therefore urge passage of H.R. 1058.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. I thank the gentleman for yielding this time to me.

You know, proponents of this so-called securities litigation reform are arguing that private securities and class action suits are making it virtually impossible for public companies to raise capital and are preventing these companies from going public.

But they will tell you only anecdotes about their friends in big business who would prefer not to be sued because they really cannot rely on the facts. The facts will show that our markets have been tremendously successful in raising capital for public companies. Every important statistical measure of the success of our securities markets, the number and proceeds of initial public offerings, the volume and value of common stock offerings, the volume of trading, have been at all-time highs. The number of initial public security offerings has risen 9,000 percent in the last 20 years while the proceeds raised have skyrocketed 38,000 percent.

The staff report of the Senate Subcommittee on Securities has found that, ''Despite the claims by critics that securities litigation is hampering capital formation, initial public offerings have proceeded at a record pace in recent years.''

We all know that recently the Dow-Jones Industrial Averages surpassed the 4,000 mark, which is an all-time high. That has to make us all wonder how can it be that there is such a serious problem from the roughly 300 fraud class action cases filed each year.

In light of the facts, claims by companies that they are afraid to go public to raise capital because of fear of litigation are nothing but really self-serving nonsense. If they are really are so concerned about litigation, they would not be restricting the minuscule number of private securities fraud class actions, they would be restricting the huge and increasing numbers of business-versus-business suits.

As the Rand Corp.'s recent study of the litigation patterns of Fortune 1,000 companies demonstrates, by far, is that you are seeing many more firms that are suing other firms. As the Wall Street Journal, in an article of December 3, 1993, entitled ''Suits by Firms Exceed Those by Individuals,'' noted, ''Businesses may be their own worst enemies when it comes to the so-called litigation explosion.''

So why is it that proponents are seeking to limit only private actions and not business suits?

Mr. FIELDS of Texas. Mr. Chairman, I yield 2 minutes to our good friend on the other side of the aisle, the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. I thank the gentleman for yielding this time to me.

Mr. Chairman, I do not know if there are others of my colleagues who have been stockbrokers at some time in their life, but I was for 10 years. I have watched what has happened in the securities marketplace. The gentleman from Michigan [Mr. DINGELL] is absolutely right: There are corporate abuses.

Mr. KLINK, the gentleman from Pennsylvania, is also correct that the securities market itself is doing quite well.

But the fact remains that there is an abuse within this industry that does need to be corrected. And it is focused primarily on those firms that provide the highest rate of growth to our economy, those firms that take the greatest risks, in the area of high-technology.

Legent Corp., in Herndon, VA, now in Vienna, actually, they had a slight change in their earnings expectation, the stock dropped. Immediately they were hit with one of those strike lawsuits. They required 200,000 pages of documentation, many, many days of very valuable employee time was spent, and they wound up settling for $2 million in legal fees even though it was acknowledged it was a frivolous lawsuit.

Metrix Corp., same thing happened; A small reduction in their earnings expectation, the stocks began to drop, and they got hit with a strike lawsuit. They had to produce 50,000 documents, 200,000 electronic messages to the plaintiffs' lawyers, 20 employees had to spend full time on this. They wound up settling for $975,000.

Mr. Chairman, I want you to recognize this: The investors, the shareholders got $400 or less. The lawyer got $330,000. That is what this is all about. They are fishing expeditions for lawyers who have found a way to abuse the system. It should not be tolerated in the courts and it should not be tolerated in the Congress.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT of Texas. I thank the gentleman for yielding this time to me.

Mr. Chairman, I was inspired after hearing my friend, the gentleman from Virginia [Mr. MORAN], for whom I have great respect, enormous respect. After I heard him speak, I want to say that he voices the sentiments by many of us on this side that we ought to make some modifications that deal with the real problems.

But the bill we have before us today is one of a long line of measures that are so extreme, that go so far and that are so, in many respects, absurd as to, I think, astonish anyone who is an observer or a participant in the system of jurisprudence in America today.

If the problem was as it has been described by the majority, surely the Securities and Exchange Commission would have been here saying so. But they came before the committee and did not say that this bill was the solution.

The gentleman from Virginia, [Mr. MORAN] quoted anecdotes. There are many anecdotes; some of them are right on point. But when you get to anecdotes and you look at them carefully, you begin to find that the point one wishes to make by using anecdotes begins to fall apart.

Mr. FIELDS of Texas. Mr. Chairman, I yield 1 minute to the gentleman from New York State [Mr. PAXON].

Mr. PAXON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 1058. This needed legislation strikes at the very heart of the serious problem, the strike suits and abusive litigation.

As we have heard from previous speakers, our capital markets are the envy of the world, but that position is being seriously threatened. It is threatened by a privileged few, a group of people who are not injured in any way, but have found a system for legal extortion, a system where all you need is to read stock quotes for a falling stock and pair it up with a data base, and there is a comprehensive list of ready plaintiffs.

Mr. Chairman, for far too long this has been going on. It is time to stop it and for Congress to approve this important legislation.

I believe it is a balanced approach that will benefit all Americans.

It will not eliminate the ability of injured Americans to bring claims, but it will stop get-rich attorneys from filing spurious claims against companies.

I am proud of our Committee on Commerce, the work product they have put forth, and particularly the work of the gentleman from California, Mr. COX, the gentleman from Texas, Mr. FIELDS, and the gentleman from Virginia, Chairman BLILEY.

Mr. MARKEY. Mr. Chairman, I yield myself the 2 minutes to conclude.

Mr. Chairman, the cover of News-Week just out tells the story: ''The boy who lost a billion dollars, Nick Leeson, the 28-year-old trader who bankrupted England's oldest investment firm.''

Now, Nick Leeson is an interesting case. It is not directly on point here, except to the extent to which there are Nick Leesons out there and they do prey upon innocent investors, they do engage in practices that risk the life savings of individuals who believe that the holding out, the representation made by the S&L, is in fact accurate.

Now, with the Dow-Jones Industrial Average rising to 4,000 this week, there is unprecedented confidence in the American marketplace, that it is honest and efficient, but honest above all.

That is what our American laws have given assurances to the rest of the world over the last 60 years. If you go to Singapore, if you go to England, if you go to any other place in the world, you go to a country that has lower standards than our country. It is this system of laws which we have put in place which has given the reason for individual investors to look at the thousands of companies which we have, take their savings and put them into these companies that have allowed our

Dow-Jones Industrial Average to rise to 4,000. That is what we should be extremely cautious about as we deal with this issue here today.

Our system works. If we want to deal with rogue lawyers, if we want to deal with frivolous law cases let us deal with them, but let us not also kid ourselves, there are many here who are interested in ensuring that the legitimate cases that have to be brought to protect the public are also excluded as well.

Mr. FIELDS of Texas. Mr. Chairman, I yield myself the remaining minute.

□ 1730

Mr. Chairman, some of the examples we have heard from the other side of the aisle, Milken, Keating, Leeson, they all share something important. Each of these acted with intent. Each of these acted with the intent to defraud.

The legislation that we are considering today would not affect shareholder actions against those people or people like them in the future. Those people would be jointly and severally liable. That has not changed in our legislation, and, Mr. Chairman, I think that is a compelling point in ending this debate.

Mr. HASTINGS of Florida. Mr. Chairman, while H.R. 10 is called the Common Sense Legal Reform Act, the more accurate title would be the Citizens' Rights Reduction Act. For more than 200 years, the citizens of the United States have possessed the right by their own States to hold wrongdoers accountable. Under H.R. 10, such rights would be taken away from the citizens of the States. With an apparent Congress-knows-best attitude, the proponents of this bill want to take away the rights of ordinary Americans to hold wrongdoers accountable and to seek fair and just compensation when they are wronged. This bill is wrong.

Mr. HASTERT. Mr. Chairman, I rise in support of H.R. 1058, the Securities Litigation Reform Act, a bill that will discourage meritless suits.

There is a securities litigation explosion in this country. In 1993 we saw the highest number of pending cases in any year for which data are available except 1974. Since 1990, filings have increased dramatically. The number of cases filed in the 4 years from 1990 to 1993 nearly equals the number filed in the previous 10 years combined.

Some argue that H.R. 1058 will hurt investors, but just the opposite is true. The current litigation explosion punishes investors because companies increasingly fear so called strike suits which are filed each time their stock fluctuates. Thus, companies reveal less and less information to investors that could be used against them in the future. Clearly, investors lose when they do not have access to information when making decisions about where to place their life savings.

Investors are also hurt under current law because they, in reality, are the ones who pay the costs when a company has to go to court to defend itself against a meritless lawsuit. They also pay the high cost of maintaining insurance against these strike suits.

Finally, investors, who have legitimate claims, receive less money than they deserve because it is common practice to simply settle out of court. Companies settle out of court, whether or not the suit has merit, because it costs an average of $692,000 in legal fees and 1,055 hours of management time to successfully defend a strike suit. When meritless suits can be dismissed, the cases of real fraud will be brought to court. Then, investors will get paid the real value of their loss.

That is just not the case today. Today, investors receive between 6 and 14 cents on the dollar lost.

Securities litigation reform will reward investors by removing these punishments. However, in addition, specific provisions are included in the bill to give investors the same authority over their attorney as other clients, in other types of litigation, have. The bill provides for a court-appointed steering committee to make sure that lawsuits are maintained in the client's best interest. It also requires settlement offers to disclose the amount paid to lawyers and class members per share of stock. These significant changes favor those investors who have legitimate and important suits.

But investors are not the only ones punished by meritless strike suits. High-technology and high-growth companies are also punished. One in every eight companies listed on the New York Stock Exchange is hit with a strike suit. Even more startling is that one of every four strike suits targets these high-growth companies. The average settlement, which is over $8.6 million, has, in essence, become a litigation tax on these companies.

Those who have a tangential relationship to these suits, primarily the accountants who certify the books, are also punished. The long arm of the law has sought to include them, even when there is no fraud on their part, just because they have deep pockets.

It's time that we reform our judicial system so that those who commit crimes are the ones who are punished, not those who abide by the law. H.R. 1058 will restore integrity to our system and I urge my colleagues to join me in voting to pass this important bill.

The CHAIRMAN. All time for general debate has expired. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1058 is as follows:

H.R. 1058

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Securities Litigation Reform Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. PREVENTION OF LAWYER-DRIVEN LITIGATION.

(a) PLAINTIFF STEERING COMMITTEES TO ENSURE CLIENT CONTROL OF LAWSUITS.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following new section:

''SEC. 36. CLASS ACTION STEERING COMMITTEES.

''(a) CLASS ACTION STEERING COMMITTEE.—In any private action arising under this title seeking to recover damages on behalf of a class, the court shall, at the earliest practicable time, appoint a committee of class members to direct counsel for the class (hereafter in this section referred to as the 'plaintiff steering committee') and to perform such other functions as the court may specify. Court appointment of a plaintiff steering committee shall not be subject to interlocutory review.

''(b) MEMBERSHIP OF PLAINTIFF STEERING COMMITTEE.—

''(1) QUALIFICATIONS.—

''(A) NUMBER.—A plaintiff steering committee shall consist of not fewer than 5 class members, willing to serve, who the court believes will fairly represent the class.

''(B) OWNERSHIP INTERESTS.—Members of the plaintiff steering committee shall have cumulatively held during the class period not less than—

''(i) the lesser of 5 percent of the securities which are the subject matter of the litigation or $10,000,000 in market value of the securities which are the subject matter of the litigation; or

''(ii) such smaller percentage or dollar amount as the court finds appropriate under the circumstances.

''(2) NAMED PLAINTIFFS.—Class plaintiffs serving as the representative parties in the litigation may serve on the plaintiff steering committee, but shall not comprise a majority of the committee.

''(3) NONCOMPENSATION OF MEMBERS.—Members of the plaintiff steering committee shall serve without compensation, except that any member may apply to the court for reimbursement of reasonable out-of-pocket expenses from any common fund established for the class.

''(4) MEETINGS.—The plaintiff steering committee shall conduct its business at one or more previously scheduled meetings of the committee, of which prior notice shall have been given and at which a majority of its members are present in person or by electronic communication. The plaintiff steering committee shall decide all matters within its authority by a majority vote of all members, except that the committee may determine that decisions other than to accept or reject a settlement offer or to employ or dismiss counsel for the class may be delegated to one or more members of the committee, or may be voted upon by committee members seriatim, without a meeting.

''(5) RIGHT OF NONMEMBERS TO BE HEARD.—A class member who is not a member of the plaintiff steering committee may appear and be heard by the court on any issue relating to the organization or actions of the plaintiff steering committee.

''(c) FUNCTIONS OF PLAINTIFF STEERING COMMITTEE.—The authority of the plaintiff steering committee to direct counsel for the class shall include all powers normally permitted to an attorney's client in litigation, including the authority to retain or dismiss counsel and to reject offers of settlement, and the authority to accept an offer of settlement subject to final approval by the court. Dismissal of counsel other than for cause shall not limit the ability of counsel to enforce any contractual fee agreement or to apply to the court for a fee award from any common fund established for the class.

''(d) IMMUNITY FROM CIVIL LIABILITY; REMOVAL.—Any person serving as a member of a plaintiff steering committee shall be immune from any civil liability for any negligence in performing such service, but shall not be immune from liability for intentional misconduct or from the assessment of costs pursuant to section 20B(c). The court may remove a member of a plaintiff steering committee for good cause shown.

''(e) EFFECT ON OTHER LAW.—This section does not affect any other provision of law concerning class actions or the authority of the court to give final approval to any offer of settlement.''.

(b) PROHIBITION ON ATTORNEYS' FEES PAID FROM COMMISSION DISGORGEMENT FUNDS.—Section 21(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)) is amended by adding at the end the following new paragraph:

''(4) PROHIBITION ON ATTORNEYS' FEES PAID FROM COMMISSION DISGORGEMENT FUNDS.—Except as otherwise ordered by the court, funds disgorged as the result of an action brought by the Commission, or of any Commission proceeding, shall not be distributed as payment for attorneys' fees or expenses incurred by private parties seeking distribution of the disgorged funds.''.

SEC. 3. PREVENTION OF ABUSIVE PRACTICES THAT FOMENT LITIGATION.

(a) ADDITIONAL PROVISIONS APPLICABLE TO PRIVATE ACTIONS.—The Securities Exchange Act of 1934 is amended by inserting after section 20A (15 U.S.C. 78t–1) the following new section:

''PROCEDURES APPLICABLE TO PRIVATE ACTIONS

''SEC. 20B. (a) ELIMINATION OF BONUS PAYMENTS TO NAMED PLAINTIFFS IN CLASS ACTIONS.—In any private action under this title that is certified as a class action pursuant to the Federal Rules of Civil Procedure, the portion of any final judgment or of any settlement that is awarded to class plaintiffs serving as the representative parties shall be equal, on a per share basis, to the portion of the final judgment or settlement awarded to all other members of the class. Nothing in this subsection shall be construed to limit the award to any representative parties of actual expenses (including lost wages) relating to the representation of the class.

''(b) RESTRICTIONS ON PROFESSIONAL PLAINTIFFS.—Except as the court may otherwise permit for good cause, a person may be a named plaintiff, or an officer, director, or fiduciary of a named plaintiff, in no more than 5 class actions filed during any 3-year period.

''(c) AWARDS OF FEES AND EXPENSES.—

''(1) AUTHORITY TO AWARD FEES AND EXPENSES.—If the court in any private action arising under this title enters a final judgment against a party litigant on the basis of a motion to dismiss, motion for summary judgment, or a trial on the merits, the court shall, upon motion by the prevailing party, determine whether (A) the position of the losing party was not substantially justified, (B) imposing fees and expenses on the losing party or the losing party's attorney would be just, and (C) the cost of such fees and expenses to the prevailing party is substantially burdensome or unjust. If the court makes the determinations described in clauses (A), (B), and (C), the court shall award the prevailing party reasonable fees and other expenses incurred by that party. The determination of whether the position of the losing party was substantially justified shall be made on the basis of the record in the action for which fees and other expenses are sought, but the burden of persuasion shall be on the prevailing party.

''(2) SECURITY FOR PAYMENT OF COSTS IN CLASS ACTIONS.—In any private action arising under this title that is certified as a class action pursuant to the Federal Rules of Civil Procedure, the court shall require an undertaking from the attorneys for the plaintiff class, the plaintiff class, or both, in such proportions and at such times as the court determines are just and equitable, for the payment of the fees and expenses that may be awarded under paragraph (1).

''(3) APPLICATION FOR FEES.—A party seeking an award of fees and other expenses shall, within 30 days of a final, nonappealable judgment in the action, submit to the court an application for fees and other expenses that verifies that the party is entitled to such an award under paragraph (1) and the amount sought, including an itemized statement from any attorney or expert witness representing or appearing on behalf of the party stating the actual time expended and the rate at which fees and other expenses are computed.

''(4) ALLOCATION AND SIZE OF AWARD.—The court, in its discretion, may—

''(A) determine whether the amount to be awarded pursuant to this section shall be awarded against the losing party, its attorney, or both; and

''(B) reduce the amount to be awarded pursuant to this section, or deny an award, to the extent that the prevailing party during the course of the proceedings engaged in conduct that unduly and unreasonably protracted the final resolution of the action.

''(5) AWARDS IN DISCOVERY PROCEEDINGS.—In adjudicating any motion for an order compelling discovery or any motion for a protective order made in any private action arising under this title, the court shall award the prevailing party reasonable fees and other expenses incurred by the party in bringing or defending against the motion, including reasonable attorneys' fees, unless the court finds that special circumstances make an award unjust.

''(6) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to limit or impair the discretion of the court to award costs pursuant to other provisions of law.

''(7) PROTECTION AGAINST ABUSE OF PROCESS.—In any action to which this subsection applies, a court shall not permit a plaintiff to withdraw from or voluntarily dismiss such action if the court determines that such withdrawal or dismissal is taken for purposes of evasion of the requirements of this subsection.

''(8) DEFINITIONS.—For purposes of this subsection—

''(A) The term 'fees and other expenses' includes the reasonable expenses of expert witnesses, the reasonable cost of any study, analysis, report, test, or project which is found by the court to be necessary for the preparation of the party's case, and reasonable attorneys' fees and expenses. The amount of fees awarded under this section shall be based upon prevailing market rates for the kind and quality of services furnished.

''(B) The term 'substantially justified' shall have the same meaning as in section 2412(d)(1) of title 28, United States Code.

''(d) PREVENTION OF ABUSIVE CONFLICTS OF INTEREST.—In any private action under this title pursuant to a complaint seeking damages on behalf of a class, if the class is represented by an attorney who directly owns or otherwise has a beneficial interest in the securities that are the subject of the litigation, the court shall, on motion by any party, make a determination of whether such interest constitutes a conflict of interest sufficient to disqualify the attorney from representing the class.

''(e) DISCLOSURE OF SETTLEMENT TERMS TO CLASS MEMBERS.—In any private action under this title that is certified as a class action pursuant to the Federal Rules of Civil Procedure, any settlement agreement that is published or otherwise disseminated to the class shall include the following statements:

''(1) STATEMENT OF POTENTIAL OUTCOME OF CASE.—

''(A) AGREEMENT ON AMOUNT OF DAMAGES AND LIKELIHOOD OF PREVAILING.—If the settling parties agree on the amount of damages per share that would be recoverable if the plaintiff prevailed on each claim alleged under this title and the likelihood that the plaintiff would prevail—

''(i) a statement concerning the amount of such potential damages; and

''(ii) a statement concerning the likelihood that the plaintiff would prevail on the claims alleged under this title and a brief explanation of the reasons for that conclusion.

''(B) DISAGREEMENT ON AMOUNT OF DAMAGES OR LIKELIHOOD OF PREVAILING.—If the parties do not agree on the amount of damages per share that would be recoverable if the plaintiff prevailed on each claim alleged under this title or on the likelihood that the plaintiff would prevail on those claims, or both, a statement from each settling party concerning the issue or issues on which the parties disagree.

''(C) INADMISSIBILITY FOR CERTAIN PURPOSES.—Statements made in accordance with subparagraphs (A) and (B) concerning the amount of damages and the likelihood of prevailing shall not be admissible for purposes of any Federal or State judicial action or administrative proceeding.

''(2) STATEMENT OF ATTORNEYS' FEES OR COSTS SOUGHT.—If any of the settling parties

or their counsel intend to apply to the court for an award of attorneys' fees or costs from any fund established as part of the settlement, a statement indicating which parties or counsel intend to make such an application, the amount of fees and costs that will be sought (including the amount of such fees and costs determined on a per-share basis, together with the amount of the settlement proposed to be distributed to the parties to suit, determined on a per-share basis), and a brief explanation of the basis for the application. Such information shall be clearly summarized on the cover page of any notice to a party of any settlement agreement.

''(3) IDENTIFICATION OF LAWYERS' REPRESENTATIVES.—The name and address of one or more representatives of counsel for the class who will be reasonably available to answer written questions from class members concerning any matter contained in any notice of settlement published or otherwise disseminated to the class.

''(4) OTHER INFORMATION.—Such other information as may be required by the court, or by any plaintiff steering committee appointed by the court pursuant to section 36.

''(f) ENCOURAGEMENT OF FINALITY IN SETTLEMENT DISCHARGES.—

''(1) DISCHARGE.—A defendant who settles any private action arising under this title at any time before verdict or judgment shall be discharged from all claims for contribution brought by other persons with respect to the matters that are the subject of such action. Upon entry of the settlement by the court, the court shall enter a bar order constituting the final discharge of all obligations to the plaintiff of the settling defendant arising out of the action. The order shall bar all future claims for contribution or indemnity arising out of the action—

''(A) by nonsettling persons against the settling defendant; and

''(B) by the settling defendant against any nonsettling defendants.

''(2) REDUCTION.—If a person enters into a settlement with the plaintiff prior to verdict or judgment, the verdict or judgment shall be reduced by the greater of—

''(A) an amount that corresponds to the percentage of responsibility of that person; or

''(B) the amount paid to the plaintiff by that person.

''(g) CONTRIBUTION FROM NON-PARTIES IN INTERESTS OF FAIRNESS.—

''(1) RIGHT OF CONTRIBUTION.—A person who becomes liable for damages in any private action under this title (other than an action under section 9(e) or 18(a)) may recover contribution from any other person who, if joined in the original suit, would have been liable for the same damages.

''(2) STATUTE OF LIMITATIONS FOR CONTRIBUTION.—Once judgment has been entered in any such private action determining liability, an action for contribution must be brought not later than 6 months after the entry of a final, nonappealable judgment in the action.

''(h) DEFENDANT'S RIGHT TO WRITTEN INTERROGATORIES ESTABLISHING SCIENTER.—In any private action under this title in which the plaintiff may recover money damages, the court shall, when requested by a defendant, submit to the jury a written interrogatory on the issue of each such defendant's state of mind at the time the alleged violation occurred.''.

(b) PROHIBITION OF REFERRAL FEES THAT FOMENT LITIGATION.—Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*(c)) is amended by adding at the end the following new paragraph:

''(8) RECEIPT OF REFERRAL FEES.—No broker or dealer, or person associated with a broker or dealer, may solicit or accept remuneration for assisting an attorney in obtaining the representation of any customer in any private action under this title.''.

SEC. 4. PREVENTION OF "FISHING EXPEDITION" LAWSUITS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 10 the following new section:

"SEC. 10A. REQUIREMENTS FOR SECURITIES FRAUD ACTIONS.

''(a) SCIENTER.—

''(1) IN GENERAL.—In any private action arising under this title based on a fraudulent statement, liability may be established only on proof that—

''(A) the defendant directly or indirectly made a fraudulent statement;

''(B) the defendant possessed the intention to deceive, manipulate, or defraud; and

''(C) the defendant made such fraudulent statement knowingly or recklessly.

''(2) FRAUDULENT STATEMENT.—For purposes of this section, a fraudulent statement is a statement that contains an untrue statement of a material fact, or omits a material fact necessary in order to make the statements made, in the light of the circumstances in which they were made, not misleading.

''(3) KNOWINGLY.—For purposes of paragraph (1), a defendant makes a fraudulent statement knowingly if the defendant knew that the statement of a material fact was untrue at the time it was made, or knew that an omitted fact was necessary in order to make the statements made, in the light of the circumstances in which they were made, not misleading.

''(4) RECKLESSNESS.—For purposes of paragraph (1), a defendant makes a fraudulent statement recklessly if the defendant, in making such statement, is guilty of highly unreasonable conduct that (A) involves not merely simple or even gross negligence, but an extreme departure from standards of ordinary care, and (B) presents a danger of misleading buyers or sellers that was either known to the defendant or so obvious that the defendant must have been consciously aware of it. For example, a defendant who genuinely forgot to disclose, or to whom disclosure did not come to mind, is not reckless.

''(b) REQUIREMENT FOR EXPLICIT PLEADING OF SCIENTER.—In any private action to which subsection (a) applies, the complaint shall specify each statement or omission alleged to have been misleading, and the reasons the statement or omission was misleading. The complaint shall also make specific allegations which, if true, would be sufficient to establish scienter as to each defendant at the time the alleged violation occurred. It shall not be sufficient for this purpose to plead the mere presence of facts inconsistent with a statement or omission alleged to have been misleading. If an allegation is made on information and belief, the complaint shall set forth with specificity all information on which that belief is formed.

''(c) DISMISSAL FOR FAILURE TO MEET PLEADING REQUIREMENTS; STAY OF DISCOVERY; SUMMARY JUDGMENT.—In any private action to which subsection (a) applies, the court shall, on the motion of any defendant, dismiss the complaint if the requirements of subsection (b) are not met, except that the court may, in its discretion, permit a single amended complaint to be filed. During the pendency of any such motion to dismiss, all discovery and other proceedings shall be stayed unless the court finds upon the motion of any party that particularized discovery is necessary to preserve evidence or to prevent undue prejudice to that party. If a complaint satisfies the requirements of subsection (b), the plaintiff shall be entitled to conduct discovery limited to the facts concerning the allegedly misleading statement or omission. Upon completion of such discovery, the parties may move for summary judgment.

''(d) RELIANCE AND CAUSATION.—

''(1) IN GENERAL.—In any private action to which subsection (a) applies, the plaintiff shall prove that—

''(A) he or she had knowledge of, and relied (in connection with the purchase or sale of a security) on, the statement that contained the misstatement or omission described in subsection (a)(1); and

''(B) that the statement containing such misstatement or omission proximately caused (through both transaction causation and loss causation) any loss incurred by the plaintiff.

''(2) FRAUD ON THE MARKET.—For purposes of paragraph (1), reliance may be proven by establishing that the market as a whole considered the fraudulent statement, that the price at which the security was purchased or sold reflected the market's estimation of the fraudulent statement, and that the plaintiff relied on that market price. Proof that the market as a whole considered the fraudulent statement may consist of evidence that the statement—

''(A) was published in publicly available research reports by analysts of such security;

''(B) was the subject of news articles;

''(C) was delivered orally at public meetings by officers of the issuer, or its agents;

''(D) was specifically considered by rating agencies in their published reports; or

''(E) was otherwise made publicly available to the market in a manner that was likely to bring it to the attention of, and to be considered as credible by, other active participants in the market for such security.

Nonpublic information may not be used as proof that the market as a whole considered the fraudulent statement.

''(3) PRESUMPTION OF RELIANCE.—Upon proof that the market as a whole considered the fraudulent statement pursuant to paragraph (2), the plaintiff is entitled to a rebuttable presumption that the price at which the security was purchased or sold reflected the market's estimation of the fraudulent statement and that the plaintiff relied on such market price. This presumption may be rebutted by evidence that—

''(A) the market as a whole considered other information that corrected the allegedly fraudulent statement; or

''(B) the plaintiff possessed such corrective information prior to the purchase or sale of the security.

''(4) REASONABLE EXPECTATION OF INTEGRITY OF MARKET PRICE.—A plaintiff who buys or sells a security for which it is unreasonable to rely on market price to reflect all current information may not establish reliance pursuant to paragraph (2). For purposes of paragraph (2), the following factors shall be considered in determining whether it was reasonable for a party to expect the market price of the security to reflect substantially all publicly available information regarding the issuer of the security:

''(A) The weekly trading volume of any class of securities of the issuer of the security.

''(B) The existence of public reports by securities analysts concerning any class of securities of the issuer of the security.

''(C) The eligibility of the issuer of the security, under the rules and regulations of the Commission, to incorporate by reference its reports made pursuant to section 13 of this title in a registration statement filed under the Securities Act of 1933 in connection with the sale of equity securities.

''(D) A history of immediate movement of the price of any class of securities of the issuer of the security caused by the public dissemination of information regarding unexpected corporate events or financial releases.

In no event shall it be considered reasonable for a party to expect the market price of the security to reflect substantially all publicly available information regarding the issuer of the security unless the issuer of the security has a class of securities listed and registered on a national securities exchange or quoted on the automated quotation system of a national securities association.

''(e) ALLOCATION OF LIABILITY.—

''(1) JOINT AND SEVERAL LIABILITY FOR KNOWING FRAUD.—A defendant who is found liable for damages in a private action to which subsection (a) applies may be liable jointly and severally only if the trier of fact specifically determines that the defendant acted knowingly (as defined in subsection (a)(3)).

''(2) PROPORTIONATE LIABILITY FOR RECKLESSNESS.—If the trier of fact does not make the findings required by paragraph (1) for joint and several liability, a defendant's liability in a private action to which subsection (a) applies shall be determined under paragraph (3) of this subsection only if the trier of fact specifically determines that the defendant acted recklessly (as defined in subsection (a)(4)).

''(3) DETERMINATION OF PROPORTIONATE LIABILITY.—If the trier of fact makes the findings required by paragraph (2), the defendant's liability shall be determined as follows:

''(A) The trier of fact shall determine the percentage of responsibility of the plaintiff, of each of the defendants, and of each of the other persons or entities alleged by the parties to have caused or contributed to the harm alleged by the plaintiff. In determining the percentages of responsibility, the trier of fact shall consider both the nature of the conduct of each person and the nature and extent of the causal relationship between that conduct and the damage claimed by the plaintiff.

''(B) For each defendant, the trier of fact shall then multiply the defendant's percentage of responsibility by the total amount of damage suffered by the plaintiff that was caused in whole or in part by that defendant and the court shall enter a verdict or judgment against the defendant in that amount. No defendant whose liability is determined under this subsection shall be jointly liable on any judgment entered against any other party to the action.

''(C) Except where contractual relationship permits, no defendant whose liability is determined under this paragraph shall have a right to recover any portion of the judgment entered against such defendant from another defendant.

''(4) EFFECT OF PROVISION.—This subsection relates only to the allocation of damages among defendants. Nothing in this subsection shall affect the standards for liability under any private action arising under this title.

''(f) DAMAGES.—In any private action to which subsection (a) applies, and in which the plaintiff claims to have bought or sold the security based on a reasonable belief that the market value of the security reflected all publicly available information, the plaintiff's damages shall not exceed the lesser of—

''(1) the difference between the price paid by the plaintiff for the security and the market value of the security immediately after dissemination to the market of information which corrects the fraudulent statement; and

''(2) the difference between the price paid by the plaintiff for the security and the price at which the plaintiff sold the security after dissemination of information correcting the fraudulent statement.''.

SEC. 5. ESTABLISHMENT OF "SAFE HARBOR" FOR PREDICTIVE STATEMENTS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following new section:

"SEC. 37. APPLICATION OF SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS.

''(a) SAFE HARBOR DEFINED.—In any action arising under this title based on a fraudulent statement (within the meaning of section 10A), a person shall not be liable for the publication of any projection if—

''(1) the basis for such projection is briefly described therein, with citations (which may be general) to representative sources or authority, and a disclaimer is made to alert persons for whom such information is intended that the projections should not be given any more weight than the described basis therefor would reasonably justify; and

''(2) the basis for such projection is not inaccurate as of the date of publication, determined without benefit of subsequently available information or information not known to such person at such date.

''(b) AUTOMATIC PROTECTIVE ORDER STAYING DISCOVERY; EXPEDITED PROCEDURE.—In any action arising under this title based on a fraudulent statement (within the meaning of section 10A) by any person, such person may, at any time beginning after the filing of the complaint and ending 10 days after the filing of such person's answer to the complaint, move to obtain an automatic protective order under the safe harbor procedures of this section. Upon such motion, the protective order shall issue forthwith to stay all discovery as to the moving party, except that which is directed to the specific issue of the applicability of the safe harbor. A hearing on the applicability of the safe harbor shall be conducted within 45 days of the issuance of such protective order. At the conclusion of the hearing, the court shall either (1) dismiss the portion of the action based upon the use of a projection to which the safe harbor applies, or (2) determine that the safe harbor is unavailable in the circumstances.

''(c) REGULATORY AUTHORITY.—In consultation with investors and issuers of securities, the Commission shall adopt rules and regulations to facilitate the safe harbor provisions of this section. Such rules and regulations shall—

''(1) include clear and objective guidance that the Commission finds sufficient for the protection of investors,

''(2) prescribe such guidance with sufficient particularity that compliance shall be readily ascertainable by issuers prior to issuance of securities, and

''(3) provide that projections that are in compliance with such guidance and that concern the future economic performance of an issuer of securities registered under section 12 of this title will be deemed not to be in violation of section 10(b) of this title.''.

SEC. 6. RULE OF CONSTRUCTION.

Nothing in the amendments made by this Act shall be deemed to create or ratify any implied private right of action, or to prevent the Commission by rule from restricting or otherwise regulating private actions under the Securities Exchange Act of 1934.

SEC. 7. EFFECTIVE DATE.

This Act and the amendments made by this Act are effective on the date of enactment of this Act and shall apply to cases commenced after such date of enactment.

The CHAIRMAN. The bill will be considered for amendment under the 5-minute rule for a period not to exceed 8 hours.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member who has caused an amendment to be printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. COX OF CALIFORNIA

Mr. COX of California. 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. COX of California: Page 28, after line 2, insert the following new section (and redesignate the succeeding sections and conform the table of contents accordingly):

SEC. 6. AMENDMENT TO RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT.

Section 1964(c) of title 18, United States Code, is amended by inserting '', except that no person may bring an action under this provision if the racketeering activity, as defined in section 1961(1)(D), involves conduct actionable as fraud in the purchase or sale of securities'' before the period.

Mr. COX of California. Mr. Chairman, I offer an amendment that would prevent plaintiffs' attorneys from bringing actions alleging securities law violations under the Racketeer Influence and Corrupt Organizations Act which we know as RICO.

Today we are fulfilling our Contract With America by curbing frivolous securities litigation. For many years now shrewd plaintiffs' attorneys have been using RICO to evade the requirements that Congress has established in the Federal securities laws. Supreme Court Justice Thurgood Marshall called our attention to this problem as far back as 1985 when he explained that the civil RICO statute, quote, ''virtually eliminates decades of legislative and judicial development of private civil remedies under the Federal securities laws.'' Today's amendment seeks only to reform RICO in the area of securities legislation, but I should point out that this House under its previous control by today's minority, the Democrats, have previously passed wholesale RICO reform by an overwhelming margin. This reform measure, authored by the gentleman from Virginia [Mr. BOUCHER] and the gentleman from Florida [Mr. MCCOLLUM], now the chairman of the Judiciary Subcommittee on Crime, enjoyed overwhelming bipartisan support. My amendment is fully consistent with this effort, if more limited.

The provision originally in the Contract With America that addressed the problem of civil RICO actions in the securities area, as I explained in my colloquy a moment ago with the gentleman from Michigan, was omitted from the bill as reported out of committee inadvertently. It was not opposed in committee. If we do not reinsert this provision by adopting my

amendment, we will fail to address a significant number of frivolous actions based on alleged securities law violations, but brought under the RICO statute. When Congress enacted RICO back in 1970, we intended that it be used as a weapon against organized criminals, not as a weapon against ordinary investors and the business community.

The problem posed by the widespread use of civil RICO is one recognized by legal experts across the spectrum. In the Supreme Court case from which I just quoted, in 1985 Justice Marshall, along with Justice Powell, was in the dissent but the majority who said that the law needs to be changed still agreed that the abuse of RICO is very real.

Let me quote from the majority opinion:

> In its private civil version RICO is evolving into something quite different from the original conception of its enactors; in other words, Congress. The extraordinary uses to which civil RICO has been put appear to be primarily the result of the failure of Congress.

That from the majority of the Supreme Court, so the majority and the minority of the Supreme Court agreed that RICO is being abused by its application in the securities area.

Plaintiffs' attorneys' inappropriate and abusive use of RICO has also been recognized by the current White House counsel, Abner Mikva. While still a judge for the U.S. Circuit Court of Appeals for the District of Columbia, Mr. Mikva detailed his observations of RICO abuse when testifying before the House Committee on Criminal Justice in 1985. Mr. Mikva, of course, has been a Member of Congress in 1970, and he had warned back then that RICO might be stretched and abused in a way. Here is his testimony in 1985 before the House Subcommittee on Criminal Justice:

> I stand amazed to realize that my hyperbolic horrible examples of how far the law would reach pale into insignificance when compared to what actually has happened. What started out as a small cottage industry for Federal prosecutors has become a commonplace weapon in the civil litigation arsenal.

Most significantly, those that have the responsibility of regulating our securities markets support my amendment. For the past 10 years the chairman of the Securities and Exchange Commission, the SEC, have all supported civil RICO reform. Beginning in 1985, former SEC Chairman John Shad testified before Congress in support of legislation to amend RICO in this way. In 1986, Mr. Chairman, the SEC even submitted draft legislation for civil RICO reform. In 1989, the SEC General Counsel, Dan Goelzer, testified before Congress in favor of this civil RICO reform, and today the SEC continues to support civil RICO reform.

In testimony before our committee, Mr. Chairman, the chairman of the SEC, Arthur Levitt, stated that H.R. 10, as originally drafted, contained the kind of civil RICO reform that is necessary. He recently wrote a letter to our Committee on Commerce chairman, the gentleman from Virginia [Mr. BLILEY], stating that the SEC fully supports this provision that I am offering today.

The reason this area is one of such wide-ranging consensus is because almost everyone who studied the issue recognizes that the civil RICO statute has been abused in securities fraud legislation to distort the incentives and remedies that the Federal securities laws are supposed to provide. They have done this by taking advantage of a loophole in RICO that has permitted inclusion of securities laws violations as a predicate act for which the defendant may be tagged as a racketeer and held liable for treble damages and attorney fees.

Additionally, because many claims that could be asserted as securities laws claims can also be characterized as mail or wire fraud——

The CHAIRMAN. The time of the gentleman from California [Mr. COX] has expired.

(By unanimous consent, Mr. COX of California was allowed to proceed for 5 additional minutes.)

Mr. COX of California. Because many claims that could be asserted as securities laws claims can also be characterized as mail or wire fraud, and because mail and wire fraud are also predicates for civil RICO liability, Plaintiffs' attorneys have a devastating, potent, and readily available alternative for bringing actions under RICO instead of under our securities laws. As the SEC general counsel stated in his 1989 testimony before the House Committee on the Judiciary, and I quote now,

> The commission is concerned that the civil liability provisions of RICO can, in many cases, convert private securities law fraud claims into RICO claims. Successful plaintiffs in such cases are entitled to treble damages, despite the express limitations on recovery under the securities laws to actual damages. Private plaintiffs may be able to bypass the carefully crafted liability provisions of the securities laws and thereby recover damages in cases in which Congress or the courts have determined that no recovery should be available.

Congress initially passed securities laws in order to impose a uniform system of duties and liabilities upon the securities industry and to protect investors. Each time we have acted to amend the securities laws we have balanced the need to provide the maximum amount of consumer protection against the need to maintain fluid, stable and reliable markets. Today we are seeking to enact litigation reforms because we have identified significant problems and abuses in the current system that are hurting investors, consumers, and the Nation as a whole.

Mr. Chairman, the failure to adopt this amendment would undermine the reforms we are hoping to achieve because attorneys could then do an end run around all of the reform by simply using the RICO statute. In evading the reforms that we are seeking to achieve today enterprising lawyers will have the continuing ability to extort settlements from innocent defendants based on claims that will allow them no chance of recovery under the reforms that we have today. Lest we have any doubt about the ability of plaintiffs' attorneys to leverage settlements from defendants under civil RICO, we need only listen again to Justice Thurgood Marshall who explained that, quote,

> Many a prudent defendant, facing ruinous exposure, will decide to settle a case even with no merit. It is, thus, not surprising that civil RICO has been used for extortive purposes, giving rise to the very evils it was designed to combat.

Mr. Chairman, unless we adopt my amendment, a plaintiff's attorney alleging a single violation of the securities laws will be able to bring an action under civil RICO and leverage a hefty settlement from an innocent victim. Because an element of RICO is a pattern, plaintiffs would have the latitude to conduct discovery of records dating as far back as 10 years. Discovery costs like that run up a tab of millions of dollars. Often, faced with the cost of these multimillion-dollar discovery fees, the prospect of being labeled a racketeer and the prospect of being held liable for treble damages and attorney fees, defendants, as Thurgood Marshall has said, are forced to settle meritless cases brought under RICO.

Mr. Chairman, our economy's health depends on the efficient operation of America's capital markets. We must continue to balance the provisions of adequate remedies for injured investors and the imposition of excessive penalties on all participants in our capital markets. The treble damage blunderbuss of RICO undermines this balance and imposes exorbitant litigation costs, impedes the raising of capital, and

Mr BRYANT of Texas. Mr. Chairman, will the gentleman yield?

Mr. COX of California. I yield to the gentleman from Texas.

Mr. BRYANT of Texas. Mr. Chairman, I just took note of the fact that the gentleman said a moment ago that for some kind of a loophole in the RICO statute that allows people to sue securities dealers who they believe are guilty of a pattern of fraudulent activity, but I am looking here at the language from the statute: 18 U.S.C. says that actually racketeering; that is, predicate action with the RICO statue, include, quote, any fees involving fraud and the sales of securities. I ask, ''In view of that, how can you describe this as a loophole?''

Mr. COX of California. As I mentioned, the Supreme Court, all of the Justices, both in the majority and minority of this RICO case, viewed this as an area where congressional action is richly needed because RICO, although technically being exploited within the letter of the law, was never intended to apply to securities cases.

Mr. BRYANT of Texas. Well, I just read the statute to the gentleman which specifically related to——

Mr. COX of California. Well, reclaiming my time——

Mr. BRYANT of Texas. Fraud and the sale of securities——

Mr. COX of California. So I can fully and adequately respond to the gentleman——

The CHAIRMAN. The time of the gentleman from California [Mr. COX] has expired.

(By unanimous consent, Mr. COX of California was allowed to proceed for 1 additional minute.)

Mr. COX of California. The SEC chairman came and testified before our Committee on Commerce, and here is what he said. It is very brief, and I will just share it with the gentleman:

For many years the Commission has supported legislation to eliminate the overlap between the private remedies under RICO and under the Federal securities laws. The securities laws generally provide adequate remedies for those injured by security fraud. It is both unnecessary and unfair to expose defendants in securities cases to the threat of treble damages and other extraordinary remedies provided by RICO.

Mr. BRYANT of Texas. Mr. Chairman, would the gentleman yield further?

Mr. COX of California. This is according to the Clinton appointment to head up the Securities and Exchange Commission.

Mr. BRYANT of Texas. If the gentleman would yield further just to point out the gentleman said it was a loophole, and I read to the gentleman the law indicating it is not a loophole. Now the gentleman is reading to me testimony, or something, from the SEC, but we never had hearings on the issue of RICO in the committee that the gentleman and I are members of. We never had any hearings——

Mr. COX of California. Reclaiming my time, we did, of course, have hearings on this testimony that was given at that hearing——

Mr. BRYANT of Texas. There were no hearings on RICO——

Mr. COX of California. The SEC.

Mr. BRYANT of Texas. The gentleman will have to acknowledge we had no hearings on RICO.

Mr. COX of California. Mr. Chairman, I think my 60 seconds have expired.

Mr. Chairman, I offer an amendment that would prevent plaintiffs' attorneys from bringing actions alleging securities law violations under the Racketeer Influenced and Corrupt Organizations Act [RICO]. Today we are fulfilling our Contract With America by curbing frivolous securities litigation. For many years now, shrewd plaintiffs' attorneys have been using RICO to evade the requirements we have established in the Federal securities laws. Supreme Court Justice Thurgood Marshall called our attention to this problem as far back as 1985 when he explained that the civil RICO statute ''virtually eliminates decades of legislative and judicial development of private civil remedies under the Federal securities laws.'' *Sedima, S.P.R.I.* v. *Imrex Company, Inc.,* 105 S.Ct. 3292, 3294 (1985) (dissenting). Indeed, while today's amendment seeks only to reform RICO in the area of securities litigation, the House—Democrats in control—has previously passed wholesale RICO reform by an overwhelming margin. This reform measure, authored by the gentlemen from Virginia [Mr. BOUCHER] and Mr. MCCOLLUM, the chairman of the Judiciary Subcommittee on Crime, enjoyed overwhelming bipartisan support. My amendment, I believe is fully consistent with this effort.

This provision originally in the Contract With America that addressed the problem of civil RICO actions in the securities area (H.R. 10, Title I §107) was omitted from the bills reported out of committee. If we do not reinsert this provision by adopting my amendment, we will fail to address a significant number of frivolous actions based on alleged securities law violations, but brought under the RICO statute. When we enacted RICO back in 1970, we intended that it be used as a weapon against organized criminals, not as a weapon against ordinary investors and the business community.

The problem posed by the widespread use of civil RICO is one recognized by legal experts across the spectrum. In addition to Justice Marshall, Chief Justice Rehnquist has observed:

> Virtually everyone who has addressed the question agrees that civil RICO is now being used in ways that Congress never intended when it enacted the statute in 1970. Most of the civil suits filed under the statute have nothing to do with organized crime.

(Rehnquist, Reforming Diversity Jurisdiction and Civil RICO, St. Mary's L.J. 5, 9 (1989) (originally presented at the Brookings Institution's Eleventh Seminar on the Administration of Justice, April 7, 1989). Plaintiffs' attorneys' inappropriate and abusive use of RICO has also been recognized by current White House Counsel Abner Mikva. While still a judge for the U.S. Circuit Court of Appeals for the District of Columbia, Mr. Mikva detailed his observations of RICO abuse when testifying before the House Subcommittee on Criminal Justice in 1985. While a Member of Congress in 1970, Mr. Mikva had warned his colleagues about RICO's overbreadth. In 1985, in testifying before the House Subcommittee on Criminal Justice, he noted the following about his comparison of his initial thoughts on RICO back in 1970 with the subsequent reality:

> I stand amazed * * * to realize that my hyperbolic horrible examples of how far the law would reach pale into insignificance when compared to what has actually happened * * * What started out as a small cottage industry for federal prosecutors has become a commonplace weapon in the civil litigation arsenal.

As we learned yesterday, Mr. Mikva and the Administration have a number of problems with the legislation before us today. However, as observed above, my amendment is one provision upon which we all agree.

Also, most significantly, those that have the responsibility of regulating our securities markets similarly support my amendment. For the past 10 years, the Chairmen of the Securities and Exchange Commission [SEC] have all supported civil RICO reform. Beginning in 1985, former SEC Chairman John Shad testified before Congress in support of legislation to amend RICO. In 1986, the SEC even submitted draft legislation to Congress that would have significantly limited civil RICO claims based on alleged securities law violations. In 1989, SEC General Counsel Dan Goelzer testified before Congress in favor of civil RICO reform. And today, the SEC continues to support civil RICO reform. In a recent letter to Commerce Committee Chairman BLILEY, SEC Chairman Arthur Levitt stated that the SEC fully supports this provision I am offering today.

The reason why this is one area where there is such wide-ranging consensus is because almost everyone who has studied this issue recognizes that plaintiffs' attorneys have used the civil RICO statute to distort the incentives and remedies that the federal securities laws provide. They have done this by taking advantage of a loophole in RICO that has permitted inclusion of securities law violations as a predicate act for which a defendant may be tagged as a racketeer and held liable for treble damages and attorneys' fees. Additionally, because many claims that could be asserted as securities law claims can also be characterized as mail or wire fraud, and because mail and wire fraud are also predicates for civil RICO liability, plaintiffs' attorneys have a devastating potent and readily available alternative for bringing actions under RICO rather than under our securities laws. As SEC General Counsel Goelzer stated in 1989 testimony before the House Judiciary Committee:

> The Commission is concerned, however, that the civil liability provisions of RICO can in many cases convert private securities law fraud claims into RICO claims. Successful plaintiffs in such cases are entitled to treble damages, despite the express limitations on recovery under the securities laws to actual damages. Private plaintiffs may be able to bypass the carefully crafted liability provisions of the securities laws, and thereby recover damages in cases in which Congress or the courts have determined that no recovery should be available under those laws. As a result, civil RICO places increased and unwarranted financial burdens on commercial defendants, including securities industry defendants.

Congress initially passed securities laws in order to impose a uniform system of duties and liabilities upon the securities industry, and to protect investors. Each time that we have amended the securities laws, we have balanced the need to provide the maximum amount of consumer protection possible against the need to maintain fluid, stable, and reliable markets. Today, we are seeking to enact litigation reforms because we have identified significant problems and abuses in the current system that are hurting investors, consumers, and the nation as a whole. We are seeking to enact changes to our federal securities laws in those areas where we have identified reforms are needed. We are seeking a losers pay provision to punish plaintiffs for bringing frivolous actions. In addition, we are seeking a limitation on joint and several liability to restore fairness to the federal securities laws. The failure to adopt my amendment would undermine the reforms we are hoping to achieve today without any award, unscrupulous attorneys could do an end run around the reforms by using the RICO statute. Through the use of civil RICO, plaintiffs will be able to initiate law suits based on alleged securities law violations, and will be entitled to seek treble damages and attorneys' fees.

In evading the reforms we are seeking to achieve today, enterprising plaintiffs' attorneys will have the continuing ability to extort settlements from innocent defendants based on claims that would allow them no chance of recovery under the reforms before us today. Lest we have any doubt about the ability of plaintiffs' attorneys to leverage settlements from defendants under civil RICO, we need only listen again to Justice Marshall, who explained that ''[m]any a prudent defendant, facing ruinous exposure, will decide to settle even a case with no merit. It is thus not surprising that civil RICO has been used for extortive purposes, giving rise to the very evils it was designed to combat.'' *Sedima,* 105 S.Ct. at 3295. Unless we adopt my amendment, a plaintiff's attorney, alleging a single violation of the securities laws, will be able to bring an action under civil RICO and leverage a hefty settlement from an innocent victim. Because an element of a RICO action is a ''pattern,'' plaintiffs have the latitude to conduct discovery of records dating back 10 years or more. Such discovery costs defendants millions of dollars. Often, faced with the cost of these multi-million dollar discovery fees, and the prospect of being labeled a racketeer, and being held liable for treble damages and attorneys' fees, defendants are forced to settle meritless cases.

Our economy's health depends on the efficient operation of its country's capital markets. We must continue to balance the provision of adequate remedies for injured investors and the imposition of excessive penalties on all participants in our capital markets. The treble damage blunderbuss of RICO undermines this balance and imposes exorbitant litigation costs, impedes the raising of capital and ultimately puts these costs on the shoulders of consumers and emerging innovative companies.

Mr. Chairman, at this point I would like to read several comments from judges across the country who have commented on the abuses prevalent in civil RICO litigation. If there is one message we should extract from these opinions, it is that we must reform RICO to prevent plaintiffs' attorneys from bringing actions more appropriately brought under our securities laws.

''It is true that private civil actions under the statute are being brought almost solely against such defendants [respected and legitimate businesses], rather than against the archetypal, intimidating mobster. Yet this defect—if defect it is—is inherent in the statute as written, and its correction must lie with Congress.'' The Supreme Court, *Sedima,* 105 S. Ct. at 3286–87.

''I have a feeling about RICO in the civil world * * * as being the most conspicuous case I know of legislation requiring Congressional attention to revision.''—Former U.S. District Court Judge Simon Rifkind of the Southern District of New York.

''An imaginative plaintiff could take virtually any illegal occurrence and point to acts preparatory to the occurrence, usually the use of the telephone or mails, as meeting the requirement of pattern.''—U.S. Circuit Court of Appeals for the 5th Circuit Judges Higginbotham, Politz, and Jolly (*Montesano* v. *Seafirst Commercial Corp.,* 818 F.2d 423, 424 (5th Cir. 1987)).

''Congress * * * may well have created a runaway treble damage bonanza for the already excessively litigious.''—Federal Circuit Court of Appeals for the 7th Circuit Judges Wood, Cummings, and Hoffman (*Schacht* v. *Brown,* 711 F2d, 1343, 1361 (7th Cir. 1983)).

''[O]ne of the proliferating developments in civil litigation has been the use of RICO * * * in civil claims, in routine commercial disputes, including those arising under the federal securities laws. I think that the proliferation of these claims and the use of a law that was designed to eliminate organized crime is a very bad influence on the commercial community.''—U.S. District Court Judge Milton Pollack of the Southern District of New York.

''McCarthy, though armed with substantial damage claims, with a requested ad damnum of $312,220 in compensatory and $1 million in punitive damages, obviously cannot resist the treble damages and attorneys' fees lure of RICO.''—Judge Shadur, U.S. District Court for the Northern District of Illinois (*McCarthy Cattle Co.* v. *Paine Webber, Inc.,* 1985 WL 631 (N.D. Ill., April 11, 1985).

''[The plaintiff's complaint] demonstrates at least two facts of life in an urban district court in a litigation-prone society: * * * RICO's lure of treble damages and attorneys' fees draws litigants and lawyers * * * like lemmings to the sea.''—Judge Shadur (*Wolin* v. *Hanley Dawson Cadillac, Inc.,* 636 F. Supp. 890, 891 (N.D. Ill. 1986).

Mr. CONYERS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. COX].

Mr. Chairman and members of the committee, this amendment, we must never forget, has arrived here by extraordinary means. It was accidentally, like when you sweep up trash at night in the Committee on the Judiciary. This little slip of paper called RICO fell to the ground in a corner. Nobody noticed it, and, therefore, we have a whole securities bill that went to the Committee on Rules, was dealt with, and then the Committee on Rules came back again and said, ''Oh, we overlooked civil RICO, and we have an amendment, not to modify it as applies to securities, which has been the main use of civil RICO in securities ever since RICO was started. We said we will not pare it down, we will not deal with the other amendments that have always applied to RICO before in the Committee on the Judiciary without so much as mentioning this name RICO. We now have a measure in one sentence that will remove it from all securities legislation from this point on.

□ 1745

Are you aware of the magnitude of what it is we are proposing to do here as the first amendment to this legislation on the floor? We are now saying that the fact that RICO was used in all of the major fraud cases, that we have now reached the point on the basis of a Supreme court case that goes back 10 years to say that now RICO is so abused we must now get rid of it.

Remember, the last time I saw an idea about RICO was when the former gentleman from New Jersey [Mr. HUGHES] developed a gatekeeper concept, in which we would filter through under a very strict set of principles which cases might make it to a RICO suit.

But now—and I disagreed with that. But the gatekeeper concept was a very modest one. It kept RICO alive in terms of civil litigation. It was much more carefully crafted than a blanket exemption from RICO in all securities cases.

What we are saying is that all of the major fraud cases in which RICO busted people who were bilking millions of dollars, sometimes billions of dollars, is now going to be thrown in the trash heap, and we will not need it anymore.

That is why those who want to preserve RICO includes the Association of Attorneys General, the National Association of Insurance Commissioners, the U.S. Conference of Mayors, the North American Securities Administration associations. It is very clear that public prosecutors and regulators are aghast at the Cox amendment and the implications of what it has in store in us trying to police this very tricky, complex area of money crimes that is now still as much a problem has it has always been.

Civil RICO, with their treble damages, which frequently are used for great leverage purposes, can recover money which pay attorney fees and are a vital remedy that should not be diminished in any way. RICO is critical in the fight against savings and loan fraud, bank and insurance and financial crimes. Using civil RICO, the victims of white collar crime can sue these malfeasors for triple their losses, and it is frequently the only effective means for victims.

Do not throw the baby out with the bath water. There has never been a minute's hearing in any of the committees of jurisdiction, certainly not Judiciary, and I really must say that this is the most outrageous proposal in terms of securities regulation that I have ever heard. Vote down the Cox amendment.

Mr. MCCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. MCCOLLUM. Mr. Chairman. I rise in support of the amendment offered by the gentleman from California. In the last several Congresses the subject of RICO reform and, in particular, the use of the RICO statute in civil business disputes, has received significant attention. Hearings have been held; bills have been introduced; but in the end, nothing has happened. A law that was originally intended to strike a major blow to organized crime and racketeering, has continued to be used as a hammer in routine civil cases.

Today, we take a step toward meaningful civil RICO reform. This amendment will end inappropriate use of the civil RICO statute in an area of the law where it has been most abused—the securities law area. Congress never intended for the RICO statute to be used as the principal means of litigating disputes over securities transactions. The

securities laws themselves provide aggrieved buyers and sellers with private causes of action so that they may seek compensation for their losses. The increases in the use of the racketeering statue for this purpose, however, has produced consequences that Congress never intended. The threat of RICO sanctions has had a chilling effect on entrepreneurship and ultimately economic growth.

Mr. Chairman, the civil RICO statute is tough, and it should be. The statute's provision for treble damaged and attorneys fees awards were designed to help private citizens strike back against criminal enterprises and other corrupt organizations. But they were never intended to be used as a means to litigate disputes between parties to bona fide securities transactions.

The amendment offered by the gentleman from California will begin the process of restoring the civil RICO statute to the uses that Congress intended. This amendment will put an immediate stop to one of the greatest abuses of the civil RICO statute.

It must be noted, however, Mr. Chairman, that adopting this amendment will not remedy all of the problems with the way the civil RICO statute is being misused. As Chairman of the Subcommittee on Crime, where jurisdiction over this issue resides, I intend to introduce RICO reform. It is my hope that the subcommittee will bring forward legislation to help ensure that the RICO statutes are used in the manner that Congress originally intended.

In the interim, however, this amendment will stop some of the most egregious abuses of the civil RICO statute. This amendment is an important first step in the RICO reform process. I urge my colleagues to support it.

Mr. Chairman, I also want to commend the gentleman from Virginia [Mr. BOUCHER] for his work on the other side of the aisle in trying to get civil RICO reform over the past sessions of Congress. Many hearings were held in this past decade. Where there might not have been one this session of Congress, we have certainly had plenty on the subject in the past.

The truth of the matter is the House once even passed a reform of RICO that did not go through the Senate, which would have required a prior criminal conviction before you could get civil RICO. I dare say, to allay the gentleman from Michigan's concerns, there are plenty of remedies for those bad apples that commit serious fraud out there without going and using the civil RICO statute for the kind of abusive purposes that have been happening in the securities area and in many others.

So I commend the gentleman from California for offering the amendment, I urge my colleagues to support it, and I appreciate the time.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a most extraordinary day. When we considered the bill in the committee, this is the headline we got in the Wall Street Journal, a well-known bastion of left wing liberalism and excessive regulation said this: ''Fraud Shields for Companies Gain in House.''

I do not know whether we ought to amend RICO or not. There is not one scintilla of evidence in the record of the Committee on Commerce whether we should or we should not. And there is nothing there which says that we ought to take away the right of a person to sue civilly under RICO where there is interstate trafficking in stolen securities. RICO had securities violations as the subject of civil suits from the very first day that it was enacted into law.

Now, we have a market which is the most trusted in the world. It is for two reasons: One, because we have good enforcement at the SEC. The other is because we have an extraordinarily good system of private enforcement, enforcement by private citizens suing wrongdoers to collect for wrongdoing. And millions and millions of dollars are collected for this reason.

My colleagues never saw this language in the committee. We never knew it was coming until late last night, when the Committee on Rules decided that something should be done about this matter. No discussion was offered in the committee. The author of the legislation had nothing to say on this subject. No one on the Republican side had anything to say about the need to address the wrongdoing under RICO.

It is interesting to note that in Russia they are now saying, and this is what the chairman of the Russian Securities Fund had to say, ''Each scandal chips away at investors' trust, and trust is the only thing we can rely on to get more business.''

I have told the securities industry time after time, people think that the securities industry and the markets in this country run on money. They do not. They run on public confidence. And if there is public confidence, then everyone will make lots of money. What we are doing here is sneaking out of the Committee on Rules a proposal to repeal RICO, and it is not going to contribute to the trust of the American people in the securities market or in the marketplace.

The only confidence that is going to be boosted by this amendment is going to be the confidence of rascals and scoundrels, who will then be secure in the knowledge that if they engage in theft of resources belonging to others, that they are not going to get sued. That is all.

This legislation comes to the floor with abbreviated hearings and not adequate opportunity for amendments to be offered. The legislation is controlled by the Committee on Rules, which has said we will add RICO, which is not germane to the bill, and which is not even in the Committee on Energy and Commerce.

We are amending a statute which is not even under the jurisdiction of the Committee on Energy and Commerce, and we are amending it without ever having a word of hearings or a bit of evidence or testimony taken on the subject. Why is RICO taken up now when it could be addressed in another committee in proper fashion after appropriate hearings? I have no explanation. Perhaps the gentleman from California who offers the amendment has, but I seriously doubt if he does or will.

Many Americans had hoped that the Contract on America would be an engine for progress by making needed and targeted reforms. This amendment is just another demonstration that the contract instead has become a gravy train for any special interest with enough money and resources that they can get aboard and go where they want to go at the expense of the ordinary American.

Mr. FIELDS of Texas. Mr. Chairman, I move to strike the requisite number of words.

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Texas. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, I would just point out, we just saw an exhibit on the floor and, as is so often the case when one reads the headlines, you miss the story. In the fine print the gentleman from Michigan forgot to tell us the last sentence of that happens to be a concise statement of the purpose of the bill. It says, ''The purpose of the bill,'' and this was actually on what he presented to us, but you could not read it, only the headline, ''The purpose of this bill remains to reduce litigation to cut down on fraud committed by unscrupulous lawyers and professional plaintiffs.''

Mr. FIELDS of Texas. Mr. Chairman, reclaiming my time, today we are seeking to enact fundamental reforms of the manner in which securities actions are litigated. In order to ensure that our reforms are comprehensive, we must make every effort to identify oversights or omissions in our legislation that could potentially hamper the effectiveness of H.R. 1058.

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

Mr. FIELDS of Texas. I yield to the gentleman from Michigan.

Mr. DINGELL. I was much impressed by the comments of the gentleman from California. The quote that he gave is an excellent one: ''The purpose of the bill is to cut down on litigation and to cut down on fraud committed by

unscrupulous lawyers and professional plaintiffs.'' And the authority that is quoted in the article is, guess who? The gentleman from California [Mr. COX].

Mr. COX of California. Mr. Chairman, if the gentleman will yield further, I think that the gentleman from Michigan earlier pointed out that the Wall Street Journal usually understands where to get their information, and there is not much question but that that is what the bill does, and in particular this amendment will help us to achieve that objective.

Mr. FIELDS of Texas. Mr. Chairman, reclaiming my time, as I was pointing out, there have been oversights, and this amendment seeks to address an oversight of the drafting. In the current bill we have failed to prescribe civil RICO actions based on conduct that is actionable in fraud and the purchase or sale of securities. Left uncorrected, this omission would seriously undermine our efforts today.

The original drafters of H.R. 10 recognized this fact and included this identical provision in title I, section 107. As a result of sheer error, section 107 was not included in any of the versions reported out of committee. By offering this amendment, the gentleman from California [Mr. COX] is seeking to do no more than reinsert this provision back into the Contract With America.

Mr. Chairman, it is particularly important to note that this amendment has the support of the U.S. Securities and Exchange Commission. In providing the views of the Commission to the Committee on Commerce on title II of H.R. 10 on February 23, 1995, this year, Chairman Levitt stated the Commission supports the elimination of civil RICO liability predicated on security law violations.

□ 1800

The enactment of this legislation will provide much needed reform by helping curb frivolous securities actions. This amendment will go a long way toward guaranteeing meaningful reform because civil RICO actions are well-recognized vehicles for bringing frivolous lawsuits. If we do not adopt this amendment, plaintiffs' attorneys will be free to evade our reforms by merely bringing securities actions under RICO, thereby frustrating the efforts of this legislation.

We should have no doubt that if we fail to adopt this amendment, plaintiffs' attorneys will take full advantage of our omission. Almost every claim that a plaintiff alleges as a violation of securities laws may also be pled as a RICO violation. Plaintiffs' attorneys can easily allege both the enterprise and the pattern elements necessary to turn a securities action into a RICO claim, because most security law violations are committed in the course of conducting the affairs of a business or an enterprise.

Moreover, virtually all securities transactions involve the use of the mail or telephone.

Further demonstrating the need to enact this amendment is the significant number of securities fraud cases brought as RICO claims. As early as 1985, the American Bar Association found that 40 percent of all civil RICO cases filed in Federal courts were based on securities fraud. If we fail to pass this amendment, we will continue to leave this avenue wide open for the plaintiffs' bar. The failure to amend RICO to exclude issues for conduct that is actionable as a securities law violation would enable plaintiffs' attorneys to continue to seek treble damages and to evade the most important elements of the types of reform we hope to accomplish.

We need only compare the provisions of this legislation with those of the RICO——

The CHAIRMAN. The time of the gentleman from Texas [Mr. FIELDS] has expired.

(By unanimous consent, Mr. FIELDS of Texas was allowed to proceed for 3 additional minutes.)

Mr. FIELDS of Texas. Mr. Chairman, we need only compare the provisions of this legislation with those of the RICO statute in order to identify those reforms that plaintiffs' attorneys will be able to avoid. H.R. 1058, this legislation, has a losers pay provision. RICO does not. H.R. 1058 preserves a one year statute of limitation. The RICO statute of limitations is longer. H.R. 1058 limits joint and several liability to knowing securities fraud; RICO does not. The list continues.

But the point is clear, unless we eliminate the RICO alternative, our reforms under this legislation will be undermined.

The U.S. Supreme Court Justice, Chief Justice Rehnquist, Justice Marshall, and the Judicial Conference have all recognized the ability of plaintiffs' attorneys to bring meritless actions under RICO and leverage substantial payments for defendants through such actions. As Justice Marshall explained about civil RICO actions in 1985, and I quote:

> Many a prudent defendant, facing a ruinous exposure, will decide to settle even a case with no merit. It is thus not surprising that civil RICO has been used for extortive purposes, giving rise to the very evils that it was designed to combat.

Mr. Chairman, we enacted civil RICO many years ago to provide private citizens with a weapon against organized crime and racketeering. We did not intend RICO to be a supplement to the Federal securities laws. We never intended to give trial lawyers treble damages in these types of civil lawsuits.

Nonetheless, unless we adopt this amendment, plaintiffs' attorneys will use RICO to evade our efforts of reform.

I urge all of my colleagues to support the Cox amendment and follow through with our promise to the American people to provide common sense and comprehensive legal reform.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the whole purpose of this debate, the whole purpose of this multi-year effort to bring this issue to the floor and eventually hopefully to pass this bill, is to change the incentives in this system, in this legal system, to change them in a very positive way, to create an incentive system that says, if you find knowing fraud, prosecute it. You will have, under knowing fraud, under the examples illustrated by several of my colleagues on this side, you will have the full recourse of 10(b)(5) litigation remedies at your disposal. You will have full joint and several liability available to you. You sue all the parties. They are all 100 percent responsible. It is up to them to figure out who is going to contribute to each other in a knowing fraud case.

It says where there is not knowing fraud—and by the way, the original statute we are amending never talked about anything but knowing fraud. Courts have invented another standard of violations of the statutes. Courts have invented something that they said was called recklessness, something close to knowing. It was so close to knowing they said that you almost had to be believed to have known that you were committing a fraud or you were so reckless, you were so in fact in violation of common standards of what we perceive to be good behavior that you literally will be presumed to have known.

In those cases where it is a reckless behavior, not a knowing behavior, this statute creates a new liability structure. It says, in those cases that you identify the persons who were reckless. You identify their percentage liability or the court does eventually in the judgment, and each is proportionately liable for their share of the recklessness, as opposed to the joint and several liability that attaches to knowing fraud, the guys that intend to harm you and, in fact, do harm you.

It is the purpose of this statute to create these two liabilities for one simple reason: Without a change in the law, as this bill suggests, plaintiffs will, plaintiffs' lawyers will continue to file these shakedown lawsuits, scattershot everybody connected with the company, everybody associated with it, officers, board members, accountants, lawyers, everybody connected with a company, and then sit back and do discovery and continue the litigation until somebody says, wait a minute, we have had enough, here is 10 cents on the dollar. We are out of here. That has been the practice.

If you want to discourage that, you need to make this important change in the way these kinds of lawsuits are brought. Remember we are talking about civil lawsuits. This bill does nothing, nothing to change the authority nor the responsibility of the SEC to

prosecute claims of fraud under its enforcement authority already guaranteed in law and preserved in this statute.

What this amendment does, and it is supported by the SEC, is to say that plaintiff lawyers who do not like these reforms, who want to continue bringing these massive lawsuits to shake people down, will not be able to use the civil processes of RICO to do that. They are going to use this reform statute. Without this amendment, this reform is meaningless. Lawyers can simply continue to do, as some have suggested they will do, and that is use the treble damage approach of the RICO statute to avoid the reforms of this legislation and, therefore, continue to wreak havoc upon a legal system that is creating some awful problems for us in the marketplace.

We have heard through witnesses before our committee in the last Congress and this Congress what some of those awful problems are, problems in which small companies, particularly growth companies, who are doing their best with a new invention to get it going and to produce it and sell it to the marketplace find that their stock may jump up one day, jump down the next. And all of a sudden they are in a massive lawsuit, they and everybody connected with them

Problems that we have found in companies across the board where they have said, we would like to tell you more about our company, if you want to invest in it, but we are afraid to tell you anything because whatever we say somebody is going to say we misled you in a lawsuit next week. And we are going to find ourselves involved in another massive litigation with a lot of court costs and legal fees.

If we do not cure those problems soon, this legal mess created under 10(b)(5) will continue to erode the productivity of small growth companies who are desperately trying to employ Americans and to produce more products not only for our marketplace but for the marketplaces of the world. It is that simple.

Lawyers who actually use this system today and who want to fight these reforms would love to have somewhere else to go, some other system, and using the civil RICO is the way they might go. This amendment needs to be passed.

Mr. WHITE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take 5 minutes because this is really a very simple argument. If Members do not want to reform the securities laws, then they do not want to vote for this amendment. But if they do want to reform the securities laws, this amendment is absolutely essential. Why? Because the RICO statute which this amendment would take away from applying to securities laws has become the stealth bomber of civil litigation in our society.

This is a statute that is so poorly drafted by this body that plaintiffs' lawyers can apply it to everything but the kitchen sink. And anybody who has practiced law knows that the way around an established regime in the statutory framework is to file a civil RICO suit because then none of the laws apply.

That is why a statute designed to apply to racketeering and organized crime in 40 percent of the cases now applies to securities lawsuits. This is a statute that is out of control. If we do not exempt this litigation from this statute, we will never get this job done.

Mr. Chairman, we are trying to reform the securities laws. Reform is desperately needed. I think almost all of us acknowledge that. But if we do not eliminate RICO, we are not going to get this reform done.

RICO is a loophole large enough for any plaintiff's lawyer to drive the largest Mercedes Benz through. We have to exempt it from this statute. I urge every single one of my colleagues who believe in securities law reform to vote for this amendment.

Mr. BRYANT of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to start by saying, I really think that the offering of this amendment today is a low point in the operation of this House this year. This is an amendment that has a sweeping impact, yet we never had any hearings on this matter. Why? Because the committee with jurisdiction over this bill, which the gentleman from Texas, [Mr. FIELDS] presides over, at least the subcommittee, does not even have jurisdiction over RICO.

The result of that is that we are going to hear in this debate today, we have already heard, we are going to continue to hear a whole series of misstatements and a lot of remarks that are going to be read that somebody else wrote. Why? Because nobody in the debate on either side knows very much about RICO.

I used to be the cosponsor in previous Congresses of a bill, along with a number of my colleagues on this side of aisle and that side of the aisle, to reform the RICO statute. There are problems with it. But I dare say, nobody who has spoken so far on that side of aisle or on this side of the aisle knows what they are. The fact of the matter is, we never saw this amendment until late last night. We never had any hearings on it. I just have to say that bringing a sweeping proposal like that to the House that has such an enormous impact without anybody really knowing what it is is, in my view, not the way to legislate. I urge Members to look at it in that light.

We have heard a number of interesting statements. The last speaker a moment ago, the gentleman from California [Mr. COX], has gotten up and said, we have got to get rid of RICO. It is a loophole in the law. You probably believe that it is loophole in the law. Somebody our staff told you that. Maybe a lobbyist told you that.

But I read to the gentleman from California [Mr. COX] just a moment ago and I will read for the benefit of this gentleman as well, 18 United States Code which says, ''Any offense involving fraud in the sale of securities is one of the predicate acts of racketeering.'' It has been there in there from the very beginning. It is not a loophole. It has always been in there. Surely the gentleman would not wish to mislead the House. I am not sure he did not intend to. We have all made mistakes.

The fact is, when you do not have any hearings on a proposal, when it has not been seen by anybody until the night before the bill comes up, there are going to be mistakes made. And that is one of them.

We heard the gentleman from California [Mr. COX] and others stand up and praise the SEC and say the SEC wants this. We do not know if the SEC wants it or not. There was language that was sort of a side bar language in their testimony with regard to the underlying bill that made some statements with regard to the need to reform RICO. I agree that there is a need to reform RICO. But the fact is, the SEC did not testify on RICO. Why? There have not been any hearings on RICO before the House of Representatives or any of its committees this year. So we do not know what their clear view is of RICO.

Also they invoked the SEC. They say we should look at these casual remarks that they have made and apply them to our own judgment of RICO. What about the SEC's opinion of the loser-pays bill that you brought up here? They think it is a bad idea. What about their opinion of your standard of recklessness? They think it is a bad idea. What about the SEC's opinion of your definition of fraud on the market? They think it is a bad idea. And what about the SEC's opinion of the pleading requirements which you have put in the bill? They think those are a bad idea as well.

□ 1815

I note that the gentleman repeatedly gets up and says, ''It is a shame that plaintiff just does not recover enough in these cases.'' This is a RICO statute that provides treble damages. That is the one you want to repeal with this amendment. You might not have even realized that, inasmuch as there were no hearings, and very few people in this debate today are going to know very much about what the RICO statute even says.

Finally, I think it is perhaps maybe a symbol of this whole debate, but after the gentleman from Michigan, Mr. DINGELL, made a stirring speech condemning this whole effort, the gentleman from California, Mr. COX, gets up and referred to Mr. DINGELL's clipping, and reads to him from the last line of the

clipping, making it appear that somehow the Wall Street Journal has said the opposite of what Mr. DINGELL says.

Then Mr. DINGELL gets up and realizes who Mr. COX is quoting; he is quoting himself. Why? Because he did not have any hearings, and he does not have anybody else to quote. This amendment is not based upon any hearings, it is not based upon any jurisprudential, it is not based upon any data, any economic study, it is based upon an idea those guys had late last night.

I urge Members to vote this amendment down and restore some dignity to the proceedings of this House.

Mr. BILBRAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I happen to have heard my colleague, the gentleman from Michigan, mention in not too glowing terms the concept of rascals and rogues who had capitalized off of certain situations in our society. My question is as to who are the rascals and who are the rogues.

Frankly, when we have 40 percent of the cases under the RICO being identified as being not as the original intention to the depth of what the original intention was supposed to come out, Mr. Chairman, there are rascals and rogues who would manipulate the law for their own personal gains. This amendment would try to rectify that problem.

I do not think anybody who voted for the original intention expected it to be a free ride for those in the legal profession, to be able to dig deep into other people's pockets, or to be able to have procedures that they could not use in any other civil cases.

However, to take advantage of a law that was meant to stop racketeering, to take advantage of legislation that was meant to protect the people of this country from organized crime, truly is immoral. Frankly, I think that this abuse that has been recognized by the Supreme Court is probably a good example of why the bar associations of this country probably are not doing their job, and because of that, we need to do our job here to straighten out abuses that have become obvious, obvious to the point to where we have to correct the well-intentioned RICO regulations.

Mr. Chairman, I think that we do have rascals and rogues out there, a segment of our society that refuses to live by the rulings and the good intentions that the rest of us take for granted. There are those that take a look at legislation and say what a great opportunity not to have to play by the rules.

I think this amendment, Mr. Chairman, will help to straighten it out and say we will live by the rules, and I think that the amendment will say that the rules will be set the same for these cases.

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

Mr. BILBRAY. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, about the gentleman's concern, does he know that alleged Mafia links in securities cases would not be prosecutable under RICO? Is that part of his intention in repealing RICO, as applies to securities?

Mr. BILBRAY. Of course not, Mr. Chairman. There are 40 percent of the cases being used under this. Is the gentleman saying that 40 percent of the cases under RICO are all racketeering?

Mr. CONYERS. No, I have no idea.

Mr. BILBRAY. Here is the point: RICO is meant to go after racketeering. It is being misused by attorneys, because it means they do not have to play by the other rules.

Mr. CONYERS. If I could remind the gentleman, we have already read the statute on the floor. It includes as a predicate offense securities violations. It is in plain English, and it was there from the first day that RICO was enacted into law, having passed this Congress.

However, my point is, would the gentleman preclude Mafia activities with securities from being a prosecutable offense under RICO? Because when we take RICO away, we are taking away the opportunity to prosecute Mafia involvement with securities.

Mr. FIELDS of Texas. Mr. Chairman, will the gentleman yield?

Mr. BILBRAY. I yield to the gentleman from Texas.

Mr. FIELDS of Texas. Mr. Chairman, I apologize to the gentleman on the other side of the aisle that I do not have the statute book with me, but as the gentleman knows, the civil part of RICO is just one or two sentences, and that is that one or two sentences that has made a number of civil actions to be brought under RICO. That is not what our intent is.

Mr. BILBRAY. It does not constitute 40 percent of the legislation.

Mr. FIELDS of Texas. If someone is breaking the law, as the gentleman alleges, as a Mafia mobster, that person would still be penalized under the criminal sections of RICO.

Mr. BILBRAY. Mr. Chairman, what we are talking about, those one or two sentences, are being manipulated for 40 percent of the actions. I do not think the legislation, and the gentleman was here, probably, I was not, I cannot believe the gentleman meant for 40 percent of this law to be used in this manner. I cannot believe that was his intention.

Mr. CONYERS. If the gentleman will yield, we did not mean any percentages, Mr. Chairman. Nobody had any percentages in mind. The fact of the matter is if the law can apply in a case being prosecuted civilly, it ought to apply.

Treble damages under RICO is an incredibly important tool, without which we are going to be at a loss for a lot of violations, including Mafia violations that are being reported in the Wall Street Journal.

Mr. BILBRAY. I think that what the gentleman is saying, see, the gentleman is trying to use that. This law was meant to go after the Mafia. The fact is it is being abused.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. This is Congress operating at its worst. The amendment that we have here on the floor was never considered before our committee. There were no hearings that were called on this issue. In fact, the statute that we are amending right now is a separate statute altogether, the RICO statute. It has nothing to do with the jurisdiction of this committee.

In fact, Mr. Chairman, this subject was never referred to our committee for consideration. Moreover, the Committee on the Judiciary, which does have jurisdiction over this issue, did not consider it, and had no witnesses on this subject as part of the process of bringing this bill out onto the floor.

Mr. Chairman, we can all have a debate about whether or not racketeering should be considered to cover this, that, or another category, or potential defendants in suits, but let us not kid ourselves. When our subcommittee held hearings on penny stock fraud in 1989 and 1990, we had to have our witnesses testify with bags over their heads because of the fear of retaliation by organized crime in the penny stock market of this country.

Mr. Chairman, for any of the Members who think that as we talk about racketeering, that somehow or other it is exclusive of the securities marketplace, believe me, the penny stock market was rife with organized crime, so much so that there were life-threatening circumstances that many of our witnesses felt they were going to encounter.

Mr. Chairman, that is even apart from the central question, though, that we have to answer tonight: Is it proper for this Congress to take up an issue of such a magnitude with no hearings, in fact, with markups before our committee, that is, a process by which we could make amendments to the legislation, that resulted in both subcommittee and full committee markups being truncated down to a point where there was no more than 2 or 3 hours on each occasion, even to consider amendments to the subject which was before us, much less this, which was not before us?

To then come out here with a historic amendment to a separate piece of legislation with the Committee on Rules having a special hearing last night to put in order a nongermane amendment to a piece of legislation that has nothing to do with the business, and then asking our Members to rush out here at 6:30 and cast a vote on that, it is unfair. It is wrong. Congress

should not operate this way. It is completely unnecessary.

The Committee on the Judiciary, chaired by the gentleman from Illinois, is fully capable of having a hearing on RICO that considers all aspects of it, that has witnesses coming in from the Justice Department, from the States, from the private bar, and from all others to give testimony.

Congress tonight is being asked to cast a historic vote on a subject with no information before us except the opinions of a few Members who have been able to get a nongermane amendment put in order. It is Congress at its worst.

I recommend to all Members to vote ''no'' on such an important subject, and send that signal that this subject should be sent back to the Committee on the Judiciary so that they have hearings on the issue, and send us out a bill that deals with that relevant subject in a way that dignifies this most important of all legislative bodies in the country.

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

Mr. MARKEY. I am glad to yield to the gentleman from Michigan.

Mr. DINGELL. I would like to address, if the gentleman would permit, the substance of the amendment, Mr. Chairman. The amendment says ''Except no person may bring an action under this provision if the racketeering activity as defined in section 1961,'' and so forth, ''involves conduct actionable as fraud in the purchase or sale of securities'' before the period.

What this means is if fraud involving securities is involved in the question that is involved in the lawsuit——

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 4 additional minutes.

Mr. COX of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DINGELL. What this says, Mr. Chairman, because the language of the amendment reads as it does, is that if you are charged in a civil suit with violation of wire laws, of narcotics, or any of the other things which are prohibited under RICO, you had better make darned sure that you have been involved in some way with securities, because then you get a wash.

This amendment guts RICO. It guts civil suits under RICO. It should be rejected.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

(At the request of Mr. FIELDS of Texas and by unanimous consent, Mr. MARKEY was allowed to proceed for 3 additional minutes.)

Mr. MARKEY. Mr. Chairman, I yield to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, just so that we understand, because of the redundant way in which the amendment is drawn, it says that if the suit by a citizen involves securities, you cannot sue under RICO, so you would not be able to sue under RICO for any of the other things which are prohibited under RICO: for example, murder; for example, violation of narcotics laws; for example, participating in a criminal enterprise of any kind, or for any kind of interstate fraud, gambling, narcotics, or whatever it might happen to be.

Mr. Chairman, if we are going to deal with the question of RICO reform, then good sense says that we should deal with it well. We ought not offer, simply because the individual can rush into court and say ''But you cannot sue me under RICO for gambling or narcotics because I was involved in securities, and the language of the Cox amendment says that I can't be sued if securities were involved.''

I do not blame the gentleman from California for objecting, because I would not want anybody to say these things about me on the floor, but the hard fact is the legislation is poorly drawn, it is hurried to the floor without proper hearings, without any intelligent consideration, and it has results far different, far broader, far worse from the standpoint of RICO, law enforcement, and getting at criminals generally. That is what is involved here.

The amendment ought to be rejected, if for no other reason than it is sloppy work. It is an embarrassment to the House. It may not embarrass the author of the amendment, but it assuredly embarrasses me, because I believe that this body should legislate well and efficiently. It should legislate wisely, so we do not surprise ourselves with the stupid consequences of irresponsible, unwise, and careless work. I urge that the amendment be rejected.

□ 1830

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words, and I yield to my colleague the gentleman from California [Mr. COX].

Mr. COX of California. I thank the gentleman for yielding.

I am disappointed with the intemperate remarks of the gentleman from Michigan who certainly knows that we have had ample testimony on the subject of RICO in many, many committees in this Congress over years and years and years which I recounted when the gentleman apparently was not on the floor commencing in 1985, dating all the way up to this year when just a few weeks ago, the current Commissioner of the Securities and Exchange Commission came before our Committee on Commerce and supported this amendment. He also has sent a letter to the current chairman of the Committee on Commerce supporting this amendment.

I mentioned that Abner Mikva has testified before Congress in support of this amendment, in support of RICO reform. I mentioned that the Supreme Court of the United States when it examined this issue 10 years ago found that it is up to Congress to fix this problem and both the majority and the minority in that Supreme Court decision said that RICO is being stretched beyond what Congress originally intended in the securities area.

I even quoted from Justice Thurgood Marshall. Thurgood Marshall was in the dissent, in the minority in that case, and it was Thurgood Marshall and Justice Powell who would have voted to limit RICO in the Supreme Court, but we are doing it here in Congress because majority said it is really Congress' mistake, Congress should fix it. The SEC's general counsel has testified in favor of this and we quoted from his testimony. I have submitted for the RECORD comments from judges across America who have said that this is an abuse. Almost all of the examples that we just recently heard were examples where criminal RICO, which is the whole bulk of the statute, civil RICO is only a few sentences, where criminal RICO should be used.

It is certainly important that criminals be prosecuted and that is exactly what will happen before and after this amendment. But what we do not want to see is for our carefully crafted Federal securities laws to be shunted aside and instead for people to be able to use a statute never intended to apply in these civil cases in this way so that they can get treble damages, something not provided for in our securities laws, so that they can get discovery going all the way back 10 years to show a pattern which is part of RICO, not part of the securities laws, and in short so they can gin up settlements where a settlement is not in order.

This is exactly the kind of securities litigation fraud that we are here to punish and we certainly should not do anything that would permit it to continue.

I urge my colleagues very strongly to support his amendment. If there are no further comments, I would ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COX].

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

RECORDED VOTE

Mr. FIELDS of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 292, noes 124, answered ''present'' 1, not voting 17, as follows:

[Roll No. 209]

AYES—292

Ackerman	Ballenger	Bilirakis
Allard	Barcia	Bishop
Andrews	Barr	Bliley
Archer	Barrett (NE)	Blute
Armey	Bartlett	Boehlert
Bachus	Barton	Bonilla
Baesler	Bass	Bono
Baker (CA)	Bateman	Boucher
Baker (LA)	Bereuter	Brewster
Baldacci	Bilbray	Browder

Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lucas
Maloney
Manzullo
Martini
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Nussle
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vento
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—124

Abercrombie
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Clay
Clayton
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cramer
DeFazio
Dellums
Dicks
Dingell
Dixon
Doggett
Engel
Fattah
Fields (LA)
Filner
Foglietta
Ford
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hilliard
Hinchey
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Luther
Manton
Markey
Martinez
Matsui
McCarthy
McDermott
McHale
McNulty
Meehan
Menendez
Mfume
Miller (CA)
Mineta
Mink
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pomeroy
Rahall
Reed
Reynolds
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Schroeder
Scott
Serrano
Skaggs
Slaughter
Stark
Stokes
Studds
Stupak
Taylor (MS)
Thompson
Torres
Towns
Tucker
Velazquez
Visclosky
Volkmer
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn

ANSWERED ''PRESENT''—1

Lowey

NOT VOTING—17

Boehner
Condit
Flake
Gibbons
Greenwood
Hansen
Jefferson
Largent
McDade
McKinney
Meek
Murtha
Norwood
Rangel
Rose
Roth
Yates

□ 1851

The Clerk announced the following pairs:

On this vote:

Mr. Largent for, with Mr. Flake against.

Mr. Roth for, with Mr. Jefferson against.

Messrs. JOHNSON of South Dakota, GENE GREEN of Texas, and LEVIN changed their vote from ''aye'' to ''no.''

Ms. LOFGREN and Messrs. PETERSON of Florida, THORNTON, and MOAKLEY changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. LARGENT. Mr. Speaker, had I been present for the following votes on Tuesday, March 7, 1995, I would have voted as follows:

On House Resolution 105, agreeing to the resolution—''yea.''

On the Cox amendment to H.R. 1058, to prohibit claimants from bringing securities lawsuits under Racketeer Influenced and Corrupt Organizations [RICO] Act—''yea.''

AMENDMENT OFFERED BY MR. FIELDS OF TEXAS

Mr. FIELDS of Texas. Mr. Chairman, I offer a technical amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS of Texas: Page 9, line 5, strike ''verifies'' and insert ''certifies''.

Page 11, line 21, and page 13, line 20, strike ''any settlement'' and insert ''any proposed or final settlement''.

Page 12, line 9, insert ''per share'' after ''potential damages''.

Page 14, beginning on line 18, strike ''The order shall bar'' and all that follows through line 23, and insert the following:

The order shall bar all future claims for contribution arising out of the action—

''(A) by any person against the settling defendant; and

''(B) by the settling defendant against any person older than a person whose liability has been extinguished by the settling defendant's settlement.

Page 16, line 20, insert ''section 10(b) of'' after ''under''.

Page 17, line 6, insert ''to state'' after ''or omits''.

Page 17, line 25, strike ''or sellers'' and insert '', sellers, or security holders''.

Page 18, line 2, strike ''consciously''.

Page 19, line 25, insert ''knowledge and'' after ''paragraph (1),''.

Mr. FIELDS of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. FIELDS of Texas. Mr. Chairman, this amendment contains only technical and conforming changes that have been agreed to by the majority and minority.

The amendments clarify that disclosure is required for both proposed and final settlements, and that such disclosures includes a statement of potential damages per share. They also prevent settlement discharge bar orders from prohibiting a defendant from using an indemnification agreement or suing a subordinate. The amendments clarify that the new section 10A applies only to actions under old section 10(b) and make certain other technical and conforming changes.

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

Mr. FIELDS of Texas. I yield to my friend, the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding.

Indeed this amendment does include several technical changes which have been agreed upon between the majority and the minority, and we would recommend them to the full committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. FIELDS].

The amendment was agreed to.

Mr. BLILEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am about to make a motion that the committee do rise, but before doing so I would like to announce that when the Committee returns to this measure tomorrow, the first order of business will be the amendment of the gentlewoman from California [Ms. ESHOO].

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mrs. VUCANOVICH) having assumed the chair, Mr. COMBEST, 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. 1058) to reform Federal

securities litigation, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 956, COMMON SENSE LEGAL STANDARDS REFORM ACT OF 1995

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–69) on the resolution (H. Res. 108) providing for consideration of the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes, which was referred to the House Calendar and ordered to be printed.

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

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule. The Committee on Banking and Financial Services; the Committee on Economic and Educational Opportunities; the Committee on Government Reform and Oversight; the Committee on House Oversight; the Committee on International Relations; the Committee on National Security; and the Committee on Transportation and Infrastructure.

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. DOGGETT. Mr. Speaker, reserving the right to object, we have consulted with the ranking minority member of each of those committees and have no objection to their meeting while the House is in session.

Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1900

SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. VUCANOVICH). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WE NEED A NEW ECONOMIC NATIONALISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 5 minutes.

Mr. GEPHARDT. Madam Speaker, I rise today to call my colleagues' attention to an important finding in last week's issue of Business Week.

I am speaking of an economic reality which may be new to the business press in the United States—but has been plaguing millions of hard-working middle-class families for more than 16 years.

The simple fact is corporate profits are surging, but the working people who stand behind those profits are seeing their incomes fall.

That is why Business Week concluded in an editorial, and I quote,

> The middle class has shouldered much of the pain * * * that has made Corporate America so productive and competitive in global markets. Now is the time for the middle class to share in the fruits of higher productivity.

When you look at the facts, it is clear that we are in the midst of a powerful business boom. Business Week reports that, despite the Federal Reserve's efforts to halt our economy, corporate profits among 900 leading companies grew by an astonishing 71 percent in the fourth quarter of 1994.

Profits grew by a whopping 41 percent for all of 1994, the biggest increase since Business Week began keeping these statistics back in 1973.

But while business has never been better, for middle-income families, the economic crunch continues.

Business Week reports that American household wealth has actually fallen by about half of 1 percent—only the eighth time it has dropped in 30 years.

This is something to which attention must be paid, especially by those who talk about family values.

Look at what is happening to the families that have given up every minute of family time while parents work two, three, even four jobs. How can you build a strong family when you are working day and night just to pay the bills?

When I was growing up in the 1950's, America brought a higher standard of living to a growing number of our people.

As profits flourished, the people behind those profits saw their real wages rise.

But today, working people cannot even expect to share in the fruits of their own labor.

The statistics are as plain as day. From 1947 to 1973, American workers gave their companies an almost 90 percent increase in productivity, and in return, their real wages increased by nearly 99 percent. They got as much as they gave.

But from 1973 to 1982, workers got only half as much of an increase in real wages as they gave in new productivity. And from 1982 through last year, they got only a third as much as they gave in real productivity.

For Democrats, the single, simple, fundamental task of our party—in this Congress, in this decade, in this generation—is to fight for the standard of living of working families and the middle class. We must heed the words of Business Week, and help the middle class to share in the profits and fruits of higher productivity.

That means that we must question a boom in which Wall Street is strong, but Main Street is still weak.

It means we must challenge an economy in which the Dow Jones keeps rising through the roof, but family fortunes keep falling through the floor.

And it means that the American people have to decide which political party is willing to stand up and fight for them—and which political party is standing in their way.

Democrats believe in a substantial minimum wage increase—because you cannot support a strong economy, let alone your own family, on $8,500 a year. People ought to be paid more if they are working than if they are on welfare, and too often, we know that is not the case today.

Republicans not only oppose a minimum wage increase, House Republican Leader DICK ARMEY wants to abolish the minimum wage altogether. I ask Mr. ARMEY or those who agree with him, could you raise a family on $8,500 a year?

Democrats believe that a capital gains tax cut is not the first priority, that we need a middle-class tax cut, to build up the community of consumers who buy America's products.

Republicans not only oppose a middle-class tax cut, they want to give that tax break to the wealthiest investors, forcing deep cuts in the programs working Americans need most; school lunches for children, food stamps, Social Security, Medicare.

Democrats believes that globalization of our economy should not mean the pauperization of our middle class. It should not mean throwing our workers into roller-coaster competition with third-world workers who earn as little as a dollar a day.

And it does not have to mean that, if we change the way we do business, both home and abroad.

We need a new economic internationalism, to bring the third world into the global economy, without submerging developed nations into the third world, to lift them up, without dragging ourselves down.

We need a new economic nationalism. Not an effort to isolate ourselves, but a commitment by business, labor, and government to hard-working, middle class families here at home.

We need a commitment to the notion of ''Pay for Performance''—ensuring that productivity, quality, and creativity profit the people who are actually providing it. A powerful study by Laura Tyson and David Levine shows that if you reward workers' good results, you get even more progress. In the coming months, I will offer legislation to encourage companies to embrace such financial fairness.

Republicans, on the other hand, actually like the rampant globalization of

our economy. They do not see lower wages, lower environmental standards, and lower labor standards as a problem; they see them as the solution. We have seen the results in these past 16 years: people suffer, even as profits soar.

Business Week's findings are powerful proof of the challenge we face: raising the standard of living for working families and the middle class.

And I think it is clear that this goal could not be farther from the Republican agenda. Just read the Contract. There is not so much as a nod or wink about real jobs or opportunities.

So it is up to the Members of my party—the Democratic Party—to devise real solutions to this very real national crisis.

IMPORTANCE OF INCREASING CAPITAL FORMATION

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. Madam Speaker, during my 5 minutes I would like to comment on two different areas. One is to report on the testimony before the Committee on the Budget today. Witnesses appearing before the Committee on the Budget stressed the importance of increasing capital formation in this country if we expect to increase our standard of living.

I, and we all, should be particularly concerned, because as we compare what is happening in the United States with other nations around the world, we see that the United States ranks either last or very close to the bottom in terms of the amount of savings. For every take-home dollar, our savings are very low. You compare our 5 percent savings with countries like Japan at almost 19 percent, South Korea at approximately 32 percent, we see that we have encouraged spending and consumption rather than savings that are so important to having capital available for investment.

In comparing the United States with the rest of the world, we also see that the investment in those new tools and machinery per worker is lagging in this country compared to the rest of the world, and not surprisingly, the rate of increase in our productivity is also at nearly the bottom of the list.

I bring this to my colleagues because I think we are tremendously challenged today with a problem of other countries, now that we are past the cold war, doing everything that they can do to attract capital investment. If we want to increase our standard of living in this country, we cannot just look at pretend things like increasing the minimum wage. What we have got to do is look at true improvements in our economy and the true availability of more and better jobs by encouraging businesses to buy that machinery and that equipment and those facilities that are going to increase the efficiency of those workers, increase the productivity, and ultimately increase their wages and standard of living.

THE ATTORNEY ACCOUNTABILITY ACT

I would like to briefly comment on a second area, and that relates to the passage this afternoon of H.R. 988. I was disappointed that we ended up with only attorneys being able to offer amendments in the limited time period simply because of the rules and precedents that allow the recognition of members of the committee; in this case, essentially all the committee members of the Committee on the Judiciary are attorneys.

The title of the bill that we passed this afternoon was the ''Attorney Accountability Act.'' In fact, this bill as currently written does little to make attorneys accountable. The only part of the bill that does anything to make lawyers accountable for their actions is the change in rule 11, and that change requiring a mandatory penalty for violation of the rule applies only in a small number of cases in which an attorney is actually sanctioned by a judge under rule 11 and, of course, as we heard in much of the testimony, there are very few sanctions, and even when there is a sanction, that attorney-judge has the latitude of not imposing any sanction on the attorney, but simply a sanction, a financial sanction on the client.

Madam Speaker, in conclusion, my amendment would have made an attorney liable for half of any attorney's fee award a client cannot pay. This sanction is not unduly harsh. There can be no award of fees unless: First, a settlement is offered; second, the offer is rejected; and third, the jury returns a verdict less than the offer.

In the few cases in which these conditions are met, the award is limited. First, it is capped at the amount of the offeree's expenses; second, it is limited to the actual costs incurred from the time of the offer through the end of the trial; and third, the judge has discretion to moderate or waive the penalty when it would be manifestly unjust.

These modest steps, it seems to me, should have been necessary if we truly intend to make attorneys accountable.

My amendment would have told lawyers, ''This is a court, not a lottery office. You are an officer of this court, and as an officer of this court, you have a responsibility to the court and the other litigants not to waste their time and money, and if you ignore these responsibilities, you can be held liable.''

Madam Speaker, I appreciate the opportunity to express these thoughts.

A TRIBUTE TO L.J. ''LUD'' ANDOLSEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. OBERSTAR] is recognized for 5 minutes.

Mr. OBERSTAR. Madam Speaker, earlier today it was my sad, but high personal privilege to offer a tribute to my dear friend, a great Minnesotan, and great American, the Honorable L.J. ''Lud'' Andolsek, during the Mass of Christian Burial at St. Jane de Chantal Church, Bethesda, MD. Lud served this House of Representatives for over 14 years as administrative assistant to my predecessor, the Honorable John A. Blatnik, and as chief clerk of the House Public Works Committee. It is only fitting and proper, therefore, that his contributions should be acknowledged and appreciated on the floor of this Chamber, which he loved and respected so greatly. Lud passed away last Friday, March 3.

L.J. ''LUD'' ANDOLSEK—A TRIBUTE

Regina, Kathy, Brendan, Nicholas, Kendall, Don and friends, all. We are gathered in the stark reality that death is not something that happens only in some other family, in some other place. It comes to our families, even to those whom we think indestructible . . . like Lud Andolsek.

It is natural—even necessary—to grieve that never in this life will we again see that beloved face, hear that special voice, feel that unique touch. But, we must also remember that Christ, too, wept at the tomb of Lazarus.

At the moment of death, what matters is not how long the years, but how great they were, how rich the moments, how generous the contribution to the lives of others.

Lud's were great years, as grand, as vital, as vibrant, as expansive as life itself—years lived fully, intensively, joyfully, without looking back over the shoulder, without regrets. Some second thoughts, to be sure, but regrets, never.

Meeting Lud was an unshakable, unforgettable experience. He took hold of you like a force . . . and he also took your measure.

He enjoyed putting on a gruff exterior, hanging signs behind his desk like: ''If you think work is fun, stick around and have a helluva good time''; or: ''I don't get ulcers, I give them,'' complete with ferocious art work.

Those who knew him best, though, knew there was a big marshmallow inside. I remember going home to Chisholm, visiting Grandma Oberstar, My grandmother, who, like Lud's parents, had emmigrated from Slovenia, talking about Lud, remembering him as a boyhood friend of my father and saying, ''He always had such rosy cheeks.'' I thought about telling Grandma of the thick cigar, the clouds of smoke and, at times, the ashen complexion from incredibly long hours of work and decided that I shouldn't undermine her beautiful, almost cherubic image of ''the Commish.''

Lud's life was the stuff that makes up the ''American Dream.'' Born to a family like so many others in Minnesota's Iron Range country—poor, but who didn't consider themselves poor—certainly no poverty of spirit, and rising to high public office.

He worked the hard youth of an iron ore miner's family. He was a journalist; goalie and player-coach of his college hockey team—a rarity in those days; National Youth Administration Director for Minnesota; distinguished military service; a brief career with the Veterans Administration; a long stint, through economically tough years with the late Congressman John A. Blatnik and the House Public Works Committee; and then, after decades of serving others, recognition in his own right, for his gifts and

talents: Appointment by President John F. Kennedy to the U.S. Civil Service Commission as Vice Chairman—and reappointments and service under five presidents: Kennedy, Johnson, Nixon, Ford and Carter. Then, retirement.

Not content with—and too restless for retirement, Lud went out and organized the retirees, as President of the National Association of Retired Federal Employees, adding 100,000 to their numbers and forging NARFE into a political force to be reckoned with. Then, retirement again—but always restless, probing, inquisitive, determined, setting his iron will to overcoming obstacles.

He was proud of his Slovenian heritage—loved the music, the food, the language, the people.

He loved, revered and reveled in public service—for him, the highest attainment of the human community.

In the end—as in the beginning—with Lud, what mattered most was loyalty: to friends, especially his lifelong friend, John Blatnik; to principle: to veterans preference, to the idea that government should serve the least among us, that it should do good for people.

For Lud, the highest, most enduring loyalty was to family, to Regina, whom he loved steadfastly and with devotion; to his daughter, Kathy; her husband, Don; to his grandchildren Brendan, Nicholas and Kendall; his sister, Frances, and her family. He loved . . . fiercely, protectively, and—at the last—tenderly.

Lud touched our lives indelibly. Caught up with him in life, we are bound to him in death. He has met his test and left us a rich legacy. Our test is to live our lives so that what he meant to us can never pass away.

□ 1915

REMEMBERING WORLD WAR II

The SPEAKER pro tempore (Mrs. VUCANOVICH). Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN. Madam Speaker, I wish I had an hour because my subject certainly is worthy of it.

Madam Speaker, 50 years ago today the House of Representatives came to a screeching halt, and so did the United States Senate. They stood in the aisles here and cheered because the United States had crossed the Rhine on the Ludendorf railroad bridge at Remagen. And in just these few minutes—I will expand my remarks later—but in just these few minutes I think again of Ronald Reagan's goodbye to his country 9 days before George Bush was sworn in as President.

In the close of President Reagan's goodbye after 8 wonderful years, he said, ''We must teach our young people about the history of our country, what those 30 seconds over Tokyo meant.'' He mentioned D-day. He mentioned Vietnamese boat people, Vietnamese rescue at sea, with a refugee yelling up to an American sailor, ''Hello, freedom man.'' He mentioned all the sacrifices that had gone before us. He told the children of America, ''If your parents are not teaching you at the kitchen table the history of your country, hit them on it.'' I think that would be a very American thing to do.

Listen to this moment in history that President Eisenhower said was absolutely stunning.

Time magazine said it was a moment for all history.

After the war, General Eisenhower was quoted:

> Broad success in war is usually foreseen by days or weeks, with the result that when it actually arrives, higher commanders and staffs have discounted it and are immersed in plans for the future. This, however, was completely unforeseen.
>
> We were across the Rhine, 600 people, by midnight. We were across the Rhine on a permanent bridge, the traditional defensive barrier to the heart of Germany, the Rhine was pierced.
>
> Finally, defeat of the enemy, which we had long calculated would be accomplished in late spring, the summer campaign of '45 was now on our minds just around the corner.

General Eisenhower's chief of staff, his alter ego, General Walter Bedell Smith, termed the Remagan Bridge worth its weight in gold. And a few days later it collapsed, killing 14 brave engineers.

Let me give the names of our great heroes. The first ones across should certainly have gotten the Medal of Honor. When the young Brigadier General Hoge said, ''Get across that bridge,'' a young sergeant and a young lieutenant did not pause or say, ''But, sir, every sniper on the east side of that river is going to have my heart or my forehead in his gunsights.'' They just obeyed.

The first man across was a sergeant, the backbone of the military, Sergeant Alex Drabik of Holland, a suburb of Toledo, Ohio. He was a squad leader in the 3d platoon.

Madam Speaker, I yield to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I say to the gentleman that Drabik was a very distinguished resident of my district for many years until his death about a year ago. We were very proud of his service. He was the first U.S. soldier across the Rhine.

Mr. DORNAN. I wish he was here. If I were running this place, I would have him address a joint session of Congress. That is what this man did to save tens of thousands of Germans who did not vote for Hitler who were being wiped out. All the people in the concentration camps that lived because the war ended 3 months earlier and had stopped them from starving to death and all of the untold GI's and the Navy and Army Air Corps and Marines and everybody that died.

By the way, today we were only day 17 of 36 days on Iowa Jima. The Navy shelling stopped today. The Marines were still pressing on to lose almost 6,000 people and 800 others killed in action.

Here is Drabik. He was with the 27th Armored Infantry.

The second man across was an officer, 2d lieutenant, and get this German-American name, Karl Timmermann, of West Point, not New York with the academy, but Nebraska, company commander as a 2d lieutenant, company CO, 27th Infantry Battalion, first officer over the bridge.

Sergeant Joe DeLisio, of Bronx, NY, platoon leader of the 3d platoon, Company A. He cleaned out a machine gun nest that was set on the bridge.

First Lieutenant Hugh Mott, Nashville, TN, platoon leader in Company B. I do not have time to go through them all: Doorland, Reynolds, Soumas, Windsor, Goodson, Grimball; Michael Chinchar, of Saddle River Township, NJ; Joe Petrencsik, of Cleveland; Anthony Samele, of Bronx, NY. I will put the story of this day the bridge over Remagan and what the final German commander said who was trying to blow up the bridge when he came back to see it months later. Every one of those men were the bravest and should have gotten the Medal of Honor. They all did get the Distinguished Service Cross.

(The document referred to is as follows:)

A DICTIONARY OF BATTLES

(By David Eggenberger)

Rhineland (World War II), 1945. Before the last of the German attackers had been driven out of the Ardennes bulge, the Allies had resumed their offensive against the Siegfried Line. Progress was so slow, however, that the large-scale effort became necessary to effect a breakthrough to the Rhine Valley.

On February 8 the Canadian First Army (Henry Crerar) launched Operation Veritable, a major attack southeast from Nijmegen, Holland, between the Meuse and the Rhine. The latter was reached on February 14. A converging thrust by the U.S. Ninth Army (William Simpson), called Operation Grenade, crossed the Roer River on February 23. The two advances linked up at Geldern, Germany, on March 3. Two days later the Allies had pressed to the Rhine from opposite Düsseldorf northward, leaving only a small German bridgehead at Xanten-Wesel. The Canadians eliminated this pocket on March 10. Meanwhile, to the south, the left wing of the U.S. First Army (Courtney Hodges) attacked toward Cologne on February 23 to cover the Ninth Army's right flank. This offensive swept across the Rhine plain, while the U.S. Third Army of Gen. George Patton punched its way through the Siegfried Line north of the Mosselle River.

On the central front the rest of the First Army and the Third Army, both under the group command of Gen. Omar Bradley, launched a broad attack on March 5 toward the middle Rhine (Operation Lumberjack). By March 10 the Americans had closed to the river from Coblenz northward through Bonn and Cologne (which fell March 7), to link up with the Canadians at Wesel.

The rapid advance to the Rhine yielded a surprising and rich dividend. On March 7 the U.S. 9th Armored Division discovered the railroad bridge and Remagen still standing. (It was the only Rhine bridge not demolished by the Germans.) In a daring gamble, leading elements dashed across the Rhine and seized a bridgehead on the east bank. Gen. Dwight Eisenhower, supreme Allied commander in Europe, ordered the new breakthrough hurriedly reinforced. Despite German counterattacks and determined efforts to wreck the bridge, Hodges rushed three corps (three, five, seven) across the river by bridge, pontoon, and ferry. By March 21 the bridgehead had grown to 20 miles long and 8 miles deep. (The Remagen success caused the Allies to shift the main axis of their attack from Field Marshal Sir Bernard Montgomery's

northern group of armies to Bradley's central force.)

During the Remagen bridgehead build-up, the U.S. general Jacob Devers' Sixth Army Group launched its own advance to the Rhine (Operation Undertone). It took the form of a huge pincers movement against SS Gen. Paul Hausser's Seventh and First German armies. On March 15 the right wing of Patton's Third Army attacked south across the Moselle River into the Saar. Two days later Gen. Alexander Patch's U.S. Seventh Army began hammering through the Siegfried Line, headed northeast. By March 21 the joint U.S. offensive had crushed all German opposition west of the Rhine except for a shrinking foothold around Landau. Then on March 22 Patton's 5th Infantry Division wheeled from south to east and plunged across the Rhine at Oppenheim. Encouraged by light opposition in this area, the eight Corps bridged the river at Boppard, 40 miles to the north, on March 24. Germany's last natural defensive barrier had now been breached in three places on Bradley's front.

The Rhineland battle inflicted a major defeat on three Nazi army groups—Johannes Blaskowitz in the north, Walther Model in the center, Paul Hausser in the south. Some 60,000 Germans were killed or wounded and almost 250,000 captured. This heavy toll, plus the loss of much heavy equipment, ruined the Nazi chances of holding the Allied armies at the Rhine. Americans killed in action totaled 6,570; British and Canadian deaths were markedly fewer.

THE BRIDGE AT REMAGEN—THE AMAZING STORY OF MARCH 7, 1945—THE DAY THE RHINE RIVER WAS CROSSED

(By Ken Hechler)

THE SIGNIFICANCE OF REMAGEN BRIDGE

For almost three weeks after the capture of the Remagen Bridge, American troops fought bitterly in the woods and gullies of the Westerwald. They inched forward, expanding the bridgehead hour by hour, pushing laboriously to the east, to the north and to the south. Not until March 16, when American forces reached the Bonn-Limburg autobahn, seven miles east of the Rhine, did they have the maneuver space in which to fan out. For the infantry and tankmen who slugged it out in the bridgehead, for the military police and anti-aircraft men who were strafed at the Rhine crossings by attacking planes, and for the engineers who struggled in the face of air and artillery fire to build pontoon and treadway bridges over the river, capture of the Remagen Bridge seemed to stiffen rather than weaken enemy resistance. To many of these men, it did not seem that crossing the bridge had accomplished much.

The capture of the Ludendorff Bridge materially hastened the ending of the war. It was an electrifying development at the moment, but it was followed a few weeks later by General Patton's sneak crossing of the Rhine south of Remagen at Oppenheim, and then by Field Marshal Montgomery's grand assault across the river south of Arnhem after extensive preparations and blasts on the trumpet.

One of Karl Timmermann's fellow townsmen from West Point, Nebraska, rumbled across a Rhine pontoon bridge with gasoline and supplies, several weeks after Timmermann's exploit. He commented that the Rhine seemed little wider than the Elkhorn back home and certainly not as wide as the Missouri River. He confidently told his friends that to cross a bridge like that was small potatoes. For years afterward, he spoke up in West Point American Legion meetings, in all the local bars, and at the corner drugstore, disparaging what Timmermann had done at Remagen.

The Germans had a far different reaction. In his conference with Field Marshal Kesselring two days after the capture of the Ludendorff Bridge, Hitler told him bluntly that the really vulnerable spot on the western front was Remagen, and that it was urgent to ''restore'' the situation there. Hitler took a personal hand in hurrying all available troops to reduce the Remagen bridgehead. The 11th Panzer Division wheeled southward from the Ruhr. The Panzer Lear and 9th Panzer divisions followed, swallowing many gallons of precious, high-priority gasoline. Many other divisions and scraps of divisions joined in the frantic German fight to contain the bridgehead.

Field Marshall Model's Chief of Staff, Major General Carl Wagener, summed up the German view as follows: ''The Remagen affair caused a great stir in the German Supreme Command. Remagen should have been considered a basis for termination of the war. Remagen created a dangerous and unpleasant abscess within the last German defenses, and it provided an ideal springboard for the coming offensive east of the Rhine. The Remagen bridgehead made the other crossing of the Rhine a much easier task for the enemy. Furthermore, it tired German forces which should have been resting to withstand the next major assault.''

The Remagen bridgehead was vital in helping to form the southern and eastern pincers for the Allied troops that surrounded and trapped 300,000 German soldiers in the Ruhr.

As sorely needed German troops were thrown against the Remagen bridgehead, the resulting disorganization and weakening of defenses made it much easier for other American Rhine crossings to be made to the north and south of Remagen. Just as the loss of the bridge was a blow to German morale, so did it provide a strong boost to American and Allied morale. Not only did it make the end of the war seem close at hand, but it also emboldened the combat troops when they were confronted with chances to exploit opportunities. It underlined the fact that the German army's soft spots could be found through aggressive attacks, thereby spurring American forces to apply greater pressure.

After the war, General Eisenhower had this to say about the significance of the seizure of Remagen Bridge: ''Broad success in war is usually foreseen by days or weeks, with the result that when it actually arrives higher commanders and staffs have discounted it and are immersed in plans for the future. This was completely unforeseen. We were across the Rhine, on a permanent bridge; the traditional defensive barrier to the heart of Germany was pierced. The final defeat of the enemy, which we had long calculated would be accomplished in the spring and summer campaigning of 1945, was suddenly now, in our minds, just around the corner.'' General Eisenhower's Chief of Staff, Lieutenant General Walter Bedell Smith, termed the Remagen Bridge ''worth its weight in gold.''

President Franklin D. Roosevelt, with only six weeks to live, shared the elation of the field commanders over the significance of Remagen. The victorious Army Chief of Staff, General George C. Marshall, had this appraisal to make: ''The prompt seizure and exploitation of the crossing demonstrated American initiative and adaptability at its best, from the daring action of platoon leader to the Army commander who quickly directed all his moving columns. * * * The bridgehead provided a serious threat to the heart of Germany, a diversion of incalculable value. It became a springboard for the final offensive to come.''

War correspondents on the scene added their eyewitness accounts on the significance of seeing American troops on the east bank of the Rhine. The Associated Press cabled on March 8: ''The swift, sensational crossing was the biggest military triumph since the Normandy landings, and was a battle feat without parallel since Napoleon's conquering legions crossed the Rhine early in the last century.'' Hal Boyle wrote from the front that ''with the exception of the great tank battle at El Alamein, probably no tank engagement in World War II will be remembered longer than the dashing coup which first put the American army across the Rhine at Remagen.'' He added that the crossing of the Rhine by the men ''who knew there was strong likelihood the dynamite-laden bridge would blow up under them at any moment has saved the American nation 5,000 dead and 10,000 wounded.

''It was a moment for history,'' stated Tine magazine.

The nation expressed its gratitude to the heroes of Remagen in numerous ways. Both the United States Senate and the House of representatives interrupted their deliberation to cheer the news. In the House, a spirited debate took place as to which state could claim the first man to cross. Congress Brooks Hays of Arkansas declared philosophically: ''I am sure there will be glory enough for all.''

All around the country, local civic and patriotic organizations honored the men who had wrought the miracle of Remagen. The feeling toward the Remagen heroes was perhaps best expressed in an editorial in the March 10, 1945, New York Sun, which concluded with these words: ''Great shifts in history often do hang upon the developments of minutes. Americans know, and the enemy has learned, that given the least opportunity, American soldiers are quick to seize any break and exploit it to the fullest. The men who in the face of scattered fire and the great threat of the bridge blowing up under them, raced across and cut the wires have materially shortened a struggle in which every minute means lost lives. To all who utilized that ten minutes so advantageously goes the deepest gratitude this country can bestow.''

Captain Karl Friesenhahn, the little German engineer who was in charge of the engineer company at Remagen in 1945, returned to Remagen in 1954. I saw him gaze over the ruins of the bridge and he quietly asked what awards the American Army had give to Lieutenant Karl Timmermann, Sergeant Drabik, Lieutenant Mott and the other first Americans who crossed. When I told him that they had received Distinguished Service Crosses, Captain Friesenhahn replied with some feeling:

''They deserved them—and then some. They saw us trying to blow that bridge and by all odds it should have blown up while they were crossing it. In my mind they were the greatest heroes in the whole war.''

INDIVIDUAL AWARDS

DISTINGUISHED SERVICE CROSS

The Distinguished Service Cross is the highest award which is conferred only on members of the U.S. Army. It is second only to the Medal of Honor, which is also awarded to members of other branches of the service. The following officers and men of the 9th Armored Division were awarded Distinguished Service Crosses for their heroism at Remagen:

Sergeant Alex A. Drabik of Holland (Toledo), Ohio, squad leader of 3d platoon, Company A, 27th Armored Infantry Battalion. First man over the bridge.

Second Lieutenant Karl H. Timmermann of West Point, Nebraska, company commander of Company A, 27th Armored Infantry Battalion. First officer over the bridge.

Sergeant Joseph DeLisio of Bronx, New York, platoon leader of 3d platoon, Company

A, 27th Armored Infantry Battalion. Cleaned out machine gun nest on bridge.

First Lieutenant Hugh B. Mott of Nashville, Tennessee, platoon leader in Company B, 9th Armored Engineer Battalion. Led engineers who ripped out demolition wires and cleared the bridge of explosives.

Sergeant Eugene Dorland of Manhattan, Kansas, Company B, 9th Armored Engineer Battalion. One of engineers who helped clear the bridge of explosives.

Sergeant John A. Reynolds of Lincolnton, North Carolina, Company B, 9th Armored Engineer Battalion. One of engineers who helped clear the bridge of explosives.

Captain George P. Soumas of Perry, Iowa, company commander of Company A, 14th Tank Battalion, the first tank company to cross the bridge.

First Lieutenant C. Windsor Miller of Silver Spring, Md., platoon leader in Company A, 14th Tank Battalion, the first tank platoon to cross the bridge.

Sergeant William J. Goodson of Pendleton, Indiana, Company A, 14th Tank Battalion. Tank commander of the first tank which crossed Remagen Bridge.

1st Lieutenant John Grimball of Columbia, South Carolina, platoon leader in Company A, 14th Tank Battalion. Head of first tank platoon to reach the bridge.

Sergeant Michael Chinchar of Saddle River Township, New Jersey, platoon leader of 1st platoon, Company A, 27th Armored Infantry Battalion. One of first group of infantrymen across the bridge.

Sergeant Joseph S. Petrencsik of Cleveland, Ohio, assistant squad leader in 3d platoon, Company A, 27th Armored Infantry Battalion. One of first group of infantrymen across the bridge.

Sergeant Anthony Samele of Bronx, New York, squad leader in 1st platoon, Company A, 27th Armored Infantry Battalion. Third man across the bridge.

The following is a sample of the citation for the Distinguished Service Cross:

NOT WITH MY VOTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. OLVER] is recognized for 5 minutes.

Mr. OLVER. Madam Speaker, in just a couple of weeks we are going to start debate on one of the cornerstones of the Republican Contract on America. That cornerstone, the tax cut of $200 billion over 5 years.

Never mind that the deficit is already $200 billion per year, put aside that the tax cuts add to the deficit, never mind that these tax cuts make balancing the budget harder, and never mind that not a responsible economist agrees that cutting taxes is the right way to start on reducing the deficit and balancing the budget.

But putting those things aside, let us examine the proposal. First of all, on this chart we can see who gets the tax benefits from the tax reductions being proposed. If you would look at the first 2 columns down on the left-hand side, less than 20 percent of the tax reduction is given to some 71 million American families that are almost two-thirds of all the American families.

In the upper side there you find 50 percent of the tax reductions to less than 10 percent of the families, whose income is now over $100,000 per year.

Well, if that graph is a little difficult to grasp quickly, look at the second one. Under this graph, in the same categories of income what this shows is that the Republican tax cut will provide $5,000 to the average family, who presently make more than $200,000 per year. That would be $12 billion of tax cuts each year.

Down at the other end of the scale there are 49 million families that, together, get $57 on average per family per year. That is about $1 per week per family.

Now, the Republicans claim that they are not going to make the deficit larger. So, we will be debating the $17 billion rescission bill next week. Under NEWT GINGRICH'S Contract on America, spending cuts which hurt children and elders and make it harder for youth and teenagers to get the education and skills and training so that they can get jobs, those spending cuts will be used to give tax breaks to the wealthiest of Americans.

In NEWT GINGRICH's America, Republicans are going to cut infant mortality prevention, prenatal, children's foster care, safe and drug-free schools for children and education for disadvantaged children and domestic violence prevention and shelters for homeless families. But they will do it without my vote.

In NEWT GINGRICH's America, these Republicans will cut vocational and technological education and Americorps, the National community service corps, school drop-out prevention, and college scholarships, summer jobs for teenagers who are at risk of dropping out of school, and school-to-work job training. But, again, they will do that without my vote.

In NEWT GINGRICH's America, the Republican extremists will cut rental assistance to low-income families and public housing maintenance and safety and home heating assistance for 6 million families, every one of whom, every one of whom falls in that category of people with incomes under $30,000 a year. But, again, they will do it without my vote.

In NEWT GINGRICH's America, at least $12 billion in tax cuts are going to be transferred, $12 billion of wealth, will be transferred from people down in this area who now have under $30,000 of income per year, and it will be transferred into tax cuts for the wealthiest 2 percent of Americans, giving them $5,000 a year, on average, in tax cuts.

At least $12 billion in services, in the services that I have mentioned, will be cut from these 48 million families down there at the lower end of the scale, who have under $30,000 of income per year. That is over $250, on average, per family that is going to be cut.

Madam Speaker, if people who are watching have not already guessed it, and probably many of them have, every Member of Congress, every Senator, every Member of the House falls in the upper categories on this graph, and not one Member of Congress will lose a penny of the $12 billion taken away from those 48 million families whose income is below $30,000 per year.

□ 1930

The SPEAKER pro tempore (Mrs. VUCANOVICH). 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.]

FORT MCCLELLAN AND ANNISTON ARMY DEPOT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. BROWDER] is recognized for 5 minutes.

Mr. BROWDER. Madam Speaker, a few nights ago I spoke on this floor, and I said that the Secretary of Defense's recommendation to close Fort McClellan, AL, was a mistake with significant and dangerous consequences. To be specific tonight, Madam Speaker, I would like to talk about the mistake of this recommendation that breaks faith with hundreds of thousands of civilians in Alabama who live around a dangerous chemical stockpile which is slated to be destroyed by the United States as part of an agreement with Russia.

Let me tell my colleagues something about this stockpile. This chemical stockpile stored in this same community with Fort McClellan, has poisons such as sarin and VX. A small drop of sarin on a man's skin can be fatal. VX is several times more lethal than sarin, and a small drop of the liquid evenly distributed can kill many people. Among the weapons stored at the Anniston Army Depot, each M–23 land mine contains 10½ pounds of VX. Each 155 millimeter artillery projectile can hold either 6 pounds of VX or 6½ pounds of sarin. Each of the 78,000 M55 115-millimeter rockets; that is 78,000 of those, contains either 10 pounds of VX or 10.7 pounds of sarin. That is a pretty dangerous mixture.

That is why one newspaper had this headline, Madam Speaker, that said, ''Army, An Army Study Leaking Nerve Rockets, Could Explode on Their Own.'' That is why another newspaper headline said, ''Living with Chemical Weapons. Best Hope If There's an Accident: Run for Your Life.''

The Army knew this in 1990 when it filed a permit request with the Alabama Department of Environmental Management called Resource Conservation and Recovery Act hazardous waste permit application for the Department of the Army, Anniston Army Depot chemical stockpile disposal system. This is in 1990. This is all of the contingency plans they have if there is an accident in this place.

Fort McClellan chemical response plan says,

This plan establishes a required organization, responsibilities and procedures in the event of an accident or incident at Anniston Army Depot. The purpose of this plan is to establish procedures and actions to be employed by Fort McClellan reaction teams in support of a chemical accident or incident occurring on the Anniston Army Depot and which is or will become a potential hazard to the depot and surrounding community.

Madam Speaker, several hundred thousand people are in that surrounding community of Anniston Army Depot, and Fort McClellan's resources have been committed by that permit request in case we have a problem there.

I had a meeting last year, almost a year ago, with Deputy Secretary of Defense John Deutsch. I would like to read a letter he wrote to me in August. He said:

DEAR MR. BROWDER: In our meeting on June 16, 1994, you and I discussed Department of Defense policy and intentions on several matters related to the Chemical Demilitarization Project scheduled for Anniston Army Depot. You requested that I provide assurances on these matters, and I am pleased to respond to this request. As you know, the Department is eager to conduct its business in a manner that is open and meets community concerns to the maximum extent possible. The ''safeguard'' assurances you request serve this purpose and therefore deserve the positive responses provided below.

Please rest assured that we share your concern for safe and environmentally sound destruction of chemical weapons at Anniston. Specifically . . .

Madam Speaker, under the heading of Fort McClellan Support Resources:

By separate correspondence I'm asking the Secretary of the Army to work closely with Alabama Department of Environmental Management to respond to the State requirement and to be fully responsible to their concerns.

He closed:

I assure you that the Department of Defense will continue to insure that the destruction of our chemical weapons stockpile is accomplished in full cognizance of the ongoing need to protect our people and our environment.

Then the Undersecretary of Defense that same month issued its memorandum for the Secretary of the Army. Subject: Chemical Weapons Demilitarization Facility at Anniston Army Depot:

Efforts are ongoing to ensure the successful start of chemical weapons demilitarization operations at Anniston Army Depot. In order to gain the requisite support for these operations, we must ensure the application of certain safeguards which will satisfy local concerns and enhance the safety of the demilitarization process.

Madam Speaker, this lists all the requirements, the decontamination team, the medical assistance team, says we need to be fully responsive to the Alabama Department of Environmental Management, and we must commit appropriate military resources such as the following which have been identified at the current location to support the demilitarization effort.

Madam Speaker, for 40 years the Army has dumped these dangerous chemicals on Alabama. They pledged Fort McClellan as our rescue squad. Now they want to close down the rescue squad and strike a match to that pile of dangerous chemicals. I will not allow that to happen. I will do everything I can to stop that from happening unless this dangerous mistake is reversed.

BY SLOWING GROWTH IN SPENDING FROM 7.6 TO 3 PERCENT WE CAN BALANCE THE BUDGET BY 2002

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Madam Speaker, I would like to talk for just a few minutes about the rate of increase that we have seen in Federal spending and what some of us would like to do to stop that from happening.

Last summer House Republicans held a series of meetings and decided that someone had to step up to the plate and do something about this very serious fiscal problem. Without question, Madam Speaker, one of the most important issues we face today is our soaring national debt. I think both parties agree with that. Today it has reached epidemic proportions in that we have a national debt of almost $5 trillion, $4.8 trillion to be more exact.

Think about the magnitude of it. We are not talking about millions or billions that we throw around here daily. We are talking about trillions, almost $5 trillion.

I realize that it is difficult for most people to think in terms of trillions. it is for me. But look at it this way. Five trillion is a 5 with 12 zeroes behind it.

Or look at it in terms of what $5 trillion means if we divide it equally among the American citizens. In those terms $5 trillion means $18,000 for every man, woman and child in the United States, and, unless we deal with this problem now, by the turn of the century the United States will spend more on interest on the national debt than we spend on the defense of our country.

That is why Republicans, and I might say some Members of both parties, are offering a fresh approach.

If we simply slow the growth in spending from what it has averaged over the last 10 years, 7.6 percent; that is right, 7.6 percent every year increase over the last 10 years, if we slow it to about 3 percent, we can balance the budget by the year 2002. Programs that have been growing by leaps and bounds must be reined in.

Now if we are being honest with ourselves and with the American people, we and our critics must make it clear that the Republicans are simply limiting the rate of growth in a broad variety of programs.

I say to my colleagues, Yes, if you were told otherwise, you're not being told the truth. For example, Republicans want to reduce the rate of increase in the school lunch program. This year we're spending about $4.5 billion on this program, and we're proposing a spending level of $4.7 billion for fiscal year 1996. Now if that sounds to you like an increase, you have got it right.

My colleagues, only in Washington can an increase of $200 million be considered a cut, and that is what our opponents are claiming.

Let us look next at the Child Nutrition Program. We are currently spending at a level of $3.47 billion.

The American people need to know that Republicans want to slow the rate of growth in this program by proposing a 1996 spending level of $3.68 billion, another $200 million increase. It is an increase over present levels, but it is not the astronomical rate of increase that some of our colleagues on the other side of the aisle want.

What I am saying is that we are not decimating or gutting these programs. We are slowing the rate of growth for them from an average of 7.6 percent to about 3 percent.

Let us look at one more program. Let us go to veterans benefits as a final example where in 1995 we spent about $17.73 billion. The spending level for veterans benefits under our Republican program for 1996 is $17.78 billion, another increase this time of $50 million, but a reduction in the rate of growth. By doing this we are doing something different to bring spending under control. We are doing something different because we recognize that there are limits to taxes Americans should be expected to pay, and there are limits to the debt we should create.

We need to get real. We need to be straight with the American people, particularly with those who are the beneficiaries of the worthy programs that we are talking about.

Join with us in bringing about a realistic, long range spending plan that will provide the level of benefits needed but will not bankrupt our children and our grandchildren.

REPUBLICAN PARTY, A PARTY OF CONTRADICTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

Mr. WYNN. Madam Speaker, now that the first 50 days are past, I think we are beginning to see the true colors of the Republican Party. Once again they are playing Robin Hood in reverse, taking from the poor to give to the rich. When I thought about some of the things that have occurred over the last couple of weeks, it appeared to me that what we have is a party of contradictions. This is a group that said, What we are is pro-life. We believe in

the sanctity of life. And I am not trying to reopen that debate, but I did find it interesting that, when they started cutting, they went after the Healthy Start Program and cut $10 million from programs that provided prenatal care.

Madam Speaker, I wonder how, on the one hand, people can say they are pro-life, but take away funds that help expectant mothers take care of newborns. They took $25 million from the Women, Infants, and Children's Program, another program designed to help expectant mothers and toddlers obtain the kind of nutrition that they need to survive. It seems to me to be a strange contradiction.

Next they said, Well, you know, we're the party that believes in work. Well, that is what the Republicans say. But the first thing they did was go after programs that move children, young people, from school to work. They cut a total of $3 billion, including 600,000 positions in summer jobs.

□ 1945

Now we can talk all we want about how we can fight crime and we can talk all we want about people need to pull themselves up by the bootstraps and get out of the wagon and help everybody else pull, but when you take money out of the Summer Jobs Program, it seems to me you are party in contradiction. Then they said, Oh, yes, sir, we support the elderly. We asked them about protecting Social Security; they said, Oh, yes, we will do it. We won't touch Social Security. We said, If you won't touch Social Security, put it in the bill. They would not do it.

I think the contradiction is clear, but we go on and find that in the area of fuel assistance for the elderly the Republicans decided they would cut out the entire program. Two million elderly are engaged in the Fuel Assistance Program. That program is eliminated.

Then, you know, they are also the party that is big on patriotism and they always want to talk about a drop of American blood, but that is also the crowd that cut 50 million from medical equipment and facilities from the veterans program, even at a time when we are expecting an increase in the veterans population.

Now I just heard one of my distinguished colleagues say, Well, you don't understand. What we are doing is, we are not cutting these programs, we are slowing the growth. I am going to tell you in a minute what they are going to do with the funds that they claim that they are saving. But before I get to that, I want to talk about the School Lunch Program. Because once again they are robbing the poor to give to the rich.

Tomorrow morning I am going to have breakfast with young students at Bladensburg Elementary and next week I am going to have lunch with some more students at Green Valley Elementary School, and the reason I am going is to see what is going on. At Green Valley, for example, 61 percent of the students are in the free or reduced lunch program. And the teachers will tell you that this may be the only meal that these young people get.

So it seems to me that if the Republicans were really serious about giving people a chance in life, they would not be taking money out of the School Lunch Program.

Now, let's get back to economics. They say, Well, we are just slowing the growth of these programs; we are actually putting in more. What you find, ladies and gentlemen, is that when the Republicans are talking about defense spending, they alway talk about funds adjusted for inflation. But when they talk about social spending, they talk about raw numbers, which means that the numbers essentially stay the same while inflation eats away at the purchasing power. So consequently, those programs that they claim they are increasing are scheduled to fail and cannot in fact keep pace with the cost of providing these services, cannot keep pace with the cost of food and other products to make these programs viable.

Now, I suppose some would say, You don't understand, Congressman, we have to make these cuts to reduce the deficits. If it were going for the deficit, that would be one thing, but they are giving it to the rich. The cuts that I described are not going for the deficit. In fact, they are going to provide tax cuts for the wealthy. Thirty percent of the tax cuts that come out of the programs that I just described will go to the richest 2 percent of Americans in this country. Thirty percent of the tax benefit to the richest 2 percent of Americans. And a full 50 percent of the tax breaks won't go to the average American citizen that the Speaker likes to talk about. The 50 percent goes to the people who make over $100,000.

So, ladies and gentlemen, it seems to me that we are in a grave state of contradiction in that instead of assisting the poor and instead of helping them move out of poverty, we are taking resources from them.

And they say, Well, we are just giving it to the States so the States can do it better at less cost and we are just cutting bureaucratic costs.

Ladies and gentlemen, you have to have bureaucracy at the State level, so they are substituting State bureaucrats for Federal bureaucrats. The cost savings are not going to be there.

The other issue is this: If the States were inclined to do these programs, if the States were inclined to have fuel assistance and breakfast programs and lunch programs, why didn't the States do it? It was not done until the Federal Government stepped in and said giving people a healthy start in life is a national priority and it doesn't matter if they live in Oklahoma or Alaska, we want to make sure that you get these benefits.

So you see, Madam Speaker, in the final analysis we have a contradiction. We are not helping the poor, we are only helping the rich at the expense of the poor.

WE WILL BALANCE THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. RAMSTAD] is recognized for 5 minutes.

Mr. RAMSTAD. Madam Speaker, over the last 30 years the Federal Government has only balanced its budget one time: in 1969. One balanced budget in 30 years.

Madam Speaker, time and time again Congress has provided unwilling and unable to balance the budget. Time and time again, statutory scheme after statutory scheme has failed. That is why, Madam Speaker, we need the legal forces and the moral authority of a constitutional amendment. Unless we act now, the deficit is projected to be more than $200 billion each and every year through the end of the century. This year alone more than 15 cents of every dollar in the Federal budget goes to pay interest on the Federal debt of $4.8 trillion.

Madam Speaker, we are spending over $235 billion this year alone to pay the interest on the debt. This insane deficit spending must stop now. It doesn't take a rocket scientist to figure out we are headed for financial disaster unless we balance the budget now.

Now, some politicians in this body are trying to scare people by playing fast and loose with the facts. They are claiming a budget amendment would require $1 trillion in budget cuts by the year 2002. What these politicians don't tell you is that the Federal Government is currently projected to increase spending each year until then on the average of 5.4 percent per year. That is a $3 trillion increase in Federal spending over the next 7 years.

Only in Washington, Madam Speaker, can a smaller increase in spending be called a cut. The budget can be balanced by simply holding the spending increase to 3 percent, to an average of 3 percent per year. In other words, if we increase spending 3 percent per year until 2002, we will have a balanced budget. Or put another way, if we halted the incrase to 2 trillion instead of 3 trillion over the next 7 years, we will balance the budget.

It is high time the Federal Government lived within its means the way every family in my district in Minnesota must, the way every family in America must. We simply can't keep mortgaging our children's and grandchildren's futures. We can't keep promising more than we know we can deliver.

What is really mean-spirited, Madam Speaker, is to continue to promise people more than we can deliver, to promise, promise, promise to spend more than we bring in. That is why, Madam Speaker, we need the balanced budget amendment and the discipline that that provides. It is the only way to

truly achieve a smaller government, lower taxes and more money in the taxpayers' pockets. It is also the only way to avoid an economic earthquake in America.

With the unfortunate defeat of the balanced budget amendment in the other body, it is more imperative than ever that this body now exercise fiscal discipline. That is exactly what the new House majority will deliver.

And, Madam Speaker, I admit it won't be easy. The President unfortunately has abdicated its responsibility, hasn't given us anything near a balanced budget.

We know the American people are behind us. They understand what is at stake. They are smarter than many politicians give them credit. And working together, we will get the job done. Working together with the American people, we will balance the budget.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

[Mr. BISHOP 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 Florida [Mr. WELDON] is recognized for 5 minutes.

[Mr. WELDON of Florida addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

TIME TO GET SERIOUS ABOUT TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, the gentleman who proceeded me talked about a looming crisis, and I am in agreement with him regarding the implications of our continuing deficit and mounting debt, but there is a more immediate economic crisis confronting this country and we are hearing little of it, little discussion of it here on the floor of the House of Representatives or in the other body or downtown at the White House.

Why might that be? Because too many people are implicated in the policies that led up to that crisis and they don't want to talk about it.

The dollar today for the third day in a row hit a postwar low. Here is what the dollar's decline looks like over the last 10 years. The dollar has fallen to just about a third of its value compared to the Japanese yen in a mere 10 years.

A few days ago, we announced that we had the largest trade deficit in the history of the United States: $160 billion. We borrow $160 billion from foreign nations so that we could buy their goods when they were not buying ours. And when Mickey Kantor, or the Special Trade Representative, was discussing this he said, You might ask if your trade policy is working, and he said, Yes, it is right on track. A $160 billion trade deficit, 3.2 million lost jobs in manufacturing to overseas competition, and it is working just fine?

That underlies to a tremendous extent this crash in the dollar. And the other part is our linkage to Mexico. The peso has reached a new low today, and despite our promise of a $50 billion bailout, Mexico is in a tailspin like you would not believe.

About a month ago an analyst, a financial analyst named Christopher Whalen sat in my office and he said, If the United States is going to put up $40 billion to bail out Mexico, they better be willing to put up $150 to bail out Mexico because it will trigger a run on the United States dollar. And that has come to pass.

The people downtown and the apologists on that side of the aisle for these trade policies and for the Mexico bailout, and the Speaker who would not lift a hand and would not allow us to bring a bill to the floor to stop the Mexico bailout, those people have nothing to say. They would say there is no linkage.

Read today's New York Times. The administration's biggest problem may be that the world is believing the rhetoric it employed to win support for its $20 billion aid package for Mexico's troubled economy. Especially Mr. Clinton's insistence that the Mexican and American economies are intertwined. Today with the Mexican Government racing to take over failing banks, stabilize a tumultuous political situation, the peso dropped to a new low. And despite the bailout, the peso is now weaker than it was when we announced the $50 billion package.

The speculation in the markets is now that the package may not be enough to do the job. $50 billion to export jobs to Mexico to run a $12 billion trade deficit with Mexico next year and it is not enough? How much is enough for these apologists, for a failed trade policy? Some people are going to have to admit that they were wrong.

NAFTA is not working the way they told us it would. It has put the United States into an international tailspin. We have linked ourselves to a collapsing Third World economy and there is no end in sight.

And what are we doing on the floor of the House of Representatives? Are we considering legislation that would address this? Are there emergency hearings going on here in the Congress to deal with the crashing dollar and our alliance with Mexico and the $50 billion trade bailout? No, in fact, ironically today and tomorrow on the floor of the House we are considering special legislation to give special privileges to poor beleaguered Wall Street stockholders who have lost their money or people who have lost their pension funds.

We are giving Wall Street a special little gift. They have done such a great job in leading us into these trade policies and forcing us into these trade policies. Not me—I didn't vote for it—but forcing others who felt they must follow the lead of Wall Street. Those people are now being given special privileges by the House of Representatives so they will be immune from stockholder lawsuits and they will be immune from forgetting to tell you something. That is their reward.

It is time to get serious about trade and turn these issues and say no to Wall Street and get America back on track.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. FRANKS] is recognized for 5 minutes.

[Mr. FRANKS of Connecticut addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

A MAJOR ECONOMIC CRISIS IS BREWING

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, I wish to associate myself with the remarks of the prior speaker. There is no question that the value of our Nation's currency on international markets is a measure of our Nation's economic strength and economic health. And over the past few days and weeks, our dollar has hit historic lows against currencies of all the nations that we trade with. In fact, it is at the lowest level, our dollar's value, since World War II. That is a longer time than many people in this Chamber have been alive. so it has not been at this point for decades.

The dollar's exchange value stands at a scant 92.8 yen to the dollar. I can remember when it was 240 yen to the dollar and 1.4 German marks against the dollar. In other words, the dollar is not looking so good to the rest of the world. It is losing its value. It is looking cheap.

Little that our Treasury Department or Federal Reserve have been able to do over the last few days to give the dollar a boost has worked. In fact, they put over $2 billion into buying currencies around the world over the weekend and it did not do any good. Did not do any good, had no impact on stopping the dollar's further decline.

□ 2000

Now, what does this really mean to families in our Nation? It means that our money, our people's money, cannot buy as much, not just here at home, but abroad. It means that interest rates in our country rose seven times over the last 12 months, even though most people were going, well, why are interest rates going up? There is really

no inflation. What is happening here? Banks are raking in good money off of our people, and though there is no inflation on the horizon, we see that our Nation is raising interest rates to attract money from other places because our money is not worth as much.

In fact, we are now, the United States of America, the largest debtor nation in the world, and through NAFTA, we linked ourselves to Mexico and Canada, and North America is now the largest debtor continent on the face of the planet.

And the markets know it. For 15 years our country has been importing vast amounts of merchandise, more than we exported. In fact, last year, 1994, we had the largest merchandise trade deficit in the history of our country; as Congressman DEFAZIO referenced, over $166 billion more of goods coming in here than we sent out.

In effect, what we have, we have a decapitalization of the United States of America; production that used to be done here is being done somewhere else. We are importing all this stuff and then we have to pay for it with borrowed money. Doesn't sound like a very smart policy to me.

Last year, our deficit with Japan went up even more, to over $65 billion. Our deficit with China went up to nearly $30 billion, and the former surplus that we had had before NAFTA with Mexico dried up and went into the negative numbers in October and November of last year, and with the incredible devaluation of the peso, it is estimated that this year of 1995, the United States will yield nearly $15 billion more of trade deficit in the red with Mexico.

In other words, Mexico will be sending more goods to this country than we will be sending down there. That is not how NAFTA was supposed to work. It is clear that since the middle of February, and like Mr. DEFAZIO, I have a chart that shows the value of the U.S. dollar going down. Since the mid-1980's until the most recent period here after the Mexican peso was devalued, to which we have not linked ourselves inseparably, the value of our dollar has dropped at the fastest rate in the history of our country, and like Mr. DEFAZIO, I am shocked there are no emergency hearings in the Congress. There is no word from the White House. At least the newspapers are reporting, and it has been in top headlines in USA Today, in the New York Times, in the Wall Street Journal. You think Washington fell comatose on this one.

There is a major economic crisis brewing, and money is flowing out of our Treasury to try to prop up the Mexican peso, a few billion dollars. Actually there is more money that has flowed out of the Treasury to prop up the Mexican peso than money has flowed out of the Treasury to prop up the United States' dollar in international markets, we learned this morning. What happened today? Peso went down again in terms of its own value.

Madam Speaker, I ask unanimous consent for an additional minute.

The SPEAKER pro tempore (Mrs. VUCANOVICH). The Chair is constrained not to entertain such a request during the 5-minute period. The Chair is advised that the 1-minute extension that was allowed the gentleman from Alabama earlier this evening was a parliamentary error.

Ms. KAPTUR. Oh, was an error. All right.

Madam Speaker, let me just say in closing, is not it time someone in this House rang the alarm bell to say enough is enough, and I call on Speaker GINGRICH to allow our bills to move to the floor to stop the further outflow of taxpayer dollars to Mexico.

AMERICAN POLICY ON CUBA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, earlier today, we were privileged to have had the Auxiliary Bishop of the Archdiocese of Miami, Agustin Roman, deliver the opening invocation. In addition to being a model human being and a great role model for our south Florida community, Bishop Roman is one of the many victims of the Castro regime.

You see, the bishop, who is a native of Cuba, was expelled from his own country in 1961 after armed militia men entered his church and at gunpoint led Bishop Roman and 132 other priests out of the country. Since then, the bishop has made it his personal mission to diffuse God's word around the world and to bring liberty and democracy to Cuba.

Of Course, Bishop Roman was not the first nor the last victim of the tyrant who has ruled Cuba for 36 years. As we saw in this summer's rafter exodus, millions of Cubans still linger in the misery and oppression which Fidel Castro and his band of goons have imposed on the island.

Most of these Cubans have fled the island this summer and risked their lives in hopes of reaching the shores of freedom, and they remain today detained like common criminals behind the barbed wire of their Guantanamo Base refugee camps.

This policy by the Clinton administration has been a very unfortunate shift in U.S. policy toward Cuba, which previously gave the oppressed Cuban people the opportunity to begin a new and productive life in the United States, and at the onset of this policy the President promised tougher sanctions against Castro. But as today's front page story in the Washington Post reports, advisers to the President are considering proposing a plan to the President which calls for the easing of sanctions against Cuba and which promises Castro to consider further relaxation of the embargo if Castro makes what they consider to be a positive move toward democracy.

Madam Speaker, this is the height of naivete and an utter denial of the reality of the way that Castro operates. For 36 years, the United States has been waiting for concessions from Castro and we have gotten none. In the 1960's, all we got were screams of ''paredon, paredon,'' announcing the execution of yet another Cuban. In the 1970's, we got the exportation of revolution, not only to Latin America, but also to Africa, where thousands of young Cubans were sent to their deaths in the name of the revolution.

And in the 1980's, we got rectification and a special period of peace, which squeezed the Cuban people to mere subsistence.

Today, we get word of reforms, cosmetic reforms, which are just a mask of the sad reality, the utter failure of Castro and of his Communist revolution.

However, through all these decades, one element of the Cuban regime has remained intact, the absolute control of Castro over the island of Cuba and the denial of political and civil rights to the Cuban people.

Unbelievably and apparently, some within the Clinton administration still believe that Castro can reform and that it is somehow the fault of the United States that Castro has remained unwilling to change.

Just today, at an International Relations hearing, I was once again surprised by a member of the administration on the policy toward Cuba. On a hearing on the Mexico bailout plan, a state official made the incredible statement that Mexico does not ''provide assistance to the government of Cuba.''

This is a disingenuous statement, considering that Mexico is one of the leading investment countries in Cuba and that the Mexican Government actively encourages Mexican investors to invest in the island. Thus Mexico, through its policy of investment promotion in Cuba, directly encourages the subsidizing of the repression of the Cuban people. Leave it to the Clinton administration officials to once again ignore the obvious.

Furthermore, we have still not heard a word from the President on the recently introduced Cuban Liberty and Democratic Solidarity Act introduced by Senator JESSE HELMS and Congressman DAN BURTON, and this bipartisan legislation is a joint effort by Democrats and Republicans to tighten the Cuban embargo against Castro. However, as of today, the President has remained silent.

Madam Speaker, on a recent trip to Guantanamo, led by a very knowledgeable chairman of the Western Hemisphere Subcommittee, Congressman DAN BURTON, as well as with Congressmen LINCOLN DIAZ-BALART, BOB MENENDEZ, MARK SANFORD, VIC FRAZER, and JOHN MICA, we were able to once again visit with the victims of the

Castro revolution, the sons and daughters of the revolution as Castro has called them, and they are now his main adversaries.

Madam Speaker, I call on the President to understand that dialogue and concessions are not the answer. Tougher sanctions are, and that is where U.S. policy should be directed.

The stronger religion grows, the harder it may be for Castro to keep his monopoly on power.

The SPEAKER pro tempore (Mr. DUNCAN). Under a previous order of the House, the gentleman from Illinois [Mr. GUTIERREZ] is recognized for 5 minutes.

[Mr. GUTIERREZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AMERICAN POLICY ON CUBA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. DIAZ-BALART] is recognized for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, back in December, my office began to get reports from within the Clinton administration that advisers, foreign policy advisers to the President, were advising him to send a gesture of friendship to Castro. After I got the third report from within the administration that foreign policy advisers to the President were pressuring the President to do that, to send a gesture of friendship to Castro, Congresswoman ROS-LEHTINEN and I sent a letter to the President, where we expressed our deep concern about those reports, and I have got that letter here and I would like to read it if I can.

''Mr. President''—this was back in December—

> We have received deeply disturbing reports from within your administration concerning efforts by Mr. Morton Halperin to achieve the implementation of a policy initiative by the White House that would benefit the Cuban communist dictatorship.
>
> These reports are made even more alarming by the fact that Mr. Halperin is the member of your National Security Council staff, whose nomination to a sensitive Department of Defense position had to be withdrawn when the Democratic-controlled Senate would not confirm him. Throughout his career, Mr. Halperin has shown faulty judgment in relation to threats emanating from Castro's Cuba. After Castro's incursions into Angola and Ethiopia, for example, Mr. Halperin inaccurately wrote that ''every action which the Soviet Union and Cuba have taken in Africa has been consistent with the principles of international law. The Cubans have come in only when invited by a government and have remained only at their request.''

''As you know, Mr. President''—we continue in the letter, in December—

> On August 5th of this year, approximately 30,000 Cubans spontaneously took to the streets in Havana demanding freedom. Despite a terrible crackdown by the regime, Cubans throughout the island are demanding democracy in ever-bolder forms of action. Sugar production and Castro's ability to purchase oil are at an all time low, the sanctions you implemented last August 20th are having a strong effect, and numerous signs point to the inevitable collapse of the communist tyranny.
>
> Any gesture along the lines being sought by Mr. Halperin at this time, such as authorizing U.S. business to engage in the unrestricted sale and financing of medicine, medical supplies, medical equipment or food to Castro; lifting your August 20th sanctions, banning charter flights and remittances; allowing financial transactions or travel for so-called academic, cultural and scientific exchange, public exhibitions or performances or activities of alleged religious organizations; loosening travel restrictions to allow unrestricted travel by U.S. citizens or allowing business or tourist travel; allowing the establishment of U.S. news bureaus in Cuba or Cuban news bureaus in the United States; or ceasing to regulate financial transactions related to the establishment of news bureaus in communist Cuba; entering into so-called negotiations with the government to settle U.S. property claims or any other friendly gesture toward Castro at this time of almost unprecedented repression would constitute a form of the complicity with the ferocious oppression of the Cuban communist dictatorship against its people.
>
> We hope that you will remain firm in the enforcement of our sanctions against the Cuban dictatorship by resisting the pressures of those who would throw in the moribund Cuban totalitarian regime.

He very courteously answers in January, stating, ''I assure you that our Cuban policy will remain focused on bringing about a peaceful transition to a democratic regime and will be guided by the Cuban Democracy Act.'' Basically, he goes on saying that we won't be pressured. Then he says, please be—''Please be assured as well that I have confidence in the advice that I am being given on Cuba. That advice has and will continue to reflect the administration policy and the principles of the Cuban Democracy Act. I look forward to working with Congress in pursuit of our common objective of a free and Democratic Cuba.''

Now, today the Washington Post on the front page has an article, Clinton may ease sanctions on Cuba. Talk about a direct leak. President Clinton's foreign policy advisers are recommending, this is not—we hear it is possible, there are reports, no, beginning of the article, front page of the Washington Post, President Clinton's foreign policy advisers are recommending he take steps towards easing relations from Cuba by revoking some economic sanctions adopted against the Nation in August, administration's officials said yesterday.

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This is the Washington Post today. So how does one reconcile the letter from the President, where he says, I am not yielding to pressure, we are going to maintain our sanctions, please be assured that I have confidence in the advice I am getting, and this article.

We need to continue talking about this. This is very serious, very serious. This is not the time to throw a lifeline to Castro. It is the time to go the other direction and to help Cuban people to gain their freedom.

THE DAVIS–BACON ACT

The SPEAKER pro tempore (Mr. DUNCAN). Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, Republicans in Congress have begun their assault on one of the most important workers' rights acts of the 20th century, the Davis-Bacon Act. This important law protects the American standard of living by ensuring that workers on federally-funded construction projects are paid at the wage rates that prevail in their communities. To repeal the Davis-Bacon Act would be a slap in the face to the American worker.

The Davis-Bacon Act was passed in 1931 and signed by a Republican President. It was the first Federal wage law to provide prevailing wage protection to nongovernment workers.

Now, Republicans in Congress are threatening to repeal this historic legislation. At a time when the number one concern of middle-class working families is a declining standard of living, repealing the Davis-Bacon Act would be devastating. The very heart of this law is protecting the American standard of living.

But you do not have to take my word for it. Just look at what has happened in States that have present repealed prevailing wage laws. Economists at the University of Utah have written a comprehensive study of the effects of repealing prevailing wage laws in nine States during the 1980's.

The University of Utah study found that the repeal of prevailing wage laws had a destructive economic impact. From their analysis of these repeal States, authors of the report project that the Federal Davis-Bacon Act would hurt the national economy in the following ways:

Federal income tax collections would fall by $1 billion per year because of the decline in construction earnings. As a result, the Federal deficit would dramatically increase.

Each construction worker would see his or her annual earnings fall by $1,477. The total national loss due to this reduction in construction earnings would be $4.6 billion each year.

A massive increase in cost overruns and use of expensive change orders. In the case of Utah, which repealed its State prevailing wage law in 1981, cost overruns on State financed roads tripled over the next decade due to the low-ball bidding practices. The lack of a prevailing wage will encourage similar overruns at the national level.

Prevailing wage laws were designed to achieve a simple goal: to prevent government from using its purchasing power to undermine the wages of workers. It is a law that works. It works for

our workers, for their families, our communities, and our economy.

American workers are already on an economic treadmill, working longer hours and earning less, struggling to buy homes, struggling to send their kids to college. The Davis-Bacon Act helps many American workers to keep pace. To repeal it now would turn up the speed on the economic treadmill and put the American dream out of reach for too many working families.

Mr. Speaker, I am pleased to be here tonight with several of my colleagues who are going to address this very, very important issue.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. TIAHRT] is recognized for 5 minutes.

[Mr. TIAHRT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DAVIS-BACON: PROTECTING THE AMERICAN STANDARD OF LIVING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FILNER] is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, I join with several of my colleagues tonight to discuss the Davis-Bacon Act, an act which for more than six decades has protected the standard of living of all Americans. We are going to hear in the debate that comes up as there are efforts to repeal this act that somehow the Davis-Bacon Act merely helps a few union workers, that it is a special interest law for only a few.

Mr. Speaker, Davis-Bacon benefits all Americans. It does help union workers who have negotiated good wage rates across America. But it helps nonunion construction workers also because prevailing wages in almost 75 percent of communities across the country are based on nonunion pay scales and because Davis-Bacon extends the same protections to nonunion workers as it does to union members.

Davis-Bacon benefits communities like my own in San Diego, because wages in our city are protected from cutthroat out-of-State lower wage labor and our economy is enriched because our working people maintain the purchasing power to keep our own small businesses thriving and our own retail operations going.

Contractors in our community are helped because they have a level playing field on which to compete and our taxpayers are benefited because they can rely on quality and the productivity, the timeliness, the reliability that more than compensates for the additional wage cost.

All our citizens, Mr. Speaker, are benefited because all the construction projects we rely on, whether they be bridges or schools or dams, nuclear waste removal sites, military installations, superhighways, all are built to the highest specifications by the most qualified, well-trained workers. That is why Davis-Bacon protects the standard of living of all Americans.

Now, we are going to hear in the debate that follows in a few days, in the months ahead, that eliminating Davis-Bacon will save the government billions of dollars, that Davis-Bacon adds to the cost of government at a time when we can ill afford that.

Mr. Speaker, the facts say otherwise. In fact, eliminating Davis-Bacon will not save the government money. Lower wages, it turns out, does not mean lower cost. And why is that? As has been shown in comparison after comparison, high-wage states complete the work of the Davis-Bacon contracts with 56 percent fewer hours worked. High-wage states, as contrasted to low-wage states, build 74.5 more miles of roadbed and 33 more miles of bridges for $557 million less, and at the same time workers received a wage package more than double that in those low-wage states.

In addition, if Davis-Bacon were repealed, construction employees would be misclassified as independent contractors and the government would be cheated out of billions of tax dollars.

As my colleague, the gentlewoman from Connecticut, [Mr. DELAURO], pointed out, nine States have already repealed their little Davis-Bacon acts because they have found out that tax collections actually fell because of lower rates. The Federal Government, it has been estimated, will lose nearly a billion dollars a year because of the decline in construction earnings. That is simply not a very smart way to address our deficit problem.

In addition, construction injuries increase by 15 percent in non-Davis-Bacon States, and that results in enormous loss-of-work days and productivity.

So, Mr. Speaker, not only does Davis-Bacon benefit all Americans; repealing it will not reduce any cost. It may, in fact, raise the cost of doing business.

My own district in San Diego has a majority of residents who are either African-American or Hispanic. They always ask, is anything I propose or anything that I favor harmful or of benefit to ethnic minorities?

Mr. Speaker, Davis-Bacon protects all working people, regardless of race of ethnicity. The intent of the act is to mandate that a fair and liveable wage be paid to every worker to stabilize local wage rates.

Mr. Speaker, we must not repeal Davis-Bacon.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

[Mr. KINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REPEAL OF DAVIS-BACON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas, Mr. GENE GREEN, is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, a number of us are taking the floor tonight in an attempt to respond to some of the misinformation used to justify the repeal of the Davis-Bacon, a law that requires fairness for our workers. The Davis-Bacon Act provides a process in which the Federal Government and many local governments must pay workers in a specific area the same wage on federal contracts as any other contract. There are several arguments put forth by the Republican majority or at least some of the Republican majority, because I would like to insert into the RECORD a letter from President Reagan in 1981 showing his support for Davis-Bacon Act.

WE AGREE WITH PRESIDENT REAGAN JUST SAY ''NO'' TO REPEAL

THE WHITE HOUSE,
Washington, September 29, 1981.

Mr. ROBERT A. GEORGINE,
President, AFL–CIO,
Washington, DC.

DEAR BOB: I want to acknowledge the Building and Construction Trades Department letter of September 11 concerning efforts to repeal the Davis-Bacon Act. I have asked the Secretary of Labor to respond directly, but I want to assure you and your General Presidents that I will continue to support my campaign pledge do not seek repeal of the Act.

With best wishes.

Very sincerely,

RONALD REAGAN.

The arguments revolve around the act being racist, as barring minorities from earning prevailing wages and adding costs to Federal contracts for multiple reasons.

Let us take the issue of Davis-Bacon being racist Federal law. This argument is based on language that was passed, was discussed when this original bill was passed in 1931. I would submit to the House that many things said in 1931 and the early 1930s on this House floor could not be used today, but that still means that Davis-Bacon is not a racist law.

A Congressman Upshaw from Georgia in 1927 asked Congressman Bacon if this bill was based on preventing a large aggregation of Negro labor, and Congressman Bacon vehemently stated that any influx of labor, union or nonunion, regardless of race, being paid below prevailing wage would be detrimental to a local job market. Stating that Davis-Bacon is racially biased also assumes that minorities are not earning a prevailing wage. That argument that repealing Davis-Bacon helps minority workers goes against documented proof to the contrary.

I would also like to insert into the RECORD a resolution from the NAACP in its July 1993 convention supporting Davis-Bacon and the continuation of Davis-Bacon.

RESOLUTION PASSED BY THE NAACP AT ITS ANNUAL CONVENTION, JULY 1993

V. LABOR AND INDUSTRY

1. Davis-Bacon Act—Concurred.

Whereas, people of color have entered the construction industry in increasing numbers in the past. Today, they are threatened with the loss of many of the economic and social gains made over the last several years; and,

Whereas, the Davis-Bacon Act of 1931 protects the wages of all construction workers, including minorities and women, who are particularly vulnerable to exploitation; and,

Whereas, shocking examples of the exploitation of minorities and female workers on the construction site, even in the face of the Davis-Bacon Act, the law designed to prohibit such exploitation, are legion,

Therefore, be it resolved, that the NAACP supports the Davis-Bacon Act, takes steps to strengthen its enforcement, and supports the creation of opportunities through training and apprenticeship programs.

A 1991 wage survey by the Department of Labor, reveals that the percentage of minorities employed by Federal contractors was 20.12 percent as opposed to nonfederal projects of 20.56 percent. A difference of 0.4 percent in three categories, craftsman, operators, and laborers. Federal contractors have a higher percentage of minorities participation than nonfederal contractors. This also goes against the Senate report language which states that Davis-Bacon protects small businesses, especially minority small businesses, from being undercut in labor costs by large contracts.

Davis-Bacon makes no distinction between race, gender or other characteristic. It simply requires an employer pay a prevailing wage, a fair wage. That is it.

The next argument is that Davis-Bacon is a union wage. In the State of Texas we are a right to work State which prevents anyone from being forced to join a union. Contractors, the perfect example of small business, the engine of job creation, are the only respondents to job surveys that are sent out by the Department of Labor. Wage surveys are sent out and in a geographic area to obtain the wage and benefits paid by contractors and subcontractors. They are not sent to union halls or to union officials.

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Mr. Speaker, I want to stress the fact that at no time does a union official send in a wage survey. It is actually the employer who sends them in. A contractor who decides on his own to be a union contractor obviously sends in that survey, but he does not represent the union.

On the form contractors use to report wage information, form WD 10, it calls for a contractor to respond. There is no area for a labor leader or any other labor representative to respond.

The process allows contractors of all sizes in a geographic area to decide what level they will pay their workers, while protecting the job market from large multistate contractors. In recent surveys on building trades, the Department of Labor showed that 38 percent of the respondents were union, 38 percent.

To say that this wage is union wages is just not correct. If that is to say that 38 percent make up the distinction on this survey by the Davis-Bacon source book, then we Democrats in the House are now in the majority, Mr. Speaker, because we could control it with 38 percent.

We should not run headlong into repealing a law that for 60 years has stood in its stead. It is based on falsehoods and wishful thinking, particularly that Davis-Bacon was based on racist assumptions, and also that it is a union wage that they are saying, with 38 percent only provided.

Studies of 10 States where 50 percent of the highway and bridge construction occurs reveals that workers paid double that of low wages built 74 miles more roadbed and 32 miles more bridges for $557 billion less. My colleague, the gentleman from California, pointed this out, and I am proud to be here tonight with my colleagues, not only from Connecticut and California, but myself being from Texas, to talk about the benefits that we have by having a prevailing wage in Davis-Bacon being on our books since 1931.

REPUBLICAN PROGRAMS REFLECT THE TRUE PARTY OF THE MIDDLE CLASS

The SPEAKER pro tempore (Mr. DUNCAN). Under a previous order of the House, the chair recognizes the gentleman from California [Mr. CUNNINGHAM] for 5 minutes.

Mr. CUNNINGHAM. Mr. Speaker, I have heard some of my Democratic colleagues talk about the Contract With America. They say it is detrimental, but if you look at those Members that are saying that, those are the same Members that voted against the balanced budget amendment.

If you look at the Contract With America, on the items that we have covered so far, take a look at the history of this House. Have you seen votes as fast and as many Republicans and Democrats supporting those Contract items?

Congress falls under the same laws, the balanced budget amendment, the line-item veto, unfunded mandates, 290 votes to 340 votes, Mr. Speaker; bipartisanship. Who voted against that bipartisanship? The liberal and socialist Members of the Democratic party. Even members of their own party have separated themselves from the liberal leadership.

If you take a look at those who voted against it, the gentleman from Missouri [Mr. GEPHARDT], the gentleman from Michigan [Mr. BONIOR], the gentleman from California [Mr. FAZIO], why? Because they support big government, government doing everything for everybody. The only way they can do that is to have a big bureaucracy, and to support that big bureaucracy, they have to increase taxes and increase spending.

Mr. Speaker, the rhetoric; the gentleman from Missouri [Mr. GEPHARDT], years and years and years, I have the documentation, every single tax vote that the minority leader now claims that, It is only for the rich, and we are trying to help the poor, I have the records. That is the same rhetoric since 1970.

Each time, the Democratic package, including the Bush package, would resolve that. However, here again, he is saying the same thing.

I look at our two California Senators that hid behind the balanced budget amendment and say they were trying to protect Social Security, but yet in the Clinton tax package those same two Senators in the liberal leadership, those same Members of this body that I just mentioned, voted for the Clinton tax package, which increased the tax on Social Security. Yet, our two Senators on the other side are hiding behind that, for the balanced budget amendment.

Mr. Speaker, I look at what we have done in the past, and the rhetoric. I look at a Clinton tax package in which there was a promise of a middle-class tax break, a promise not only in the campaign, but before the actual budget came forward, and what happened?

Remember the great Btu tax and the Clinton tax package? There was not going to be any middle-class tax in that. I heard liberal Democrat after liberal Democrat come up and say, There is no tax increase in the Btu tax, there is no tax increase for the middle-class in this tax package. America did not buy it, and you passed a bill that was so bad that after 45 minutes of closing the clock and twisting arms, you passed it by 1 vote, when then Speaker Foley shut down the clock, twisted arms until you could pass that bill.

The rhetoric? $600 billion in new taxes and fees, a defense cut of $177 billion, and sure, you can apply some of that to the deficit, but in that you increase the tax on Social Security, you cut the veterans' COLA, so who is really playing the rhetoric?

The bottomline, Mr. Speaker, is that the middle-class marginal tax rate went up under the Clinton budget. Every Member that is speaking here against the Contract not only voted against the balanced budget amendment, but voted for that Clinton tax, which increased the marginal tax rate of the middle-class from $17,000 and above, yet they say they are the party of the middle-class?

A balanced budget, Greenspan has said, will bring interest rates down by 2 percent. That will provide capital. Take a look at the items that we wanted to do: capital gains reduction, that is only for the rich? Malarkey. America sees through that, and they support a capital gains reduction.

Where we want to limit the amount of growth, growth is projected by over

50 percent in spending by the year 2002. We want to limit growth to 30 percent. Yet, the tax and spend liberals said, We are cutting these programs, we are limiting the growth.

We are not cutting any programs, Mr. Speaker. I take a look at the minority leader, I take a look at the socialist leadership in the Democratic Party, and I am glad they are in the leadership, because even in their own party, from the Black Caucus, from the liberal leadership, those Members have separated themselves from that kind of rhetoric that we can no longer afford, give me more society that will not accept responsibility for their own actions.

URGING MEMBERS TO SUPPORT MAINTAINING THE DAVIS-BACON ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BECERRA] is recognized for 5 minutes.

Mr. BECERRA. Mr. Speaker, I would like to first begin by thanking several of my Democratic colleagues who came here tonight to speak in support of the Davis-Bacon Act, which now is in jeopardy of being repealed by the new Republican majority.

Mr. Speaker, I want to thank them, because this is an issue which goes directly to my family situation and to my heart. My father is someone who had the chance to benefit from the Davis-Bacon Act. My father is a retired construction worker, a road construction worker. Many of the roads that people use in California, from Highway 5 and other highways that were constructed in the big days of the sixties and seventies, those roads were constructed in part by men like my father.

My father never earned a lucrative wage, but he did earn a decent wage. This is, in my opinion, an Act, the Davis-Bacon Act, which made it possible for my family to have some security and some decency in its living standards. I know when I speak on behalf of those who support the Davis-Bacon Act that I speak not just for them, but also for my father.

Mr. Speaker, to repeat what some of the Members have said before, the Davis-Bacon Act is an act that passed in 1931. It was an act that passed through the sponsorship of Republican legislators and was signed by a Republican President.

The law merely mandates that taxpayer dollars go to contractors who offer the greatest quality craftsmanship, the highest productivity, the quickest turnaround, and the best management. The primary purpose of the law is to assure that by requiring the payment of locally prevailing wages, that Federal spending practices do not undercut the wages of hard-working people, and that they do not put local contractors and their employees in an unfair competitive situation.

Individual and industry contractors benefit, because in discouraging competition that would be based on the payment of substandard wages, the act promotes a greater availability of skilled construction workers. The act, by enduring more stable and predictable wages, facilitates the recruitment, the training, and the retention of skilled construction workers.

Mr. Speaker, let us talk about who loses if the Davis-Bacon Act is repealed. More than a half a million construction workers would suffer reduced earnings and a lower standard of living if the act were to be repealed. Individual construction firms and the construction industry as a whole may also lose if conscientious contractors are forced to compete with the fly-by-night and low-balling contractors who pay depressed wages and offer workers no benefits.

Taxpayers would lose if the act is repealed. Given the way labor markets operate, savings to be achieved through lower wages would be offset by the lower productivity of less skilled and less experienced workers. Their work product, roads, bridges, building, then become the public's responsibility. If the work product is of low quality, then that is a consequence that taxpayers will be forced to live with.

Mr. Speaker, repeal of the Davis-Bacon Act is not a money saver. Contrary to what the Republican majority is saying these days, repeal of Davis-Bacon would not automatically save the Government money, because well educated, well-trained, and fairly paid workers are more productive than their poorly-trained low paid counterparts. They often bring in projects at less cost than those using low-wage workers.

Repeal of Davis-Bacon also threatens worker safety. When productive, skilled, properly-trained labor is hired at a Davis-Bacon wage, safety and health are also hired. The use of untrained, poorly-skilled workers results in a higher occurrence of injuries and fatalities on the Nation's job sites.

Repeal may also threaten public safety, as poorly trained workers are more likely to make dangerous mistakes.

Mr. Speaker, what would happen if Davis-Bacon were repealed? Each construction worker would see his or her annual income fall by about $1,477. That may not seem like a lot to some people, Mr. Speaker, but think of it this way. $1,477 pays for about half a year's worth of groceries for an average American family.

For my family when I was growing up, and my father and my mother were working hard, that was a tremendous amount of money. It would have affected the way we lived and the standard of living that we were able to have, which was very meager. It would have affected it greatly.

Members of Congress have supported the Davis-Bacon Act in the past on a bipartisan basis. I hope, Mr. Speaker, that we have that same bipartisan support for this particular act, because quite honestly, it helps American because it helps America's workers and American's contractors.

I would hope at this time, Mr. Speaker, that we would see the value in maintaining the act and move forward from there.

Ms. ESHOO. Mr. Speaker, it puzzles me why the Republicans are determined to repeal the Davis-Bacon Act. After all, this law has its origins in State initiatives, was written by two Republicans, and has been declared successful by a leading Republican economist. If this isn't a winning combination as the majority defines it, then what is?

Despite current GOP claims to the contrary, the Davis-Bacon Act is based on years of State experience with prevailing-wage standards prior to its passage by Congress. Back in 1891, Kansas adopted the country's first prevailing-wage statute, and at least six other States had passed similar legislation before the first prevailing-wage law was introduced in Washington.

By the late 1920's, Republicans in Congress were extremely concerned about increasing incidents of cutthroat Federal bidding by fly-by-night contractors using low-wage labor. With shoddy construction threatening massive Federal building programs, Representative Robert Bacon—a New York Republican—introduced the forerunner of the Davis-Bacon law.

With the help of Senator James Davis—a Republican from Pennsylvania and former Labor Secretary under three Republican Presidents—the Davis-Bacon Act was eventually passed and signed into law by President Hoover in 1931.

Since that time, the Davis-Bacon Act has proven to be a remarkable success for local communities, minorities, and American taxpayers.

Local communities have benefited because their wages have been protected against low-balling, out-of-State contractors, while their economies have been enriched by residents maintaining enough purchasing power to keep locally owned businesses thriving.

Minorities have benefited from the Davis-Bacon Act's protection of wage gains made over the years, and become heavily employed in the construction industry because of the decent wages it pays.

In addition, the percentage of minorities employed by Federal contractors is higher than the percentage of minorities employed by non-Federal contractors, which reflects the positive impact Davis-Bacon has had for minority workers.

Finally, Davis-Bacon has benefited American taxpayers. Dr. John Dunlop—Secretary of Labor under President Ford—has concluded that any additional costs incurred by paying prevailing wages have been offset by better quality, productivity, timeliness, and reliability on Federal projects. It's vital for our bridges, schools, dams, nuclear waste removal projects, military installations, and superhighways to continue to be built to the highest specifications by the most qualified, well-trained workers available—and the Davis-Bacon Act ensures that will happen.

Mr. Speaker, for over 60 years, Davis-Bacon has been an unqualified success. It must be preserved.

Mr. ENGEL. Mr. Speaker, the opponents of the Davis-Bacon Act have mounted an attack

to repeal a law that helps American workers. This is nothing more than an effort to pull the rug out from under working people. As the son of a dedicated ironworker, I resent this shameful union bashing and the implication that the workers of this country are not entitled to a decent wage for their labor.

Davis-Bacon is a law that actually strengthens our economy and helps America. Contractors and American workers both benefit from its provisions. I ask you to consider these facts:

Repealing Davis-Bacon will result in lower wages for half a million Americans. Construction workers is the United States who currently receive prevailing wages could lose $1,400 annually if Davis-Bacon is repealed. The average annual earnings of a construction worker is $28,000. Isn't this the type of middle-class American that we should protect rather than punish?

The prevailing wage law actually generates benefits to local communities 2.4 times the amount spent on a construction project because workers spend their money locally and pay local taxes. Repealing Davis-Bacon could result in the widespread importation of nonlocal, low-wage workers, causing an adverse affect on local economies.

According to a study conducted by the University of Utah, repeal of the Davis-Bacon Act will reduce Federal tax collections by $1 billion per year because of the decline in construction earnings, while simultaneously causing a massive increase in cost overruns. In States that have repealed their little Davis-Bacon laws, construction costs have risen because of substandard work that must be redone when less skilled workers are used on the projects.

Davis-Bacon does not require contractors to pay union wages. 70 percent of the prevailing wage schedules are not union wage rates, yet still allow a fair wage to be paid in the local area to middle class workers.

The Workers Protection Subcommittee of the House Economic and Educational opportunities Committee hurried the markup of the repeal of the Act without adequately considering its ramifications. The Subcommittee did not even allow the Secretary of Labor to testify.

It's time to bring some reason to this issue. At a time when the middle class is feeling the crunch in our economy, the repeal of Davis-Bacon would adversely affect the workers that are a productive and important segment of our society. I strongly urge you to fight any attempts to repeal this Act. By doing so, you will be working to keep our construction industry competitive and viable.

Mr. RAHALL. Mr. Speaker, I rise in support of the continuation of the prevailing wage laws embodied in the Davis-Bacon Act, and against repeal of this vital act.

As you know, Mr. Speaker, on March 2, 1995, the Subcommittee on Worker Protections, so-called, voted to repeal the Davis-Bacon Act. They did so without a single member of the minority membership being present, an action that is, in and of itself, unprecedented in recent memory. The Democrats, refusing to be a party to the demise of the Davis-Bacon Act at the hands of their colleague in the other party, walked out in protest.

The Davis Bacon Act has been in effect since 1931, and 32 States have their own Davis-Bacon Acts, with 9 States having repealed previous State statutes. Perhaps before taking any further action to repeal Davis-Bacon, all Members should take a look at what has happened in the nine repeal States.

A recent, February 1995, study conducted by the University of Utah, one of the nine States having repealed their State Davis-Bacon Act, showed that:

First, it resulted in driving down construction earnings and the loss to the State's coffers of substantial income tax and sales tax revenues.

Second, as a result of the repeal of the State statute in Utah, the size of total cost overruns on State road construction tripled, and there has been a major shift to a less-skilled labor force, lowering labor productivity along with wages, and increasing injuries and fatalities in the workplace.

Third, looking at all States, the study found that repeal cost construction workers in the nine States at least $1,477 per year in earnings.

Fourth, the nine State repeals have reduced construction training in those States by 40 percent.

Fifth, minority representation in construction training has fallen even faster than have the training programs in repeal States.

Sixth, occupational injuries in construction rose by 15 percent where State prevailing wage laws were repealed.

Based on the above six findings, the study concluded that Federal income tax collections would fall by at least $1 billion per year in real terms for every year for the foreseeable future—if the Federal Davis-Bacon Act were repealed.

The University of Utah's study concluded further that: At the Federal level, construction cost savings would have to be very high indeed to generate any budget benefit from a repeal of the Davis-Bacon Act because of the Federal income tax structure. For example, using a conservative estimate of 3 percent construction cost savings with a 20 percent marginal tax rate (based on the 1991 level of Federal construction spending), the Federal Government would lose $838 million per year by repealing the Davis-Bacon Act.

For those who falsely claim that a repeal of the Davis-Bacon Act would reduce the deficit, they are wrong—the above-cited study showed that a repeal will raise the Federal budget deficit, because the purpose and effect of a repeal is to lower the cost of wages on federally funded construction projects—which in turn lower wages and earnings. Proponents of the claim that repeal would lower the deficit are wrong also because the study found that the lower cost of wages cannot be isolated to federally financed public works—because in fact such wages would decline across the entire construction labor market causing the Government to lose more in income tax revenues than it would gain in construction cost savings.

Mr. Speaker, the repeal of the Davis-Bacon Act is not about reducing the deficit, or saving construction costs in federally assisted projects. It isn't about lowering wages so that more people can be employed.

It is about union busting.

The Act does not—I repeat does not—require that collectively bargained (union) wages be paid unless such wages also happen to be the prevailing wage in the locality where the work takes place. Davis-Bacon isn't about unions—although unions have made Davis-Bacon work by stabilizing the construction industry, keeping fly-by-night operations from operating; keeping health and safety standards in effect, and assuring that all workers, including apprentices, are well-trained and able to contribute to cost-effective productivity at the work site.

Davis-Bacon assures that federally assisted construction projects are completed by well-trained, decently-paid workers, not store-front operations who use poor workmanship and shoddy materials—meaning higher maintenance costs and costly rehabilitation and repairs down the line. It means fewer cost overruns that drive up the total cost of construction.

For many years Congress has made efforts to protect the working men and women in construction and other industries by assuring that they are paid the local prevailing wage, and particularly for projects that are paid for out of Federal funds. Now that there has been a shift in the majority parties in Washington, the repeal effort is in full force and is being pursued with vigor by opponents of the Act.

I believe that a repeal of the Davis-Bacon Act, would be a betrayal to all who are affected by the construction industry, and that is every American. Most importantly, it would be a betrayal to the workers who rely on good wages for a decent livelihood.

I am diametrically opposed to the repeal of the Davis-Bacon Act, and I call upon the House of Representatives to continue the broad, bipartisan support that the Act has enjoyed to date by rejecting legislation to repeal Davis-Bacon.

GENERAL LEAVE

Mr. BECERRA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the topic of this special order, the Davis-Bacon Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REPUBLICAN PROPOSAL ON THE SCHOOL LUNCH PROGRAM WILL SPEND LESS MONEY ON BUREAUCRATS AND MORE MONEY ON CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I do not serve on the Economic and Educational Opportunities Committee, but the Republicans on that committee voted a few days ago to increase spending on the School Lunch Program from $6.7 to $7.8 billion over the next 5 years.

I repeat: the Republicans voted to increase spending on school lunches.

Yet headlines all over this country said, ''Republicans vote to end School Lunch Program.''

Now, millions of Americans have a totally false impression that Republicans have killed the School Lunch Program.

Actually what was done was to try to end it as a Federal program and turn it into a State program.

This was done so that more money could be spent on food for kids and less on bureaucrats in Washington.

Most Governors have said they could take 80 percent of the money and probably operate almost any Federal program more efficiently and effectively.

However, in this instance, the Committee did not say take the School Lunch Program over with just 80 percent of the money—it said take 100 percent of the money with a built-in raise of 4.5 percent each year.

This is almost 50 percent more than what inflation has been since the Reagan years.

Yet some liberals saw a chance to use a political sledgehammer here, and beat us over the head with it, and with help from a supportive national media, they are creating a totally false impression.

I have always supported the School Lunch Program, and I can assure you there is not one member here, Democrat or Republican, who wants to take food away from any hungry children.

I do not serve on the Committee that is trying to change this program, but I do know that what the Committee is trying to do is make things better for children, not worse.

The School Lunch Program has gotten tremendous bi-partisan support in the past because it has worked relatively well. But anything can be made better.

And if there is a way to spend more on children and less on bureaucrats, then we should try it.

Too many federal programs today benefit primarily the bureaucrats who work for the program and really do very little for the intended beneficiaries.

This is true even in programs designed to help children. Every program up here has some beautiful motherhood and apple pie title, but you have to look below the surface, and below the headlines, to find the true story.

If we want to help bureaucrats, we will continue, and even increase, all our current federal programs, and even create new ones.

If we really want to help children, though, we will downsize government and decrease its cost, and give parents the freedom to spend more of their own money on their own children.

Apparently, though, with many liberals, if the choice is between giving money to bureaucrats or leaving more with parents and children, they will side with the bureaucrats every time.

There were two other main objections to the changes the Committee made in the School Lunch Program.

One was to the lack of national standards on nutrition, and one was to the fact that the Governors were given leeway as to 20 percent of the money as long as it was spent on other child welfare programs.

These were included because almost everyone today realizes that one-size-fits-all dictation from Washington is not working and has been harmful to even our best programs.

I am convinced that the wonderful people that we have running our school lunch program in East Tennessee do not need bureaucrats in Washington telling them what they can and cannot serve.

As to the 20 percent flexibility for Governors, this was done because some States need to spend more percentagewise on school lunches than others. But if this is a great concern, I certainly would support changes making sure all this money is spent for its intended purpose, which is school lunches.

I suppose the big point to be made here is that Republicans love children just as much as Democrats do.

Despite what some pious, holier-than-thou liberals would have people believe, no one has a monopoly on virtue—no one has cornered the market on compassion.

All of us are trying to do as much as possible for children. No one has voted to kill the School Lunch Program.

Many people around the country no longer think of the Federal Government as God. They know that some programs can be better run from the State level, or even by local governments.

And above all, they want less of their money being spent on bureaucrats and paperwork, and more being spent on children.

□ 2045

The SPEAKER pro tempore (Mr. CUNNINGHAM). Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

[Mr. BROWN of Ohio 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 Pennsylvania [Mr. FOGLIETTA] is recognized for 5 minutes.

[Mr. FOGLIETTA 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 gentlewoman from Hawaii [Mrs. MINK] is recognized for 5 minutes.

[Mrs. MINK 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 gentlewoman from California [Ms. ESHOO] is recognized for 5 minutes.

[Ms. ESHOO 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 Kentucky [Mr. WARD] is recognized for 5 minutes.

[Mr. WARD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SAVE PUBLIC BROADCASTING

The SPEAKER pro tempore (Mr. CUNNINGHAM). Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I rise today to express my support for continued Federal funding for public broadcasting.

PBS and NPR provide commercial-free entertainment and information that is always good for you, whatever your age.

PBS and NPR provide commercial-free entertainment and information that always brings the best of all our American cultures, the brilliance of our science and technology, the clash of our political opinions, and the natural beauty of our world, wherever we live.

PBS and NPR provide so much for so little: they cost only $1.09 per person. Americans overwhelmingly approve a Federal funding for public television and radio, with 87 percent in favor of continued support. Although the Federal allocation is small—currently $285.6 million—in the overall CPB budget, it is vital seed money that makes everything else possible.

To deny funding to PBS and NPR would be to truly damage the quality of our lives and our children's lives. Free market forces would not sustain the effort required to create and keep a show like ''Sesame Street,'' which is watched by over 6 million preschoolers on an average of three times per week. Commercial stations refused to air ''Sesame Street'' when it was first developed. Can you imagine any network today airing the program for 2 hours straight without commercial interruption?

An article in last week's Washington Post, reminded me just how important PBS is to quality programming for our children; for shows like ''Sesame Street,'' ''Mr. Roger's Neighborhood,'' and ''Ghostwriter'' that make their lives richer not poorer. The Post story told this sad tale: ABC will cancel ''Cro,'' a Children's Television Network production on its Saturday morning schedule in favor of something entitled—I am not making this up—''Dumb and Dumber.''

This choice bit of children's entertainment is a television version of a full-length cartoon movie of the same name, which consists of ''toilet jokes and exposed bottoms,'' said the Post but offers vast opportunities for those

big profit, toy spinoffs. ''Cro,'' a show that treats science and technology through the eyes of an 11-year-old stone age child, it was decided, had no future at Toys 'R Us so it had to go.

Do we really for a minute believe that commercial and cable stations will do the right thing by our children and young people? My friends, our children's choices will go from dumb to dumber, from violent to more violent, if PBS goes!

Much has been said and written about public broadcasting and elitism. What nonsense! What condescension! Eighty percent of all Americans—your neighbors and mine—watch public television at least once a month and have access to literally the world of entertainment and the arts without leaving their family room couch.

Comparisons have been made—and rightly so—between saving public television and radio and the campaign for public libraries, which was led by Andew Carnegie early in this century. His mission, to make sure every American had access to free books regardless of income level or place of residence, mirrors the contemporary mission of public television and radio to bring exposure to the world's greatest art, music, literature, and wonders to everyone. With your television and radio tuned to your PBS or NPR station you can sit in the front row at the Metropolitan Opera, watch the Bolshoi Ballet, or sit in your arm chair and travel the globe. It opens the world to all.

We are blessed in the Washington area with access to several public broadcasting stations: WETA, MPT, WHMM, and WAMU. The market in which these stations operate is large and its supporters and fans generous at fundraising time. But this is not the case across the country. The loss of Federal funding to radio outlets in rural areas, for example, would be devastating—in many cases radio stations would have to drop NPR programming and that means losing ''Morning Edition,'' ''All Things Considered,'' and ''Talk of the Nation.''

In many areas of the country, whole school systems rely on public broadcasting to supplement their curriculums. The president of Maryland Public Television has pointed out that ''as we enter the information age, every community in America needs its public television station as an on-ramp to the information superhighway and to fight for the public interest so that educational usage doesn't get pushed onto the shoulder by commercial interests.''

Mr. Speaker, to cut off federal support for public broadcasting is to do irreparable damage to a system that provides all Americans, regardless of age, race, ethnicity, party affiliation, or geographic location with riches that once belonged only to a very small elite. Public broadcasting is for all of us.

COMMEMORATING THE 30TH ANNIVERSARY OF THE VOTING RIGHTS CAMPAIGN OF 1965

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. LEWIS] is recognized for 60 minutes as the designee of the minority leader.

Mr. LEWIS of Georgia. Mr. Speaker, I rise tonight at this hour during this special order to commemorate the 30th anniversary of the voting rights campaign of 1965. Thirty years ago this day, March 7, 1965, was a turning point in the struggle for the right to vote in the American South.

In commemorating the voting rights campaign of 1965, we honor the great sacrifices many people made to secure voting rights for all Americans.

Now, Mr. Speaker, you must keep in mind that during another period in our history, during the 1960's, there were certain political subdivisions in the 11 Southern States of the old South, from Virginia to Texas, where 50 to 80 percent of the population was black, and there was not a single black registered voter. The practice used by whites to keep blacks out of their political process ranged from economic retaliation to outright murder. In many instances brutal acts of violence were directed against those who tried to register to vote. Those few who were allowed to register were harassed, intimidated, and even beaten when they tried to exercise their precious right to vote.

One State, the State of Mississippi, had a black voting-age population of more than 450,000, and only 16,000 blacks were registered to vote. In one county in Alabama, Lowndes County, between Selma and Montgomery, AL, the county was more than 80 percent black, and there was not a single registered black voter.

In the little town of Selma, the county seat of Dallas County, AL, majority of black population, only 2.1 percent of blacks of voting age were registered to vote.

The drive for the right to vote came to a head in Selma in the heart of the Black Belt after a series of nonviolent protests and after people had been shot, beaten, and killed. A small band of citizens on March 7, in an effort to dramatize to the Nation and to the world the need for voting rights legislation, decided to march from Selma to Montgomery.

Young black children, some elderly black men and women, left the Brown Chapel A.M.E. Church on Sunday afternoon, March 7, 1965, walking to twos, It was a silent, nonviolent, and peaceful protest, walking through the streets of Selma.

Crossing the Alabama River, crossing the Edmund Pettus Bridge, when they reached the apex of the bridge, they saw a sea of blue, Alabama State troopers.

The Governor of the State, at that time Gov. George Wallace, had issued a statement the day before saying the march would not be allowed. The sheriff of Dallas County, a man by the name of Jim Clark, on the Saturday night before the march on Sunday had requested that all white men over the age of 21 to come down to the Dallas County Courthouse to be deputized to become part of his posse to stop the march.

Sheriff Clark was a very big man who wore a gun on one side, a nightstick on the other side, and he carried an electric cattle prodder in his hand. He did not use it on cows. He used it on peaceful, nonviolent protesters.

As we continued to walk on that Sunday afternoon, we came within the hearing distance of the State troopers and a man identified himself and said:

I am Maj. John Cloud of the Alabama State Troopers. I give you 3 minutes to disperse and go back to your church. This is an unlawful march, and it will not be allowed to continue.

In less than 1½ minutes, Maj. John Cloud said, ''Troopers advance,'' and you saw these men putting on their gas masks. They came toward us, beating us with nightsticks, bullwhips, tramping us with horses, and using tear gas.

That Sunday, March 7, 1965, became known as Bloody Sunday. There was a sense of righteous indignation all across the country. People could not understand what they saw on television. They could not understand the picture they saw in the paper the next day coming from Selma.

Lyndon Johnson, 8 days later, came before this hall and spoke to a joint session of the Congress on March 15, 1965, to urge Congress to pass a strong voting rights law.

□ 2100

In that speech President Johnson started off the night by saying:

I speak tonight for the dignity of man and the destiny of democracy.

He went on to say:

I urge every member of both parties, Americans of all religions and of all colors, from every section of this country, to join me in that cause.

President Johnson continued by saying:

At times, at times history and fate meet at a single time in a single place to shape a turning point in man's unending search for freedom.

He went on to say:

So it was at Lexington and Concord. So it was a century ago at Appomattox. So it was last week in Selma, Alabama.

And the President went on to say:

There long-suffering men and women peacefully protested the denial of their rights as Americans. Many were brutally assaulted. One good man, a man of G-d, was killed.

A few days between March 7, 1965, and March 15, 1965, a young white minister by the name of James Reed, who came down from Boston to participate, was beaten by the Klan and later died.

In that speech here in this hall Lyndon Johnson said that night over and over again, ''We shall overcome.''

In a matter of a few months, Mr. Speaker, the Congress passed the Voting Rights Act, and it was signed into law on August 6, 1965. Because of the March from Selma to Montgomery, because of the leadership of Lyndon Johnson and the action of the Congress on August 6, 1965, we have witnessed what I like to call a nonviolent revolution in American politics, especially in the South. Today in Selma more than 75 percent of blacks of voting age are not registered to vote, and you have a biracial city council. In a State like Mississippi today there are more than 300,000 registered black voters, and the State of Mississippi has the highest number of elected black officials. In 1965, on March 7, 1965, there were less than 50 black elected officials in 11 Southern States. Today there are more than 7,000.

So, Mr. Speaker, we have come a distance. We made a lot of progress. But I think what happened 30 years ago as we meet here tonight tends to dramatize the distance we must still travel before we create a truly interracial democracy in America.

So, Mr. Speaker, at this time I am going to yield to some of my colleagues that are willing to participate in this special order in memory, not just in memory, but in commemoration, I guess, in celebration, of what happened in that little town of Selma, what happened in other parts of Alabama, but also in Mississippi, and Tennessee, and Louisiana, North and South Carolina, and Texas, all across our country really, to make democracy real.

Now, Mr. Speaker, I yield to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Speaker, I thank the gentleman from Georgia [Mr. LEWIS].

I say to the gentleman first that it is with great honor that I stand next to him today with the opportunity to participate in this special order that he has organized because he is one whose footsteps I hope I have a chance to follow in the future, as well as someone who has distinguished himself in the past as one of those who marched way back when, in the 1960's, and made it possible for some of us to be here today. I consider myself someone who is the fruits of much of the work of people like the gentleman from Georgia [Mr. LEWIS], and I think it is only a tribute to the folks like him that we have a chance to come before here, and speak and say how things really are. So to the gentleman from Georgia and those like him who have fought and continue to fight, Mr. Speaker, I say, ''Thank you for giving me the opportunity to stand here today and speak on behalf of voting rights for all Americans.''

Clearly the Voting Rights Act was a landmark piece of legislation for our country and for our history. The Voting Rights Act made it possible for people for the first time to truly participate in America's democracy, and of course now that we see the 30th year of the Voting Rights Act, it is only fitting that we have a chance to discuss its many successes, especially in light of the fact that there are so many obstacles and so many deterrents to its successful implementation that are being placed before us these days.

I think it is clear that there have been benefits to the African-American community throughout this Nation. It is unquestionable that it opened doors for many people who for years have been closed out of the process. But let me focus a little bit of my time on two emerging communities that, too, have benefited from the Voting Rights Act and who have struggled as well to try to make sure that America truly is a place for all.

Let me focus a few minutes, if I may, on the Asian-Pacific Americans in this country and the Latinos of this country who, as the gentleman from Georgia [Mr. LEWIS] mentioned, are part of America and make up that fabric which makes America so great.

The Asian-Pacific American community is really coming of age. It is a community in California which represents about 10 percent of the State's population. That is a dramatic increase over the last decade or two decades, yet the Asian-Pacific population is woefully underrepresented in office and in other signficant places of importance. The participation rates are very low right now for Asian-Pacific Americans when it comes to voting, and the biggest barrier, of course, is language. Right now what we find is that without some assistance and an opportunity to learn the language, it becomes very difficult for people to fully participate and understand the process, but fortunately the Voting Rights Act has made it possible for a number of Asian-Pacific Americans to become fully participant members of democracy. Just in California alone in the last few elections 25,000 additional voters, citizens, Asian-Pacific Americans, have gone to the polls, voted and become participants because the Voting Rights Act made it possible for them to participate through bilingual ballots. Now that is an example of how the Voting Rights Act has helped the Asian-Pacific American community.

In the Latino community, Mr. Speaker, it is much the same. I should note that the Latino community has a long history, especially in the Southwest, where there were settlements in this country long before the Pilgrims made it to the shores of the east coast. But Latinos have also suffered from poll taxes, white primaries and intimidation. Throughout the history of the Southwest it was very difficult for Latinos to participate in the process because literacy tests or language barriers were imposed, but the Voting Rights Act has made it possible for real progress to be achieved. I think it is clear to say that the doubling of Latino elected officials over the last 10 to 15 years, the increase in voter participation by Latinos, oh, say from 1975 from about 1.5 million to over 3 million are marked increases that deserve recognition especially for the Voting Rights Act.

I can go on and on and talk about how things are improving not just in the southwest, but in New York City where there has been a 17-percent increase in the number of Latinos who are registered to vote. But what we find from this is once they begin to participate in the process, they become full Americans, and I think that is what we hope to achieve through the Voting Rights Act, is full Americans, and I want to say to people like the gentleman from Georgia [Mr. LEWIS] to those who will participate in this special order, that it gives me great pride to say that back in the 1960's, when the march and the struggle came to a head and we had a chance to really televise it, that there was a chance to tell the American people that people have struggled, struggled not just for decades, but for centuries, to provide true, true rights, true representation to all people, not just a particular minority, not just to those that have been disenfranchised, but to all people, and I think, when you look at all the different communities that we have in this country that make up the fabric of America, you can truly say that the Voting Rights Act has worked. We should make it work more. We should preserve it. In fact we should strengthen it.

I would just like to say that it is time for us to stand together and do what was done 30 years ago, say that the Voting Rights Act must not only continue, but we must strengthen it. So I thank the gentleman from Georgia [Mr. LEWIS] for the opportunity to be here today.

Mr. LEWIS of Georgia. I thank the gentleman from California, my friend and colleague, for participating in this special order.

Mr. Speaker, I now yield to the gentlewoman from Texas [Ms. JACKSON-LEE], and I want to thank her for being here and participating.

Ms. JACKSON-LEE. Mr. Speaker, it is with both celebration and trepidation that I rise this evening in recognition of the 30th anniversary of the March From Selma to Montgomery and passage of the Voting Rights Act.

I celebrate with my colleagues the inspiring courage that fortified the unarmed band of non-violent probably people like our neighbors, who were tear-gassed, charged and brutally beaten by State police on horseback as they tried to peacefully cross the Edmund Pettus bridge in Selma, Alabama, 30 years ago today I also salute them—for these courageous souls changed the course of history of this nation—and when the 35,000 strong reached Montgomery after the March 7 march, they were black and white together.

I celebrate the courage of the distinguished gentleman from Georgia, [Mr. LEWIS], who was on that bridge on

March 7, and suffered great injury in the name of freedom along with the gentlelady from Georgia, Ms. [MCKINNEY], has been instrumental in providing my colleagues and I the opportunity to address the chamber this evening.

And I celebrate the Voting Rights Act of 1965 that has ensured the freedom for all Americans to cast their ballots in peace and safety.

A freedom some may take for granted these days, but a freedom for which so many—black and white—were forced to fight and too often die.

My trepidation, Mr. Speaker, comes in the knowledge that there are those around this Nation today who seem to have forgotten America's long and tortured history of racial injustice. There are those, Mr. Speaker, who would turn back the clock to a time of fear and polarization. Those who are again willing to stroke the fires of racial division in their pursuit of short term gain.

As history's demagogues have always chosen their scapegoats, American demagogues today seek to make different classes and races of people their scapegoats.

Encouraged by November's election analysis, today's demagogues want to promote anger and divisiveness amongst America's many races—particularly those most associated with the civil rights movement—African-Americans.

If they can convince white Americans that they should fear these diverse Americans instead of spending more constructive time solving the problems of binding work instead of welfare, of insuring the maintenance of school lunches and breakfasts instead of ketchup as a meal, and insuring a higher minimum wage for our citizens then today's demagogues will succeed in their efforts to divide and conquer America.

Today's demagogues here in Congress and across the country on talk-radio have fought tooth and nail the motor-voter laws that make it easier for all Americans to register to vote when they renew their driver's licenses or vehicle registrations.

They have been gerrymandering Congressional Districts for their advantage for more than 200 years.

But now that Congress has been fairly and legally diversified through the Voter Rights Act, the demagogues want to challenge the Voting Rights Act in court.

And just as police and fire departments, construction sites, corporate offices and graduate school classrooms are beginning to show the kind of racial, cultural and gender diversity that is America, the demagogues want to abolish any and all Government programs that they call ''affirmative action.''

Mr. Speaker, my trepidation comes when I hear the demagogues make blanket condemnations of all affirmative action programs—as though it was affirmative action and not a changing global economy that is to blame for America's anxiety over job security.

Let me be clear, Mr. Speaker, I welcome positive debate on affirmative action programs and we can work together to improve any utilization of these programs.

But let us make no mistake about it, affirmative action is not and never was some crazy scheme foisted on America by bleeding heart zealots. It was and remains the direct consequence of sustained and oppressive racism, and to those who argue that that kind of racism is a thing of the past, let me share with you some of my recent mail.

Mr. Jack Clark of Morgan, Georgia, offers his insight into American race relations. Mr. Clark claims it was the white male who made our country great and that, quote, ''Niggers Will Destroy America.''

Mr. Speaker, another anonymous correspondent, also from Georgia, offers this Nazi-like solution to racial tensions, quote, ''Save America, Nigger Genocide.''

Mr. Speaker, I did not consider lightly whether or not to share this mail with my House colleagues and the rest of America, and it is with mixed feelings that I did so.

As an American first, I am ashamed that such thinking still goes on in any quarter.

As an African-American who has worked all her life to improve racial harmony in my hometown of Houston and across the country, I was stunned to receive such cruel insults by people who haven't the slightest idea who I am or what I stand for.

Mr. Speaker, I know the vast majority of white Americans would be as insulted as I am by these disgusting thoughts.

And I know they are not the ones discriminating against African-Americans in matters of education, employment, housing or finance.

But, as we commemorate the Selma to Montgomery march for freedom, and the Voter's Rights Act, this good-hearted majority must be reminded that tremendous evil still lurks in the hearts of a dangerous minority.

And if we are not careful, we run the risk of returning to our dark past.

Let me conclude, Mr. Speaker, with a heartfelt plea to all Americans—white, black, brown and yellow.

We must celebrate our diversity, we must maintain our courage, and we must stay strong so we can resist the demagogues' message of fear and hatred.

Despite skin color and cultural heritage, we are all brothers and sisters, and brothers and sisters must care for each other and see to it that justice is done.

Let us remain vigilant and never forget that united we stand, and divided we shall surely fall.

□ 2114

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentlewoman from Texas for participating in this special order and say to her that I am very grateful for her involvement and for her leadership. I think the mail that you got from my State tends to dramatize to the Nation and to all of us that the scars and stains of racism are still deeply embedded in the American society. So we must still act. We must still speak. And thank you.

Ms. JACKSON-LEE. I am grateful for those words and let me say to you that our challenge is before us. You have paved the way and we join you in making this country a better place for all of us.

Mr. LEWIS of Georgia. Thank you. Mr. Speaker, I now would like to recognize the gentleman, my friend and colleague, the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. I rise today to stand with this brave man, Representative JOHN LEWIS, to commemorate the anniversary of the Selma to Montgomery march, one of the milestones in civil rights history. Thirty years ago today hundreds of brave African-American men and women, Representative JOHN LEWIS among them, risked their lives to ensure the voting rights of all people, regardless of their race.

During the 1960s, the State of Alabama was notorious for its practices of segregation. Like many States in the South, Alabama did not even acknowledge the equal rights of black men and women. In 1965, the Reverend Dr. Martin Luther King, Jr., and other began trying to escalate his Selma voting registration campaign. But whites in Alabama, including then Governor George Wallace, were just as adamant in their protests against the voter registration campaign.

On March 7, 1965, more than 600 marchers gathered in front of Brown's Chapel AME Church in Selma to prepare for the 50-mile march from Selma to Montgomery. This march was intended to dramatize the demands for voting rights. Led by the Reverend Hosea Williams, a King lieutenant and my distinguished colleague, Congressman JOHN LEWIS, who at that time was the national chairman of the Student Nonviolent Coordinating Committee, the marchers headed for the Edmond Pettus Bridge in Selma. Unfortunately, they were not prepared for what was in store for them. A solid wall of State troopers, a smoke bomb and an ensuing attack and chase by the troopers and sheriff's posse. The marchers were violently driven back as ambulances shuttled the injured to the hospital and treated others on site for cuts, bruises, and tear gas aftereffects.

The infamous bloody Sunday became a monument to history. Many of these marchers, including Representative LEWIS, were college students who heeded the call of civil rights leaders for all blacks to become active in the movement. Students in my own congressional district heeded the call 5 years prior to the Selma march in 1960. Four

African-American students, black students from North Carolina A&T State University in Greensboro, NC, including one of my constituents, Franklin McCain, made history for the civil rights movement and the State of North Carolina.

On February 1, 1960, these African-American students staged a sit-in at the Woolworth's department store counter in Greensboro. This was by no means the first sit-in in North Carolina but this particular one opened the doors for a student movement that began creeping up throughout the South.

On the evening following the four students' sit-in, 50 students met and created the Students Executive Committee for Justice. The following day, the four A&T students were joined by more than 300 African-American students from A&T and Bennett College, also in my congressional district. They organized a massive sit-in at various lunch counters across the city of Greensboro. Four days later, 1,600 students decided to halt the demonstrations at the request of city leaders who promised talks and negotiations.

However, no compromise became evident to any of the students, so the sit-ins resumed on April 1. On April 21, 45 demonstrators were arrested for their protest. Yet, subsequent sit-ins and boycotts forced the city of Greensboro to reopen lunch counters on a desegregated basis by July 1960.

The students' acts made a tremendous difference in both of these historical civil rights milestones: the sit-ins and the march in Selma. Their involvement and commitment not only helped make strides in voting rights but in the entire arena of desegregating America.

Mr. Speaker, I had hoped that this would be the end of my presentation in this special order, but when I went back to my office today I was reminded of the significance of the Selma march again. When I went back to my office from the floor today, in March 1995, I had a memo from the NAACP Legal Defense Fund. They reminded me once again that we have not yet quite arrived.

It said on April 19 the Supreme Court will hear arguments in two crucial voting rights cases from Louisiana and Georgia. These cases ask the Supreme Court to consider whether race or ethnicity can constitutionally be considered in constructing electoral districts.

The attack is not limited to oddly shaped or bizarre congressional districts, said the memo. It is not the districts' shapes but their racial composition as majority black and majority Hispanic that is being challenged as unconstitutional.

''The legal principles,'' the memo went on to say, ''established in these cases will have wide-reaching impact.'' Plessy versus Ferguson ensconced the nationwide principle of separate but equal in a case that presented the claim of one person seeking to ride in a white-only railroad car. Brown versus Board of Education directly involved only four school districts, but the decision revolutionized the law of racial equality.

And the memo went on to say the lower court in the Louisiana case ruled that any race consciousness in districting is always subject to strict scrutiny. Yet, the creation of majority-minority electoral districts almost never occurs by chance. Because race is such a dominant force in American politics, it would be impossible to provide fair representation to racial and ethnic minorities without taking race into account.

Since minorities have been elected almost exclusively from majority-minority districts, the U.S. Congress and State and local legislative bodies are at risk of once again becoming virtually all white.

So, today, once again, we are reminded of why these brave people made that march in Selma. And, unfortunately, once again we are reminded that the march and the fight and the struggle for equality in the voting rights area and in every segment of our society still has not been completed.

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Mr. WATT of North Carolina. We must fight. We must continue to march together. I commend my colleague, Representative LEWIS for putting together this special order, and I express my thanks to him for inviting me to participate, but more importantly, I express my sincere thanks to him for the bravery that he demonstrated 20 years ago today when he faced the marshals and the tear gas and the fear that must have existed on that bridge in Selma, AL. Thank you for allowing me to participate, Representative LEWIS.

Mr. LEWIS of Georgia. Mr. Speaker, let me thank my friend and colleague from North Carolina for those kind words and for participating in this special order tonight. We are very grateful for your participation. Thank you.

Mr. Speaker, I would like to recognize the head of the Congressional Black Caucus, the chairman of the Congressional Black Caucus, the Honorable Mr. PAYNE from the State of New Jersey.

Mr. PAYNE of New Jersey. Mr. Speaker, let me thank the gentleman from Georgia, the Honorable Representative LEWIS, who over 30 years ago led the Nation in the march on bloody Sunday. It was in fact the same date as tonight when he led the march over the Edmund Pettus Bridge, when Sheriff Jim Clark and his posse, with the Alabama State troopers, stood there and treated people as brutally as any act in this Nation.

As chairman of the Congressional Black Caucus, I take great pride in drawing attention to a very important piece of legislation that resulted from that action. After years of judicial and administrative wars, which were highlighted with the passage of the Voting Rights Act of 1965, this country just recently began to get women and minority officials elected in significant numbers.

The Voting Rights Act of 1965 and its extension in 1970 and 1975 had a profound effect on the black political participation in the South. The percentage of voting age blacks registered in the South in March, 1965 was only 35.5 percent, compared with 73.4 percent of the white population. The percentage of blacks registered was especially low in States targeted by the special provisions of this act, and it was in the area of the South that the act had the most direct and important impact.

By the end of 1965, Federal examiners, working in 32 counties in the covered States, had listed the names of 79,000 African-Americans to be added to the voting registration rolls. By the end of 1967, more than half a million new black voters were listed in the States covered by the Voting Rights Act. Since 1970, changes in black registration rates have been more erratic, but have generally moved upward. Moreover, the substantial increase in the number of black registered voters has been accompanied by a significant rise in the number of black elected officials.

So I share this history with you to emphasize how important this bill really is to African-Americans and to our communities. More importantly, I believe these statistics are even more remarkable when one considers that as late as 1940, 95 percent of adult blacks residing in the States in the South were deterred from voting. Many people had been beaten, lynched and harassed so that African-Americans could have the right to vote. The barriers at the time were numerous to them. They included all-white primaries, poll taxes, literacy taxes and economic intimidation. Within a generation, these barriers were largely dismantled; however, some still exist. By far the biggest increase in black registration occurred in the late 1060s in the southern States covered by the Voting Rights Act.

And let me say that it is interesting to note that it was not only in the South where we have had problems, but when we look at Black History Month, which just passed, we found that following the Civil War, it was the passage of the Reconstruction Act of 1867 that gave blacks the right to vote.

Blacks were elected to Congress. Hiram Revels of Mississippi became the first black to serve in Congress, when he took his seat in the U.S. Senate on February 25, 1870. Joseph Rainey of South Carolina became the first black Member of the House of Representatives when he took his oath of office on December 12, 1870. In fact, in the first Presidential election open to African-American voters, the blacks gave the deciding vote. Ulysses S. Grant defeated Horatio Seymour by a margin of 300,000 votes. It was estimated that

Grant received 450,000 votes from newly freed slaves.

Unfortunately, in my home State of New Jersey, African-Americans were shut out of the political system for a very long time. In fact, in 1807 the State legislature restricted voting rights to only white males, eliminating privileges that our State's 1776 Constitution had existed for both African-Americans and women. Despite immediate opposition to the 1807 restrictions, the State's 1844 Constitution continued to limit the franchise to white men.

In an effort to gain a right to vote, the first statewide black convention was convened at Trenton's Zion AME Church in 1849. The convention petitioned the legislature to put aside prejudice and allow all citizens to vote. Their effort was unsuccessful. The reality is that New Jersey in the 1800s was sometimes compared to the South. New Jersey was a slave holding State and it was reluctant to change. References to New Jersey as the land of slavery are found in historical letters of pre-Civil War era. New Jersey was the last northern State to approve laws abolishing slavery. It was in 1804 when a bill was passed establishing a gradual system of the practice of ending slavery, but the bill actually allowed slavery to continue until after the Emancipation Proclamation to the end of the Civil War.

So as I conclude, it is important that we do know about history, that we do know that New Jersey questioned President Abraham Lincoln's authority to free the slaves. It was also the only northern State that failed to ratify the 13th, 14th, and 15th amendments to the Constitution.

And so as we look around, we have seen a great deal of improvement. As we look around, we see that the importance of this bill is important. As we look around, we see that we have seen a great deal of progress in the course of history as African-Americans. We have seen many move into elective offices. Today there are over 8,000 elected African-Americans as compared to 280 in 1965, and so as I conclude, I once again want to congratulate the gentleman from Georgia for this very important event tonight and I thought that it was important, as we celebrate Black History Month, that we hear a bit about the history of African-Americans throughout this country and thank you, Mr. LEWIS, for this opportunity.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my colleague and my friend, the gentleman from New Jersey, for participating in this special order, for his remarks, and for taking the time out to remember the people that participated in the march from Selma to Montgomery. I think it is fitting and appropriate tonight that we pause and commemorate, to take stock of the distance we have come as a Nation and as a people. I think as a Nation and as a people, we are on our way down that long road to creating a truly interracial democracy in America, a creative and beloved community, the open society, and this is what America is all about, creating a society where all of our people are able to participate and share in the fruits and dream of this great country of ours.

So tonight, as we commemorate, as we celebrate, as we pause, as I stated before, we have a distance to go, but we are on our way and there will be no turning back.

I would like to, Mr. Speaker, yield to a colleague and a friend, the gentleman from Louisiana [Mr. FIELDS], who, if not for the Voting Rights Act of 1965 and the march from Selma to Montgomery, Mr. FIELDS, like many of us, would not be here tonight.

Mr. FIELDS of Louisiana. I thank the gentleman for yielding. Let me just say to the gentleman that I too appreciate his efforts and I think on this very floor I have expressed my appreciation and my gratitude to the gentleman for all the commitments he has made to civil rights and voting rights in this country, and while the gentleman was walking across the bridge in 1965 I was only 2 years old, a little bit better than 2 years old, and I just want to thank the gentleman for, irrespective of the dogs and irrespective of the tear gas and irrespective of the police officers and the fire hoses, the gentleman still found the gall and the courage to march for what was right, and I just want to thank the gentleman. I think even today the gentleman would probably realize that the Voting Rights Act is still under attack.

The gentleman from North Carolina, MEL WATT, mentioned about the case in Louisiana, but in his own State there is a challenge in terms of the redistricting of his congressional district and the district that he represents. In the State of Georgia, in the gentleman's own State, there is a challenge in redrawing the congressional districts in the State of Georgia and in the State of Texas, and on the 19th the Supreme Court will hear both the Georgia and Louisiana cases. I want to thank the gentleman; irrespective of the outcome of that case, he certainly has made his mark on this institution, and I rightfully am here largely because of people like you who have opened up the doors for people like me, and I thank you for that.

Mr. LEWIS of Georgia. I thank my friend and colleague for those kind words.

Mr. FIELDS of Louisiana. Mr. Speaker, at this time I would like to talk a little bit about some of the rescissions and some of the things that have taken place here in Washington, DC, just to change the subject just a minute, and I am going to yield back to the gentleman because I think the gentleman has just received another invited guest.

Mr. LEWIS of Georgia. Well, Mr. Speaker, if I may, let me yield to my colleague from the great State of Georgia, the gentleman from the second Congressional District of Georgia, Mr. BISHOP.

Mr. BISHOP. I thank my colleague, Mr. Speaker.

Mr. Speaker, 8 days following the event known to history as Bloody Sunday, President Lyndon Johnson came to this Chamber to formally call on Congress to enact the Voting Rights Act.

In his remarks, the President predicted that Selma would prove to be a turning point in the country's history comparable to Lexington and Concord.

As we now know, he was right. The Voting Rights Act had been under discussion for some time. But it was Bloody Sunday that gave it the momentum to finally get through the House of Representatives and Senate and become law.

Its impact was nothing less than revolutionary. The new law authorized the Attorney General to send Federal examiners to supersede local registrars wherever discrimination occurred. This provided a means for dealing with disenfranchisement cases quickly and effectively without going through the prolonged and cumbersome process of litigation. Prior to enactment, millions of Americans were routinely denied the right to vote. After enactment, the opportunity to register and vote was immediately opened to all Americans for the first time in the country's history.

Although a majority of Selma's residents were black, only 3 percent had been permitted to register in 1965. Many techniques were employed to keep people disenfranchised. If an ''i'' was not dotted or a ''t'' crossed, a registration form was thrown out. If the registration form was filled out perfectly, a verbal literacy test was administered with questions so obscure the registrars themselves could not have answered them. And even if the questions were answered correctly, the registrars could tell applicants they failed anyway. There was, after all, no appeal.

When organized voter registration efforts got underway in Selma as early as 1962, firings, arrests, and beatings became recurring realities of life. On one occasion, 32 teachers were fired, en mass, just for trying to register. There were instances when blacks tried to register in large numbers and were kept waiting in lines from morning to night without ever having a chance to register with police standing guard throughout the day to prevent anyone from giving them food or water.

These forms of government oppression intensified when Dr. King made Selma the center of the civil rights movement early in 1965. Within a few months, hundreds of people involved in the voter registration campaign—white and black—were severely injured and three lost their lives. Much of the violence—particularly the brutal trampling and beatings of men, women and

children on Bloody Sunday—was carried out in plain view of television audiences from coast to coast.

Millions of Americans of both races were outraged. In fact, thousands of people ignored the dangers and poured into Alabama from all over the country in the weeks following Bloody Sunday to join the continuing demonstrations.

People were outraged over the injustice. On one side, people saw courage. On the other, they saw an extreme abuse of power. They saw one side simply seeking the right to vote. And the other advocating the denial of rights. They saw the non-violence of one side and the unrestrained and often unlawful violence of the other. And they could not miss the fact that one side was steeped in faith and spirituality and the other side in raw hatred. These stark contrasts certainly influenced the tide of public opinion.

But I believe many Americans were influenced by something more personal. I believe people throughout the country began to understand that if the most fundamental right of citizenship could be denied to one group of people it could surely be denied to anyone. It might be African-Americans today, tomorrow it might be people who belong to the wrong political party, or the wrong religion, or nationality.

The denial of voting rights to black Americans was, in fact, threatening to undermine the very foundation on which our republic stands. In my view, it was a struggle that involved more than the rights of one group of citizens. In a very real sense, it was a struggle for the very soul of our country.

Selma galvanized America behind the Voting Rights Act. And the Voting Rights Act changed America. When our esteemed colleague, JOHN LEWIS, received a key to the city where he was clubbed 30 years ago, it was dramatically symbolic of this change.

To be sure, the country still has its share of problems. Poverty and hunger and intolerance still exist. Too much crime and drug abuse and violence plague our communities. We still have disparities in opportunities. But just as the Selma demonstrators walked across the Edmund Pettus Bridge 2 weeks after Bloody Sunday during those memorable days in 1965, and continued their march freely and triumphantly to Montgomery, so has America crossed a bridge into a new ERA of expanded freedom and opportunity for all.

Throughout the country's history, one of our strengths has been our capacity for self-correction—the capacity to confront our problems, to deal with them, and eventually to emerge with a renewed and strengthened commitment to the ideals of equality of justice and opportunity on which America was founded. Lexington and Concord were early examples. Selma is a more recent one.

I am proud to be an American. I am proud of my native State of Alabama and my adopted State of Georgia where I have lived and worked for most of my adult life. With all my heart, I believe in the values our country and our States have advanced for more than two centuries—values which so many Americans have defended with their lives.

We commemorate the events that took place in Selma three decades ago for a reason. It is a part of our history that reaffirms these values that we treasure more than life itself. It is reaffirmation of the march toward justice and equality of opportunity that our country has been engaged in for more than 200 years.

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But more than that, it forces us to focus on the threats of immediate and imminent danger that America now faces from the attacks on affirmative action, to remedy the effects of hundreds of years of discrimination, intimidation, violence and race, to the renewed attacks in the courts on the Voting Rights Act that was paid for with blood, with sweat and with tears on the Edmund Pettus Bridge.

Mr. Speaker, I come here tonight to commemorate the brave people who stood before the tremendous odds, the violence, and faced the harsh punishment of merely seeking to ask for their rights. I salute my colleague, the gentleman from Georgia, Mr. JOHN LEWIS, and the hundreds and hundreds of others who paid the price that we might have our voting rights.

America, this is 1995, 30 years later. Let us not turn back the clock. Let us not go back to where we were in 1965. Thank God we can remember the bloody Sunday in Selma in 1965.

Mr. LEWIS of Georgia. Mr. Speaker, let me thank my friend and colleague from the State of Georgia for those kind words and for his brilliant statement. He is a native of the State of Alabama. We both left the State of Alabama and moved to Georgia and now we both represent the State of Georgia in the Congress.

Mr. Speaker, I think tonight we have tried to say why we marched from Selma to Montgomery 30 years ago and why we come tonight to commemorate, to celebrate the great progress we have made as a Nation and as a people down that road toward a truly interracial democracy.

Mr. STOKES. Mr. Speaker, I want to thank my colleague, the distinguished Representative from Georgia, CYNTHIA MCKINNEY, for sponsoring this special order to commemorate two significant events in history, the 30th anniversary of the Voting Rights Act of 1965, and the historic march from Selma to Montgomery in 1965 which fueled its enactment. I am pleased to join my colleagues in reflecting upon these important events.

The march on Selma was a journey that forever transformed America's racial politics. Out of the violence and turmoil came the passage of our Nation's strongest voting rights legislation. On Sunday, March 7, 1965, about 500 marchers assembled at a church in Selma, Alabama, to begin a 50-mile march to the state capital of Montgomery.

For many years the leader of the civil rights movement, Dr. Martin Luther King, Jr., and others had fought to put African-American citizens on the voter rolls. The need was urgent, since the ballot box represented the key to equality, political empowerment and economic opportunity. Dr. King recognized the fact that he could not succeed without a Federal voting rights law. It was determined that Selma, Alabama, the ''cradle of the Confederacy,'' would be the focal point for a drive to bring about such a statute.

Mr. Speaker, when marchers gathered in Selma, Alabama on March 7, 1965, they thought the journey to Montgomery would take only four days. Instead, before they could even leave the city of Selma, America was left with the painful images of a brutal confrontation at the Edmund Pettus Bridge that exposed state troopers swinging clubs, firing tear gas, and using their horses to run down marchers. Our Nation watched as African-Americans were beaten and trampled.

The day after ''bloody Sunday,'' Dr. King issued a national call for protestors to join the effort in Selma. The call was answered by thousands of black and white Americans from all parts of the Nation and all segments of society, including baptist ministers, jewish rabbis and civil rights activists. This time the marchers made it to Montgomery. In August, just five months later, President Johnson signed into law the Voting Rights Act of 1965, providing the Nation with the strongest voting rights legislation in nearly a century.

As we gather today to mark the anniversary of the Selma to Montgomery march, we recognize the leadership of our good friend and colleague, JOHN LEWIS. He was only 25 years old when he and other protestors were brutally beaten in Selma. His determination and perseverance placed him in the forefront of the struggle for civil rights in America. We are proud that today he represents Georgia's Fifth Congressional District in the Congress.

Mr. Speaker, the Voting Rights Act is considered to be one of the most effective civil rights laws which this Nation has adopted. When President Lyndon B. Johnson signed into law the Voting Rights Act of 1965, he started America on a new course of equality for those who had lacked political representation. In 1957, 1960 and 1964, Congress enacted civil rights laws to eliminate racial discrimination in the electoral process. However, the initiatives proved to be ineffective largely because they provided for enforcing voting rights in the courts on a case-by-case basis, which proved to be a time-consuming and ineffective approach.

The Voting Rights Act was originally designed to implement the fifteenth amendment to the Constitution which guaranteed the right to vote free of discrimination based on color or race. It was later amended to extend protection to the Nation's non-English speaking minority populations. Thus, the act has been instrumental in bringing our Nation nearer to realizing the goal of full equality in the electoral process.

In their book, ''Controversies in Minority Voting: The Voting Rights Act in Perspective,'' the authors, Edward G. Carmaines and Robert Huckfeldt, write that the Voting Rights Act:

''has altered the racial composition of the electorate, the party coalitions and the officeholders. It has transformed the appeals of politicians, the lines of political debate and the bases of political cleavage. Most important, it has transformed the strategies and agenda of American politics.'' Nowhere is the law's impact more evident than in Congress itself. In 1965, there were six black Members of Congress and four Hispanic Members. Today, there are 41 members of the Congressional Black Caucus and 18 Hispanic Members serving in this legislative body.

Mr. Speaker, those of us who have fought to secure voting rights and equal representation join today to commemorate the historic anniversary of the march on Selma and the passage of the Voting Rights Act. We also gather to reaffirm our commitment to the principles upon which this Nation was founded—liberty and justice for all. Many battles have been waged to secure these rights. Yet, we cannot and shall not rest until they apply to each and every citizen in this great democracy.

Mr. CONYERS. Mr. Speaker, 30 years ago, Selma, AL captured the attention of people around the world. At a time when there were 6 African-American Members of Congress and thousands of disenfranchised people in this country, 500 peaceful marchers were brutally attacked at the Edmund Pettus Bridge by State troopers for dramatizing the need for voting rights legislation.

All Americans, black, white, and every color, benefited from the conviction of these bold marchers. Dr. Martin Luther King once suggested in a Detroit speech that if you haven't found a cause worth dying for, you haven't found anything to live for. These brave members of the civil rights movement, found their cause in a simple act of conscience. For this they suffered the brutality of Bloody Sunday and experienced the joy of seeing the Voting Rights Act become law on August 6, 1965.

The struggle for voting rights was not over, far from it. The Reagan Justice Department in cases involving Mississippi, Louisiana, North Carolina, and Virginia supported the annexation of areas designed to dilute black voting strength. In 1985 they initiated a series of criminal prosecutions against civil rights workers in the five black majority counties in Alabama. Eight of the very people who led the march from Selma to Montgomery were indicted for voter fraud.

Thrity years later, our hard won victories are still under attack. States are refusing to implement the motor-voter law, the drawing of majority minority districts is under fire and affirmative action is in jeopardy. Frederick Douglass, a crusader in the fight against slavery who died 100 years ago, said something once that still applies today, ''where justice is denied, where poverty is enforced, where ignorance prevails, and where any one class is made to feel that society is an organized conspiracy to oppress rob, and degrade them, neither persons nor property will be safe.''

We must never forget the legacy of struggle, survival and perseverance left to us by our African-American forebears. It is forged on a vision of freedom, equality, and opportunity that we must preserve for our children. Our memory of these individuals should only serve to fuel our fires as we attempt to preserve the rights of all Americans to participate in the political process. We must be as courageous as the marchers were on that Sunday morning in 1965 and meet the challenge head on.

Mr. WATTS of Oklahoma. Mr. Speaker, we take it so blithely nowadays. Every 2 years—sometimes more often—we go to our local library, school, dry cleaners and pull a lever, darken a circle or punch a hole—all to cast our vote for the representatives of our choice. Whether it's the school board, county assessor, or the highest office in this land—voting has become commonplace, even sometimes considered a burden by some.

But in 1965 in Selma, AL, it was not commonplace—it was not a burden. In fact, voting was worth marching for, demonstrating for and even dying for by those whose choices were restricted by oppression.

It is those heroes who marched from Selma to Montgomery—we all remember the famous names like King and all of the other not so famous names who had a burning desire to make sure all people—red or yellow, black or white, had the right to vote freely.

On this 30th anniversary of the march from Selma to Montgomery, it is fitting that we reflect on yet another recent voting success.

In South Africa last year, black Africans had the opportunity to vote for the first time. The stories are poignant. One account is told about a couple of black housekeepers who rose early that morning, put on their best going-to-meeting clothes, rode in with their white employers and stood together, for hours, waiting to cast their votes for the first time.

It was not a burden; it was not an inconvenience; it was a privilege—an event—a time to wear your Sunday's finest because the vote took on a sacredness. That vote in Johannesburg, Capetown, and Soweto was exercised for the first time after blood shed, unrest, and revolution. That revolution ended in the election of Nelson Mandela and for the first time true freedom rings in South Africa.

That story is repeated over and over again I the Stans of the former Soviet Union, the countries of South America and even in the far east where the concept of one man, one woman, one vote is becoming the archetype.

Let us not ever be so brazen, so commonplace that we forget the struggle, the heartbreak, the price paid for the voting rights act. On this the thirtieth anniversary, let us be vigilant for any continued injustices or breaches of that inalienable right and let the words of Dr. Martin Luther King ring true: An injustice anywhere is a threat to justice everywhere.

Ms. BROWN of Florida. Mr. Speaker, I rise tonight to commemorate the 30th anniversary of the Voting Rights Act. In 1962, only 5.3 percent of the voting-age black population was registered to vote in Mississippi. There were only 500 black elected officials in the entire country.

The year I was elected to Congress was historic—especially for Florida. For the first time in over 120 years, an African-American represents my district in Congress. Representatives CARRIE MEEK and ALCEE HASTINGS also represent Florida in Congress. The Congressional Black Caucus has grown to 40 members, the largest ever. Sixteen new African-American Members, most from the South, were seated in the House of Representatives and one African-American Senator, CAROL MOSELEY-BRAUN, was seated, expanding the number of Congressional Black Caucus members to 40. There are now 57 women, 19 Hispanics, 8 Asians, and 1 American-Indian. This is the highest number of minorities to ever serve in the history of the U.S. Congress. Despite these gains, less than 2 percent of the elected officials in this country are black. We still need the Voting Rights Act, we still have a long way to go.

Let me tell you a little bit about Florida's first Member of Congress. Josiah Wells, from Gainesville, FL, was first elected to the House of Representatives in 1879 but his election was challenged and he lost his seat after only 2 months in office. However, by that time, he had already been reelected to a new term. Believe it or not, his next victorious election was challenged after ballots were burned in a courthouse fire. And thus ended the congressional career of Florida's first black Representative.

Once Reconstruction began, 21 black Congressmen were elected from the South between 1870 to 1901. However, after 1901, when Jim Crow tightened his grip, no black person was elected to Congress from the South for over 70 years. As we celebrate the 30th anniversary of the Voting Rights Act, it is more timely than ever, to study what happened to black representation during Reconstruction. This period may seem like ancient history, but what happened then seems to be happening all over again.

Although history was made with the 103d Congress, reaction to that history was the election of 1994—the revolution of the conservative right. Angry white men were not happy with the history we made in 1992. They have launched a contract on America and in just the first 50 days they have:

Threatened school lunch programs; threatened Meals on Wheels for seniors; cut Pell grants; eliminated the Cops on the Beat Program that have provided more than $11 million for over 150 cops to the Third Congressional District; and threatened to eliminate affirmative action programs, including the 8(a) Small Business Program.

For the first 100 years of America's history, African-Americans did not have the right to vote; they were enslaved. Eventually, the Constitution was amended to make African-Americans free. After the Civil War, some African-Americans were able to exercise their rights to vote but this lasted for just a brief time. After the Reconstruction period, things actually got worse and Jim Crow ruled the South. The civil rights movement exploded because African-Americans were fed up with living in America without real democracy. Dr. Martin Luther King, Jr., whose birthday we recently celebrated, and many others sacrificed their lives to have the Voting Rights Act passed into law. The Voting Rights Act was enacted in 1965 but it has taken almost 30 years to implement in the South. The reason districts were redrawn was because of a long history of violations of the Voting Rights Act—we cannot lose sight of this. The Voting Rights Act was enacted because people that should have been represented were not represented. Too many have died for us to allow a few frightened individuals to steal back these long-overdue rights to representation. What matters most is not what the district looks like, but who is in them—those who have been left out.

New attacks, just like the attacks on Josiah Walls, are from the good old boys from the bad old days who are trying to roll back the clock and send minorities to the back of the political bus. Congress now looks more like

America than at any time in the past. However, even though there are more women and African-Americans in Congress than ever before, neither group is fully represented proportionately to their numbers in the general population. Blacks and women are still underrepresented even though we have begun to make progress. The voters of America should be outraged that a few people are trying to take away the representation blacks, Hispanics, women, and other minorities have been struggling for over 127 years to achieve.

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

WHICH WAY AMERICA? ONE DOLLAR AND NINE CENTS A PERSON FOR PUBLIC TV OR ZERO DOLLARS AND A WASTELAND?

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from California [Mr. HORN] is recognized for 60 minutes as the designee of the majority leader.

Mr. HORN. Mr. Speaker, whenever a measure that affects a broad spectrum of America comes before the House, our offices are inundated with calls, letters, and telegrams. The proposed budget cuts to the Corporation for Public Broadcasting [CPB], National Public Radio [NPR], and the Public Broadcasting System [PBS] have sparked just such an outpouring. While we are all familiar with the various letter-writing campaigns that produce mail bags full of mass-produced—usually computerized here in Washington—letters and cards, this has not been my experience with those who write to tell of their support for funding public television and public radio. What I have received is letter after letter—personally conceived and written—each telling how the proposed budget cuts would affect them. As we all know, these are the ones that touch our heart and our conscience.

What these letters demonstrate is that public broadcasting opens the world to its listeners and viewers in a way that commercial radio and television have never been able to do. The letters show that funding for the Corporation for Public Broadcasting is not an arts issue, nor one of entertainment or communications. It is far broader. The letters I have received tell me that funding for public television and radio is a seniors issue—an education issue—a children's issue—a community issue.

Most important, these letters are the voices of public broadcasting's viewers and listeners. They are the voices of America.

As for seniors, let's start with Mrs. Alta Valiton, 81 years of age, a resident of Long Beach, who observes that she:

> Has been watching TV from its beginning. In some ways it has deteriorated, giving much time to sitcom after sitcom and shows appealing to the uneducated, but there is always public television to bring a breath of fresh air and mental exercise and aesthetic pleasure. What would our lives be without the Nature Series, the National Geographic features, and the great music—the Met, the concerts by the great trio of men singers, the Christmas Day program from the [Los Angeles] Music Center, and the scientific programs. Need I go on?

She closes.

Or Mr. Harold Weir, a 68-year-old from Downey, who wrote:

> I am retired and living on a very limited income. I cannot afford cable TV. PBS is virtually the only TV channel I watch, other than for local news.

Mrs. Bernice Van Steenberg, another Long Beach senior, says:

> PBS is my favorite station and I am not an elite, wealthy person. I'm a senior citizen on a limited income who doesn't have cable TV and who relies on the good programs PBS presents. I'd be lost without PBS.

These voices are also experienced parents who know the value that public broadcasting has brought to their children over the years. Mr. and Mrs. Raymond Collins of Long Beach recalled:

> Because of ''Sesame Street,'' the ''Electric Company,'' ''Mr. Rogers,'' and many other programs of the early to late 1970's, our son Philip—who is now 22—was able to read and count quite well before he began grade school. It was the only period since first having a television set in our home that we were able to watch daytime TV—we'd watch with Philip—without becoming bored, agitated, and having to turn the set off. I wonder how we would survive without public television.

And, an alumni viewer of such shows as ''Sesame Street' and ''Mr. Roger's Neighborhood''—Dr. Gregory K. Hong of Bellflower—noted:

> * * * those are the programs that I watched to learn English when our family immigrated to America twenty some years ago.

These voices are typical of the millions of people who enjoy and benefit from public broadcasting. With national public radio, for instance, almost 16 million people listen over the course of a week—that is 1 in every 10 adults in America. This audience has almost doubled in the last 10 years to include people from all walks of life. Many radio listeners work in a professional or managerial occupation; one out of every four works in a clerical, technical, or sales position.

Some say that shows elitism. What nonsense. More than half of public radio listeners are not college graduates, and 48 percent live in households with combined annual incomes below $40,000 per year. My letters confirm this. Grandparent R.M. Dunbar of Long Beach wrote me to say that:

> I'm not one of the elite that someone said all public television watchers are—I'm just a person who became full to the brim with soap operas and lousy sitcoms.

Long Beach residents Jim and Pat Bliss agree:

> We have heard public broadcasting's fans described as an elite. Not so; if we were an elite group, we would buy cassettes to entertain us en route to work, hire someone else to do those mindless chores, and pay the heavy subscription rates required for cable TV.

Public television viewers and public radio listeners are not just listening to entertainment; they are receiving programming that is enhancing the quality of their lives and that of their communities. Mrs. Shirley Freedland of Long Beach summed up this aspect rather dramatically: ''Without PBS our brains will shrivel up and die.'' Across the country, public broadcasting is serving Americans. In Huntington Beach, CA, Channel 50, KOCE–TV offers teacher training workshops and television specials in both English and Spanish designed to promote parenting skills such as helping with homework and drug abuse prevention.

Mr. Speaker, a decade ago, I recall offering the first TV course of ''Congress: We the People'' over Channel 50. The public-spirited channel has a long record of bringing first rate educational programming to Southern Los Angeles and Orange Counties. The community colleges of Orange County have been pioneers in developing educational programming.

After the devastating Northridge earthquake last year, KCET–TV in Los Angeles—the region's premier public TV station—taped programs that reassured children and helped them to deal with the chaos around them. In Gainsville, FL, WUFT–FM radio provides a 24-hour reading service for the blind. In Evansville, IN, WNIN installed public access terminals in low-income housing areas so users could access local public libraries, and newspapers, and use Internet e-mail. Town halls and State legislature sessions are broadcast over public radio and television stations in Alaska, Illinois, and Florida. Prairie Public Radio in North Dakota is planning a native American language program to promote the continued use and study of native American languages. It is patterned after a similar public broadcasting program in Hawaii which has regularly scheduled Hawaiian language shows.

□ 2200

Karen Johnson, a disabled Long Beach resident, is at home all day. She subscribes to three southern California public radio stations: KLON–FM88, KUSC, and KCRW. She can hear ''MacNeil-Lehrer'' and a local show ''Which Way L.A.?'' which is carried by KCRW, a radio station based at Santa Monica College. Hosted by Warren Olney, this program has had a major impact as it daily brings together people across age, race, and ethnic lines to talk about the key problems facing America's second largest city and one of the major metropolitan regions in the world. Karen sums it up well: ''Daytime broadcasting (commercial) is a wasteland. And commercial news' broadcasts lack any analytic depth.''

In rural America, public broadcasting plays a special role in linking listeners to their communities and the world at large—particularly in areas where the local newspaper is published just once a week and where the economic base cannot support locally generated commercial broadcasting. Without National Public Radio, for instance, households in western North Dakota would be without radio news. Throughout Alaska's Prince William Sound, listeners—who frequently do not have telephone or television—would lose their messaging service, their only way to communicate to the outside world. At a reservation in rural Wisconsin, they would lose the service that records and broadcasts tribal meetings, the Head Start Program, and health and environment conferences. In the Chico area—80 miles north of Sacramento in northern California, there are no large cities—listeners would no longer be able to earn college credits by taking courses through the radio. Without public broadcasting in remote Pine Hill, NM, the area's farmers and ranchers would simply no longer have a radio station to connect them with the outside world. it would be very, very tough—if not impossible—for these communities to replace the services provided to them by public broadcasting.

The services provided by public broadcasting come cheap—a Federal investment of just $1.09 in Federal funds per year for each American; let us repeat that, $1.09 for each American. That's 80 cents for public television and 29 cents for public radio. And this money is a good investment. In public broadcasting, every dollar in Federal funding leverages $5 in other funding.

Where do these Federal funds go? Twenty-five percent of the Federal funds received by the Corporation for Public Broadcasting are designated for public radio. Almost all of that money—93 percent—goes directly to local public radio stations. At these local stations, the Federal funds equal about 16 percent of the average public radio station's operating budget.

This 16 percent may seem to be a rather small amount over which to be fighting—but let me relate an interesting fact told to me by Judy Jankowski, general manager of KLON–FM 88—a public radio station that I brought to California State University, Long Beach, when I was president. According to Judy, this relatively modest amount of funding is what banks and other financial institutions use as a basis for loans to public stations. In other words, without Federal funding, public broadcasting stations would be severely hampered in their ability to borrow funds.

Some argue that public broadcasting provides a free, publicly subsidized platform for the promotion of Barney and ''Seasme Street''-type products. As the parent of two former ''Sesame Street'' watchers, I can attest to the fond memories related to the characters on that show. Friends with young children tell me that it is no different with Barney, the purple dinosaur. And the popularity of these two programs over the years has created a great market for products which are related to the shows.

When ''Sesame Street' went on the air in 1969, the financial arrangements between the show's products—the nonprofit Children's Television Workshop—and PBS were not commercial. They continue that way today. In 1973, the matter of income-sharing was discussed, and PBS agreed to allow the Children's Television Workshop to retain all of its income because the workshop agreed that all income from merchandising would be reinvested in ''Sesame Street'' and other of its productions and educational activities. This has allowed the workship to produce four additional major children's series: ''The Electric Company,'' ''Square One TV,'' ''3–2–1 Contact'' and ''Ghostwriter.'' Last year, the workshop received approximately $27 million from its merchandising. From this amount, $7 million paid the expenses associated with managing the workship's merchandising business, $13.5 million was reinvested into the production of ''Sesame Street.'' And, the remainder went to other workship educational activities.

In the 1980's, PBS and CPB had an income-sharing policy for all public television programs that brought them a share of revenues. However, until the ''Barney and Friends'' show, this was not a significant source of revenue for either PBS or CPB. With the advent of Barney's merchandising success, PBS and CPB took steps to obtain a share of the revenues. However, because the Barney show was developed and is produced by a for-profit organization—the Lyons Groups—the negotiations and agreements are much more complicated than those with the nonprofit Children's Television Workshop.

In 1991, the Public Broadcasting System made a commitment to increasing its children's programming. Because of the long development process involved in producing a children's TV series—between 12 and 36 months—PBS sought to acquire children's TV shows which were already being produced. At that time, Barney had appeared on Connecticut Public Television [CPTV] and briefly on Disney. So, in 1991, PBS, CPB, CPTV, and the Lyons Group entered into an agreement to bring the show to public broadcasting. Under the terms of the agreement, PBS and CPB each committed $1,125,000. Connecticut Public Television agreed to commit almost $700,000—mainly in-kind services entailed in establishing the liaison between Lyons and the public television stations airing Barney. Lyons and Connecticut Public Television had already worked out an income sharing arrangement which called for CPTV to receive 30 percent of the share of foreign broadcast and audio and video sales royalties. However, payments to CPTV would not commence until after Lyons Group had recouped its initial $2 million investment, as well as costs it incurred in making sales in the home video and foreign markets.

When PBS and CPB became involved, it was agreed that half of CPTV's income share would be split between PBS and CPB. Payments to PBS and CPB would not begin until after CPTV had recouped its initial $700,000 investment. PBS tried to secure a share of the ancillary income with the Lyons Group, but Lyons refused, citing the $2 million it had invested in producing ''Barney and Friends.''

CPTV continues to share in the Barney program sales and shares this money with PBS. To date, public television has received approximately $600,000 from the Lyons Group. PBS, CPTV, and Lyons have reached an agreement on future book and audiotape sales. PBS estimates that future revenues—based on the latest contract with Lyons—will be at least $2.4 million next year.

The Corporation for Public Broadcasting is very aware of the growing limitations on the availability of Federal funds. Its staff members are working hard to increase other sources of funding so that it can better support the stations for which it is responsible. But PBS is not a media investment company. Its mission is to maximize service to the public and to provide high-quality programs based on sound educational principles to benefit America's children. If the mission of public television were strictly to maximize commercial return, the program selection criteria would be quite different. Selection criteria would be based not on program nor educational value, but rather on retail market potential. Put simply, public broadcasting would cease to be the national treasure that it is today.

There have been many myths floating around about public broadcasting. Misstatements and incorrect perceptions have clouded up the real picture. I have already discussed the so-called elitist listener issue, as well as the program merchandising revenues situation. But there are others that need to be cleared up. Let me review some of them.

First myth: ''Telecommunications companies could step into the funding role now played by the Federal government.''

Reality: The Corporation for Public Broadcasting is not a network. There are no assets for a private company to acquire. Under statute, CPB is not allowed to own stations or sources of programming. It is a funding mechanism to shield the station from direct Government control. National Public Radio [NPR] and the Public Broadcasting Service [PBS], which do have assets, are private companies and are not for sale. The local stations are individually licensed by the FCC for noncommercial service. Noncommercial licenses are available only to not-for-

profit entities which provide noncommercial educational services, such as KLON–FM 88. Its entity that is a nonprofit one is the California State University Long Beach Foundation.

If the critics are referring to possible private donors, it is too bad that American commercial television and commercial radio have not stepped up to the plate and assured that public TV and public radio survive. The more public-spirited cableowners stepped up to the plate and funded C–SPAN—the Cable Satellite Public Affairs Network. If a Donald McGannon still headed Westinghouse—Group W—and Dr. Frank Stanton still headed the Columbia Broadcasting System, maybe that would happen. It should. But it hasn't.

Second myth: ''PBS and NPR programs already feature advertising—known by the code word 'underwriting.'''

Reality: Sec 399(b)(2) of the Communications Act of 1934, which guides the policy in American television and radio, public and private, states that ''No public broadcast station may make its facilities available to any person for the broadcasting of any advertisement.'' Public broadcasters are allowed, under the statute, to make statements on the air for corporate sponsors in exchange for remuneration, as long as the statement is in no way a promotion of the sponsors' products or services. The comment at the beginning or the end of a sponsored program—''Brought to you by the HPC Company''—is all the touting a corporate sponsor gets.

Third myth: ''75 cents out of every dollar spent in public broadcasting goes to overhead.''

Reality: This misstatement appears to come from a report called ''Quality Time'' which was issued by the Twentieth Century Fund task force on public television. The report stated, ''Of the $1.2 billion spent in the public television system in 1992, approximately 75 percent of the funds were used to cover the cost of station operations.'' The term ''station operations'' meant every activity a station undertakes besides national programming—such things as administration, community service programs, delivery of services, and the cost of producing or acquiring local programming, indeed, a lot of what a station does. Community service and local programming are a vital part of public broadcasting's role in the community—a responsibility many commercial stations ignore.

Fourth myth: ''With so many television channels available—CNN, Discovery, the Learning Channel, the History Channel, Arts & Entertainment—there are plenty of substitutes for public broadcasting.''

Cable channels are available without government subsidy because they have two revenue streams—advertising and subscription fees averaging $40 per month. For the 40 percent of the American people who do not have cable programming, these programs are not viable alternatives. Public broadcast services reach 99 percent of American households—for free.

In addition, there are no channels of this type for radio. There are virtually no other radio sources with the kind of in-depth news, public affairs, information, and cultural programming that public radio provides.

Fifth myth: ''Direct Broadcast Satellite is now available everywhere in the 48 contiguous states with over 150 channels of digital video and audio programming.''

Reality: This type of audio programming service is not yet widely available to the American public, nor will it be for several years—unless one has somewhere between $600 and $3000 for the equipment. It will be the late nineties before the hardware and infrastructure are in place to deliver the service. And, this will not be a free service.

Sixth myth: ''If the 5.2 million PBS members were to contribute only $55 more a year, it would equal the Federal share for CPB. It is clear that those donors are the very people who can afford to contribute an additional $55 a year.''

Reality: Not so. Not all public radio listeners can afford an additional $55 per year. In fact, 41 percent of the 15 million people who listen to public radio earn less than $30,000 annually, and 48 percent live in households with combined incomes of under $40,000 per year.

Seventh myth: ''Current public broadcasting formulas favor large urban, elite stations. They get most of the Federal funds.''

Reality: Again, not so. In fiscal year 1994, more than $5.7 million in additional support funding was given to unserved areas and underserved audiences. From 1991 to 1993, CPB expansion grants to markets with fewer than 25,000 people, to stations that provide the only full-power broadcast service to their communities, and to stations in unserved markets helped 3.5 million people receive public radio signals for the first time.

Eighth myth: ''Public broadcasting is the mouthpiece of the liberal elite.''

Reality: In response to Congressional concern in 1993, a joint, bipartisan project by two established research firms—Lauer, Lalley & Associates and Public Opinion Strategies—conducted a national survey to assess public perceptions of balance, objectivity, and bias in programming aired by public broadcasting. They found that roughly equal percentages agree that public televisions is too slanted toward liberal positions—28 percent—and too slanted toward conservative positions—28 percent.

The reality check to these myths shows us that America is getting quite a bargain for the modest support we in Congress give to public broadcasting. They do a lot with a little. We must do all we can to help further their efforts. While we all know that cuts must be made across the board in virtually all federally funded activities, let us make sure that any cuts we make take into consideration the value of the activity to the American people.

So, when we vote on any cuts to the Corporation for Public Broadcasting, let us keep in mind Americans such as Mrs. Ida May Bell of Long Beach who wrote, ''I watch KCET–TV every day. I live on a small pension and can't afford cable, but with KCET available, I am able to enjoy excellent TV.''

Let us recall the comments of educators such as Barbara Mowers of Long Beach who wrote about using public television as a classroom learning tool to expand the horizons of her students.

Or the remarks of Lakewood resident Donald Versaw who told me that he ''doesn't think the country should make grants to individuals for inane 'art'—but, by and large, Public TV and Radio is something this country needs.''

We must remember the words of CPB supporters such as Long Beach resident Glenn Skalland who wrote ''Having recently suffered a back injury, I have viewed more TV than I'm proud to admit. I can attest to the desolation on commercial television. Sex and violence sell. Public TV needn't sell anything; consequently, their programming needn't appeal to our baser instincts. Shows are informative and, on the whole, family-oriented. Please don't throw the baby out with the bath water. Keep public television free and on the air.''

And, the words of Allen Robinson of Long Beach will be hard to forget: ''I've heard it charged that PBS is only watched by the cultural elite. Well, I don't have an elite bone in my whole body, but I do have half a brain which is twice as much that's required to watch the drivel served up by the commercial stations. This must be a nation of idiots judging from what 'sells.' Good taste, decency, and integrity can't compete with sensationalism, pornography, distortion, and push-your-button politically correct slices of touchy-feely liberal humbug or a race-baiting right-wing blowhard egomaniac. No wonder the kids are so screwed up. A democracy depends on a literate informed citizen. PBS is going its share.''

Most of us in the House want to see a greater emphasis on personal responsibility. Some of the proposals we are considering in the Contract With America correctly focus on that. Welfare reform is an example. President and Congress claim to be of one mind on creating a framework of law which will encourage personal responsibility. In brief, most of us believe values are important. Most Americans who sent us here believe the same as we do.

Hamid R. Rahai, a resident of my district, put his finger on what all of us need to ask ourselves: He speaks ''as a parent and an educator'' and admits that he is ''quite puzzled that at a time when Congress and its leadership

champion teaching of values and personal responsibilities, they plan to do away with educational tools needed to educate the public and specially young people.'' He sees public TV as ''an excellent educational tool. It offers a fresh alternative to the mundane (at best), useless or sometimes outright destructive programming offered by commercial and cable networks that are being offered as an alternative. It is free and accessible to all, particularly to the underprivileged who need it most, and could not afford the cost of cable networks.''

Mr. Rahai is absolutely correct.

We all know that for the last several decades most Americans receive their political information to decide presidential and statewide races from commercial television—the occasional debates, the ceaseless number of paid—by the candidates—misleading and shallow advertisements, the horse-race focus of the national commentaries. ''Who's up?'' and ''Who's down?'' The endless chatter leads many voters to ask: ''Who cares?'' Public radio and public television provide an island of sanity by sponsoring debates and in-depth interviews of candidates at all levels of our system.

As Pat and Jim Bliss of Long Beach wrote, ''there is probably no dearer institution to the hearts of almost everyone who values education and the arts than public radio and television.''

Mr. Speaker, we must, in some way, preserve this great national treasure. Margaret M. Langhans of Long Beach saw an analogy between our national parks and public television and radio: ''To lessen access to public airwaves is akin to lessening access to our national parks. We hold both in trust for the benefit of the Republic.''

I could not have said it better, Margaret.

□ 2215

THE SCHOOL NUTRITION PROGRAMS

The SPEAKER pro tempore (Mr. DUNCAN). Under the Speaker's announced policy of January 4, 1995, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes.

Mr. FIELDS of Louisiana. Mr. Speaker, I want to advise the Speaker that at some point in the discussion I will be yielding to my colleague, the gentleman from South Carolina [Mr. CLYBURN], to enter into a colloquy.

Mr. Speaker, on Monday of this week I had the opportunity to meet with young students at Kenilworth Middle School in Baton Rouge, LA. I had an opportunity to meet with them for breakfast and talk with them about the school lunch program and the breakfast program. At that breakfast meeting, Mr. Speaker, I had an opportunity to see young students with real dreary eyes, and they were not Democrats, they were not Republicans. They were simply hungry. They wanted the opportunity to have breakfast and go to class and start the class day. At lunch they had an opportunity, after staying in school for 4 hours, or so, to go to lunch.

But one student had asked a very significant question. He walked up to me after a briefing that we did at the school, and he asked the question, he said, ''Congressman FIELDS, what is a rescission?'' And I explained to him that a rescission was something that you rescind, something that you take away, something that you grant and then at a later time you take it away, and I guess I want to start tonight explaining what actually took place and what is taking place here in Congress and what took place in the subcommittee and the full committee as relates to the rescissions that are taking place in education.

Last year we had an opportunity to review the budget and review the priorities of this country, and we granted different budget items, and now we find ourselves in this Congress rescinding many of the dollars that we were able to allocate last year. Many local school boards, many local governments, and many people in many departments across the country find themselves in a very awkward position preparing for their fiscal year, relying on the confidence of Washington, the Congress, as a result of them approving a budget in 1994, and now we find ourselves here rescinding the very dollars that we committed to them.

Now, I rise tonight because I represent, Mr. Speaker, a very, very poor district. Last year I represented the poorest congressional district in the entire country, but because of redistricting, now I represent the second poorest congressional district in the country.

It really amazes me, because according to the Center on Budget and Policy Priority, 53 percent of all of the rescissions fall on the backs of poor people, low-income people in America, and I want to talk a little bit about how these rescissions will affect my own State, the State of Louisiana.

Nationally, $5 billion will be cut from the school lunch program. How would that affect Louisiana? one hundred sixty four million dollars in the school lunch program, the nutrition program, will be taken away from the State of Louisiana.

Now, many of my colleagues on the other side of the aisle argue that, ''We did not cut funding for school lunch and school nutrition programs. We, in fact, increase funding.'' Increase is in the eye of the beholder.

Let us talk a little bit about the increase versus the decrease. I submit to you today, Mr. Speaker, there was an actual decrease, because last year we committed a 5.2-percent increase for 1995. This year we rescind that, and we only give a 4-percent increase. So according to my mathematical knowledge, that is a 1.2-percent decrease in the school lunch program. The difference in the annual increase will result in the loss of $1.3 billion nationally and $78 million to Louisiana. That is how much money the State of Louisiana will lose as a result of this rescission package.

Now, Louisiana has a very strong reputation in the area of school lunches. I am proud to stand on the floor of the House tonight and state that Louisiana is right at the very top as it relates to its nutrition program, and they should be commended for that.

Now, there is also the need to be some clarity as it relates to what type of lunch programs we are talking about, because many people when you say school lunch, many people think it is free lunch. There are actually three tiers of the school lunch, many people think it is free lunch. There are actually three tiers of the school nutrition program. First, there is the free-lunch students who can take advantage of the free-lunch programs. Students can take advantage of the reduced-price lunch program, or they can take advantage of just paying the regular cost.

And the way this program is set up under the current law, if a family income is 130 percent of the poverty level or less, they receive free lunch; 185 percent of the poverty level or less, they receive reduced lunches; and those families that are more than 185 percent of the poverty level, they receive a simple, regular lunch.

If you look at the statistics, you find most schools cannot even maintain their school lunch program based on the revenues from free lunch or reduced lunch and, therefore, those individuals who come to school every day and are able to have the wherewithal to pay the full price for lunch or breakfast actually help sustain the lunch program. Under this proposal, many of those individuals will be basically knocked away.

The other problem is 57 percent of all students actually participate in the school lunch program. In Louisiana 76 percent of the people, of the students, who attend public school, attend school in Louisiana, participate in the school lunch program. That is 622,000 students in Louisiana that take advantage of the school lunch program.

Why do we have such a disproportionate number in Louisiana versus the national average? The national average is 57 percent, Louisiana 76 percent. Well, because Louisiana is a poor State. That is one of the problems I have with this school lunch program, the revised version, the rescission package that passed the committee. What is going to happen is it is not going to award States that have a very, very high poverty rate. It only awards States based on their participation in the lunch program, based on the number of students who participate in the school lunch program.

In my State, I am going to be judged by other States that are very, very wealthy States. They do not have the

poverty rate that we have in Louisiana. As a result, we are going to get a disproportionate amount of money appropriated to our State simply because this formula that this committee adopted did not give any deference whatsoever to those States that have a high, high poverty level.

Let us talk a little bit about how this block grant will actually work and how it will affect local government. But most local governments, they like the idea of block grants, because they feel they have the opportunity to manage their own affairs. That sounds great, Mr. Speaker.

□ 2230

That sounds great, Mr. Speaker, but the problem with that, first of all, it gives local governments the opportunity to cut 20 percent or to use 20 percent of the 100-percent funding in that block grant for something else. They do not have to use it for school nutrition, so we are going to be sending money to local governments with a blindfold, money that is appropriated for the purpose of feeding children, who cannot afford to buy meals, children who can only pay a reduced price for their meals, and students who, in fact, can pay the full price, 20 percent of these dollars can be allocated for other programs. So that is a 20-percent cut in and of itself, so we are not actually allocating a hundred percent block grant. We are only allocating an 80-percent block grant.

We also give a 2-percent—give local governments the opportunity to use 2 percent for administrative costs, so that is, in fact, 22 percent that would not go on the tables of cafeterias all across the State of Louisiana and cafeterias all across American, and I think that is a crying shame, to add insult to injury. The whole though and the whole idea of giving local governments the opportunity to manage their own affairs—from people, for many of my colleagues on the other side of the aisle, they say the reason we want to do that is because we want to cut out the bureaucracy, we want to cut out the Federal Waste. But what we actually do is we create more bureaucracy. I would be the last to say or state on this floor that Federal Government is not a bureaucracy, but what we are doing is we are dismantling the Federal bureaucracy, and we are creating 50 separate State bureaucracies under this program that passed the house.

The other problem that I have with it, and the biggest problem that I have with this proposal, is that it gives no consideration what so ever to what we feed children. We put the blindfold on, and we send millions upon millions of dollars to the States, and we do not them that they have to feed children a balanced meal.

Now, my God, if the Federal government does not have an interest in the well-being of individual students in this country, then what do we have an interest in? Why should we not make it a requirements of every State who receives one of these block grants, participate and live up to a certain nutrition standard?

I, along with other members of my—of other colleagues of mine will be introducing legislation, introducing amendments trying to amend this legislation so we can take out the 20 percent. We are going to be making serious attempts on this floor to try and take out the percentage that gives local governments the opportunity to just use money however they see fit. We are going to try to put nutritional standards within this block grant proposal because we feel that it will be a step in the wrong direction to just give States an opportunity to take—to use money and not give them any guidelines in terms of nutrition.

States, some States, may adopt policies. I think the fast-food market will just take over the school system at school lunch programs. We are going to be serving our kids french fries, and who is to say one State would not choose to choose to serve kids peanut butter and jelly? No standards whatsoever.

Mr. God, do we not have an interest in what children eat? But according to this proposal we do not. But do we have an interest in what we feed prisoners? Yes, we do.

It is a crying shame in this country that this very Congress, we appropriate $10 billion to build more prisons, and another 20 billion for more prisons and other programs for prisoners, and every prisoner that walks into a jail cell receives three balanced meals a day, and they regulate it, and if they do not receive one, they can complain, and then the Federal courts in this country will come to their rescue, and the Justice Department will come to their rescue, but we are going to have child who walk into school houses all across this Nation, trying to learn, get a decent education, and then when that stomach growls, walk to the cafeteria. There is no guarantee any one of them will receive a balanced meal. But if you are a prisoner, you can receive a balanced meal. So I think it is wrong that we choose to try to fix something that is not broke.

I want to also Mr. Speaker, about infant mortality, another rescission, $25 million from Food and nutrition services, WIC. Only $3.5 billion remain. Fifty to a hundred expectant parents, expectant mother, women pregnant, just cut off the rolls.

In my State I take a moment of personal privilege because in my State we lead the Nation in infant mortality. We have more babies that die after they are born in Louisiana than from anything else.

So I just think this Federal Government should have an interest in children once they are born, and the only way you can have an interest in children once they are born is by taking an interest in the mother while she is pregnant. That is the way we reduce infant mortality rates in this Nation.

According to GAO, WIC saves $3.50 for every dollar we spend, so this is, in fact, a cost savings. We are now going to spend less money by cutting this nutrition program by $25 million. We are going to spend more money. Healthy Start and other very, very important programs for expectant mothers cut. One hundred million dollars remain, $10 million cut, not to mention elementary and secondary education infrastructure.

I mean every time I walk into a school house in my own State and many States across this country, many times the ceilings leak, the air condition does not work, heating system does not work, kids in buildings that were built in the 1950's, lead paint, asbestos, and here we have the audacity to take $100 million for infrastructure for public schools and in the same breath appropriate $10 billion to build more jails.

And we tell our kids that in the future—education is the future. Teach the children well, and let them lead the way. I believe the children are our future, and we take $100 million in building schools and building schools' infrastructure so they can be safe, and we spend $10 billion more in building jails.

So, if you are a prisoner in this country, you get three square meals a day, and you walk into a prison where the air condition works during the summertime, the heat works during the wintertime, and the ceilings do not leak. But if you are a kid, wants to get an education in this country, your food program is in jeopardy. No standards for national nutrition. Your ceilings will continue to leak, air condition will continue to not work, and you may freeze during the wintertime, but we care about your education, and we care about our children.

You know, 86 percent of the people who are in jail in this country are high school dropouts for crying out loud. There are some serious correlations between education and incarceration. If we reduce the drop-out rate, then we can reduce the prison rate, and it just appears that we put more time and emphasis on putting people in jail than we do in educating a young child. Twenty-eight to $30,000 a year to incarcerate a prisoner, but, if you are a child, we only spend about $4,000 a year to educate you. We have kids who walk in public school every day that do not have a book for a subject, and I think there is something wrong with that, and we continue to cut money from education.

Public broadcasting, another rescission, $141 million cut over 2 years. Promise that we have made to kids all across America, it is cut, and I commend the Speaker who decided to give $2,000 a year to public broadcasting. But with all due respect, Mr. Speaker, $2,000 compared to $141 million does not even come close. How can one cut $141 million out of a program and then

write a check for 2,000 and expect people to be happy and kids to jump for joy?

We know about the violence that we have on our networks. I mean last year we debated that issue in committee. We had all the major networks to come to this Congress, and thank God for our Attorney General Janet Reno who tried to make these individuals more responsive in their programming, and yet we still take away this very viable, clean, wholesome opportunity for children to learn.

Twenty-eight million dollars we take out of the drop-out program. How much money remains? Zero. Why take issue with that? Because in my State we lead the Nation in high school drop-out. So I cannot be happy tonight. When we were saying $28 million from a drop-out program, you would think, based on this budget, we have no drop-out problem. Everything in education is perfect. So now, kids, the message is it is okay to drop out of school because we are not going to give any money to try to keep you from dropping out.

Literacy program; you would think we led the Nation, lead the world, in literacy. We all know that is not the case as much as I would like to stand in this House tonight and say, ''America leads the world, all of our citizens are literate, we don't have a drop-out problem, we don't have an educational problem.'' If you look at this budget, you would think that is the case, $54 million from literacy programs. Here again a direct impact on the State I represent, direct impact on the district that I represent. I have a literacy problem in the district I represent, and in the State we rank high in the Nation.

You know, I was looking at this budget with staff the other day. I said, ''Maybe Louisiana is not a member of this Union anymore, or maybe the Committee on the Budget and the Committee on Economic Opportunity know nothing about Louisiana's statistics.''

Eleven point two million dollars for Trio program, a program that is designed to help young people who are disadvantaged, who had a tough start, who may have one parent at home versus two. Maybe the parent died, one of the parents died. You know, I also take personal privilege on that program, Mr. Speaker, because I am a product of that program, as I am the lunch program. You know all parents, all kids, do not have two parents because one parent walked out. Some kids have one parent because one parent died, like it was in my case, and this government thought enough of me to give me a Trio program to help me to give teachers an incentive to help me believe in myself.

Do we still have that problem today? We know that the number of kids who are coming from single parent households went up, did not go down. Who does this budget represent?

Drug-free schools and communities, safe schools and drug-free schools. Now it does not take a rocket scientist to know that in this country we have a serious problem with drugs, and guns, and violence within our schools. Does this budget represent that? Absolutely not. How much money do we appropriate for safe and drug-free schools? Well, we committed $481 million. We committed to Louisiana $10 million. They have already planned to spend that money because there is a serious problem there. How much did we put in this budget? Zero. We cut $481 million, the entire safe and drug-free schools budget, out of this rescission package.

Now I do not know about in other States, but in Louisiana we have a drug problem in schools and a violence problem in schools. We have kids who bring guns to school. Problem needs to be addressed. And I do not come from the school of thought that you just throw money at problems, but you should have a structure there to assist teachers, and parents and school administrators to deal with these very, very serious problems.

☐ 2245

Mr. FIELDS of Louisiana. Goals 2000 last year we appropriated $371 million. This year we took away $142 million. Louisiana, my State, will lose $8,200,000, money that is needed to develop our educational system. School improvement programs last year we appropriated $320 million. This year we took away $60 million.

How would it affect my own State? Seven million dollars the State will receive, $1.3 million will be rescinded from the State. Education for the disadvantaged, we appropriated in this Congress $6.7 billion. We took away $105 million. Louisiana will lose $2.9 million as a result of this recisioin package.

What about education for the homeless, children, and youth? We are supposed to be family friendly. We appropriated last Congress $28 million. How much did we appropriate this year? Zero. We took it all back. These are no monies for 1996. These are monies that we committed for 1995. We just zeroed the budget.

How would it affect my State? Seven hundred ninety-five thousand dollars in my State, gone. Do we have a children and youth problem and homeless problem in our State? Yes.

Tech prep, I have received more faxes from people across my district about this program. Vocational and adult education program, Federal funding, we funded for 1995 $108 million. In this recision package we took each and every dollar away from that program, $108 million rescinded. In my State $2.2 million, gone.

Every student can't go to college. Every student—some students just don't want to go to college. But should we say we should have nothing between high school graduation and college? If you graduate from high school, and you don't go to college, then no programs? I don't think so. The only thing we got between school and college are jails. We rescind all of the money for tech prep and educational programs that helped kids.

State student initiative program, took away all that money. My State will lose $901,000.

And let me start closing by talking a little bit about summer jobs and yield to the gentleman from South Carolina.

I really have real difficulty with the summer jobs program—I have real difficulty with the elimination of the summer jobs program. One point two million children will lose the opportunity to become employed and educated over this summer. Many students use this as an opportunity to buy school clothes, opportunity to buy school supplies.

And here again I take a moment of personal privilege. I guess I reflect my district because I benefitted from many of these programs. And it would be hypocritical for me to not stand on this floor and defend some of these programs because maybe some people here think that these programs are just pork-barrel programs and they don't really affect real people.

I couldn't wait for the summer—not to play, not because we didn't have school. I wanted—I was waiting for the summer because I was ready to go to work. I wanted to be on somebody's payroll. I wanted to help my mother buy my school clothes. I wanted to be able to buy books and supplies.

Can you imagine not a student will be able to benefit from the summer jobs program this summer? And we want to decrease crime? So not only are we going to take mothers off welfare rolls, we want to take students off payrolls.

How do we in good conscience in this Congress just wipe out a jobs program for young people overnight? You have to have very little conscience or just no idea how these programs affect people.

In Louisiana, for example, 19 million eliminated. How many summer jobs? Thirteen thousand students in Louisiana will not go to work this summer. What are they going to do? Well, we are building $10 billion more in jails, putting $10 billion more in jails. It is almost the attitude we are not going to give you a job, we are not going to improve your schools, and we may not even give you lunch, but we are going to give you a jail.

I can't go back to my district or to my State and tell 13,000 young people that they don't deserve a summer job this summer. They are not committing crimes. They are not on drugs. All they want to do is work. They want to work. They want to wake up every morning, go to work, and then come home at the end of the day.

And lastly, many say we do this to balance the budget. We ought to cut some of these programs. I would be the last to state that we should not cut the budget. But I have strong debate and strong, strong opposition to this rescission package because where are the

cuts? It cuts innocent people, children, young people, poor people, people who can put up the least amount of defense.

And if we really want to balance the budget, then why not rescind the $14.4 billion that we are going to send outside of this country? How can we tell kids in Texas and South Carolina and Louisiana—I certainly can't go back to my direct and tell kids in Baton Rouge and Appaloosa that they can't have a summer job but we are going to give Russia $1.2 billion. I cannot tell them that. I can't tell a child in one of the high schools that you may not have a balanced meal but we are about to send $1.2 billion in foreign aid to other countries.

How can you tell them they are not going to have a summer job when you send economic aid to the tune of $2.3 billion outside of this country?

How can you even tell them we cannot spend money on people in America when we just signed a $20 billion note for Mexico?

Yes, I want a balanced budget, but if we are going to balance the budget, let's be real. If we are really balancing the budget, then let's not give Mexico a $20 billion loan and let's not give these other countries $14 billion.

And I thank the gentleman from South Carolina for being patient, and at this time I want to yield to the gentleman from South Carolina.

Mr. CLYBURN. Thank you. I appreciate that.

Mr. Speaker, since the beginning of the 104th Congress I have become increasingly alarmed at the rapid speed and harmful nature of much of the legislation that we are passing on this floor. But as the gentleman from Louisiana has just indicated, none has caused me more concern thus far than the proposal that would actually take the food out of the mouths of our Nation's youth.

I am referring of course to the legislative proposals that are before us that would threaten the very survival of such programs as supplemental nutrition program for women, infants, and children, better known as WIC, and the school lunch program.

Now, the gentleman has gone through most of these and so I will not be redundant and mention them, but there are a couple of other things in addition to the feeding programs that I am particularly concerned about.

For instance, if you look at this rescission package, one of the things you will see in there will be rescissions that will take away 52,000 slots for dislocated workers. Now, I am particularly concerned about that because just outside of my district, within my State, and, of course, having a tremendous impact on my district, happens to be that area down in Charleston where we just closed five Naval installations and we have now begun to hand out pink slips to the people who have worked 20, 30 years in those installations, and we, in closing those installations, led people there to believe that we would be there for them to help assist them as they seek other employment, as they, in fact, become dislocated workers.

But here we are now, after all that has been done, we are now saying to the people down there that we are going to pass legislation to rescind at least 52,000 of those slots.

Now, I don't know how many of those will fall on people who live in my congressional district. Though the naval base is not in my district, many of the people who work there live in my district. All of them are in South Carolina. And I feel as much responsibility for them as I do the people who are in my district.

But we are United States Congresspeople. And there are many other sections in our country where dislocated workers are going to find their futures dimmed tremendously because of these rescissions. And so now we are going to see 52,000 fewer slots.

I do not believe that that is a fair way to go about trying to find monies to balance the budget or to cut back on the so-called deficit. The interesting thing in all of this is that I began to analyze what it is that we plan to do with this money. I don't see that it is going in that direction at all.

In fact, I have just read with some degree of interest what we are planning to do with the new food stamp proposals. We are now saying that we want to cut billions of dollars out of the food stamp program, not to correct and do away with fraud. We are now saying we want to balance the—or eliminate funds for the food stamp program so that we can have enough money to fund a tax cut for people who make more than $200,000 a year. That seems to be somehow the mind-set of many of the people in this body. And I think that that is a tremendous demonstration of the lack of compassion that I think all public servants ought to have for those people among us who are less fortunate.

But let's look at a couple of other things as well. The Department of Labor has made a four-year commitment to funding 17 communities where we have these youth fair chance programs. According to the rescission package, approximately 2,000 at-risk youth per site will not be served if we go forward with these rescissions.

But then we move from the youth, the most vulnerable among us, and go over and look at the next most vulnerable among us, the elderly, and we look at this rescission package and then we see 3,300 fewer elderly workers will be provided employment opportunities in this program year.

Now, it is kind of interesting as we go through this rescission package, we look at educational programs, educational programs for the youth. We look at the Labor Department, their programs for people who are considered to be disadvantaged and people who are the elderly.

Now, why is it necessary for us to only look in these directions in order to find funds to cut back on the level of expenditures?

There are billions of dollars to be found in other areas. And many of them, if we were to bring them to this floor, I would not only vote for, but I would be a strong advocate helping to work the floor on behalf of their passage.

☐ 2300

Mr. CLYBURN. But to focus on those who are the weakest, those who do not have high powered lobbyists to argue their causes, to me is a bit much for us to be doing, and so I want to congratulate the gentleman from Louisiana [Mr. FIELDS] for bringing us here this evening to talk about this rescission package because in the next day or two, we are going to begin to focus. Now, I have had a lot of visitors in my office in the last few days. I would be there at 7:30, I will be having breakfast with people from the technical education people in my community, vocation educational people are all here, wanting us to really be sensible about some of these cuts.

But I want to mention one last area because I think it is so important, and that is the area of literacy. The interesting thing, there are three significant literacy programs that these rescissions will just terminate; not cut back so that we will serve fewer people. They are terminated altogether. The workplace literacy partnerships, terminated. The literacy program for homeless adults, terminated. The literacy program for prisoners, terminated. Here we are building more prisons, and what we seem to be focused on is a warehousing of prisoners. It would seem to me that we ought to be looking at ways to rehabilitate people, and the best way I know to rehabilitate many of the people who find their ways into our prison systems is to teach them to read and write. We know that significant numbers of people who find themselves incarcerated need basic literacy training, and here we are terminating that program.

So what we are going to do, we will take a person off the street, the person who does not know how to read or write, incarcerate that person for a number of years, or what have you, under these new no-parole programs we have got, and let them just sit there for five years or whatever number of years and then when the time is up, turn them back out on the street, not allow them an opportunity to learn to read or write, and many other programs that we have already begun to take away in other areas as well.

And so I plead with the Members of this body, I plead with the influential people in the various communities across this country, to use their influence with the Members of this body, to ask them to begin to look seriously at the consequences of the actions that we take. What it is that we can expect

to get in return for the actions that we take here. Do we really expect to build a better America, to build better people, better communities by these kinds of actions? I don't think so. I do think that we ought to feed our children. I do think that we ought to take care of those people who find themselves in the twilight years of their lives, and I do think that we ought to do what is necessary to strengthen those who are the weakest links in our society and I believe that we as a Nation will be better off because of it.

Mr. FIELDS of Louisiana. Will the gentleman yield?

Mr. CLYBURN. Yes, I will be pleased to yield.

Mr. FIELDS of Louisiana. I thank the gentleman for yielding. There has been a lot of talk about contract and we often talk about our own contract, our contract being the United States Constitution. Within our contract, the preamble of our contract, which is the preamble to the Constitution it states in no uncertain terms that we must promote the general welfare of our citizens in our country. And it appears that this rescission package certainly violates that contract, when you take money away from kids in school, you take money away from summer jobs and you put more kids on the street, but let me just add a couple of other things.

Did the gentleman know that under the job training program, youth training program that provides direct training to help economically disadvantaged youth in my State, $7 million will be eliminated from this program, cancelling about 2,500 young people's jobs this summer? Did the gentleman further know that I have the poorest area in the whole country in my State, in Lake Providence, and we have been fighting very hard and profusely to get a job corps center and under the 1995 budget. There were four new job corps centers in the budget and the state—certainly Louisiana was an area that would fall right in line with obtaining—appreciating one of those benefits. The benefits of one of those programs, simply because it is so economically depressed, particularly is teenagers. We have more teenagers who are impoverished and who are dropping out of school than probably any other state.

A total of 100,000 participants would be entirely canceled as a result of this job corps reduction in this rescission package, and we are going to have to cancel about 1,600 positions that we anticipated that we had the opportunity to get this program. Did the gentleman further know that we talk about getting people off of welfare and adults need to go out and learn a skill and go to work, but under this rescission package how can people get out of welfare and learn a skill had we cut funding for adult training?

I mean, employment training for adults and disadvantaged and dislocated workers, as you stated, is eliminated. My State will lose $700,000. And a thousand participants will be effected. That is going to take place as soon as this rescission package passes this body and the other body and perhaps signed by the man on Pennsylvania Avenue.

We didn't state the impact that it may have on housing. Let's talk a little bit about those people who live in public housing, for crying out loud, in this country. I think people in public housing need to know that 63,000 families will lose housing assistance as a result of this rescission package; 12,000 homeless families, homeless. These are people who don't have homes. They are going to lose any kind of housing assistance that they may be entitled to under this rescission package. To add insult to injury, 2,000 disabled individuals. I just think that is just a—it is almost a slap in the face, and I just want to close with the damage that it does to veterans.

I mean, I don't know if the gentleman has served in the military, but I know people in my district who have served in the military and I tell you, nothing makes me prouder than to see a man in uniform who serves this country. I mean, we sit and talk in this hall, in this Congress, and we enjoy the freedoms of this country and we enjoy the protection of this country, and we engage in debate and it is the kind of debate where you are at one mike and I am at another, but these are people who put their lives on the line and go and fight for our freedom so we can be free and have this kind of exchange in a Democratic society.

But what do we do for them? Well, they are going to suffer $206 million in cuts, $50 million from equipment, $156 million in construction projects, and approximately 171 hospitals and clinics will be affected by the loss of this funding. I mean, if we can't protect our children, can't protect our elderly, can't protect our veterans, and particularly the poor, I mean, even the Bible says the poor shall always be with us.

Mr. CLYBURN. If the gentleman would yield, I want to thank you very much for mentioning the veterans cuts, because on tomorrow evening, hopefully at an earlier hour than we are here at the moment, our colleague from Florida, Ms. CORRINE BROWN, has organized a special order in which we are going to go through all of these rescissions as it relates to veterans, the two of us that serve on the Veterans Affairs Committee, and we are very concerned about what these rescission also mean to the veterans of our country.

□ 2310

I had a significant number of DAV members in my office today, Disabled American Veterans, talking about the impact that these rescissions will have on them and you are talking about a contract. This is breaking a contract. These people, we had a contract with them. They went off to defend the Nation. They are now back, many of them disabled, and we are now seeing that we are going to break faith with them, if these rescissions go through, as well as proposed cuts for future years. So tommorrow evening, we are going to spend an hour going through those rescissions, section by section, and inform the American people, especially those who served in the military, of the exact impact that this is going to have on them.

So I thank the gentleman very much for bringing that up. That is why I did not get into that this evening, because I plan to participate tommorrow evening with the gentlewoman from Florida, Ms. CORRINE BROWN.

Mr. FIELDS of Louisiana. I thank the gentleman for spending this time with me on this special order. I thank the gentleman for making the comments that he made about all the programs that are in this rescission package.

Let me just close by simply saying, in basic contracts, when I was in law school, Professor DeBassenet, who was my contract professor, taught me, we often, I guess about almost half a semester we talked about what is a contract. I learned that a contract was a manifestation to enter into a bargain so made as to justify the other one's consent to that bargain will conclude that bargain.

We entered into a contract with the American people. We entered into that contract in 1994 in this hall, in this Congress. We told the American people that we were going to fund this program and that program, meaningful programs so that we could promote the general welfare of this country. We come right herein 1995 and we rescind or violate that contract. We call it a rescission, but it is not really a rescission. It is a violation of the contract. We entered into a contract with the American people. Now we are rescinding from what we agreed to do. We are talking something away. Like that little kid at Kenilworth who said, what is a rescission? It is when you rescind something, when you take it away. We entered into a contract, and now we are talking it away.

I want to thank the gentleman, and I want to thank the Speaker for giving us the opportunity to talk about these very important issues. I certainly hope that my colleagues, once this debate reaches this floor, really will just put away their partisanship, throw away their Democratic buttons, throw away their Republican buttons, but do not though throw away their conscience.

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 30 minutes.

[Mr. UNDERWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CONDIT (at the request of Mr. GEPHARDT), for today, on account of personal business.

Ms. MCKINNEY (at the request of Mr. GEPHARDT), for today, on account of official business

Mr. ORTON (at the request of Mr. GEPHARDT), for today before 1:30 p.m., on account of family medical business.

Mr. MCDADE (at the request of Mr. ARMEY), for today, on account of illness.

Mr. ROGERS (at the request of Mr. ARMEY) for today until 1 p.m., on account of personal reasons.

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. WARD) to revise and extend their remarks and include extraneous material:)

Mr. GEPHARDT, for 5 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

Mr. OLVER, for 5 minutes, today.

Mr. BROWDER, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. BISHOP, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. GUTIERREZ, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

Mr. BECERRA, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. FOGLIETTA, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Ms. ESHOO, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Michigan) to revise and extend their remarks and include extraneous material:)

Mr. SAXTON, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. WELDON of Florida, for 5 minutes, today and March 8, 9, and 10.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. DIAZ-BALART, for 5 minutes, today.

Mr. TIAHRT, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. CUNNINGHAM, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. MORELLA, 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. WARD) and to include extraneous matter:)

Mr. TORRES.

Mr. STARK.

Mr. CARDIN.

Mr. VISCLOSKY.

Mr. KENNEDY of Massachusetts.

Mr. SKELTON.

Mr. TOWNS in 10 instances.

Mr. TRAFICANT.

Mr. HASTINGS of Florida in two instances.

Mr. REED.

Mr. BERMAN.

Mr. COLEMAN.

Mr. KENNEDY of Rhode Island.

Mr. OWENS.

Mr. GUTIERREZ.

Mr. HALL of Texas in two instances.

(The following Members (at the request of Mr. SMITH of Michigan) and to include extraneous matter:)

Mr. CUNNINGHAM.

Mr. TAYLOR of North Carolina.

Mr. BAKER of California.

Mr. LAZIO of New York.

Mr. HASTINGS of Washington.

Mr. BURTON of Indiana in two instances.

Mr. WELDON of Pennsylvania in three instances.

Mr. LARGENT.

ADJOURNMENT

Mr. FIELDS of Louisiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 13 minutes p.m.) the House adjourned until Wednesday, March 8, 1995, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

484. A letter from the Under Secretary of Defense, transmitting a report of five related violations of the Anti-Deficiency Act, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

485. A letter from the Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred in the Department of the Air Force, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

486. A letter from the Secretary of Defense, transmitting the Department's annual report to the President and the Congress, February 1995, pursuant to 10 U.S.C. 113(c) and (e); to the Committee on National Security.

487. A communication from the President of the United States, transmitting the bimonthly report on progress toward a negotiated solution of the Cyprus problem, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

488. A letter from the Inspector General, Agency for International Development, transmitting an audit of USAID's compliance with the lobbying restriction requirements in 31 U.S.C. 1352, pursuant to Public Law 101–121, section 319(a)(1) (103 Stat. 753; to the Committee on Government Reform and Oversight.

489. A letter from the Chair, Federal Energy Regulatory Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

490. A letter from the Chairman, National Credit Union Administration, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552; to the Committee on Government Reform and Oversight.

491. A letter from the Chairman, Administrative Conference of the United States, transmitting a draft of proposed legislation to amend the Administrative Conference Act; to the Committee on the Judiciary.

492. A letter from the Administrator, Federal Aviation Administration, transmitting the FAA report of progress on developing and certifying the Traffic Alert and Collision Avoidance System [TCAS] for the period October through December 1994, pursuant to Public Law 100–223, section 203(b) (101 Stat. 1518); jointly, to the Committees on Transportation and Infrastructure and Science.

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. LINDER: Committee on Rules. House Resolution 108. Resolution providing for consideration of the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes (Rept. 104–69). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ENGLISH of Pennsylvania:

H.R. 1142. A bill to amend the Internal Revenue Code of 1986 to repeal the alternative minimum tax; to the Committee on Ways and Means.

By Mr. FOX:

H.R. 1143. A bill to amend title 18, United States Code, with respect to witness retaliation; to the Committee on the Judiciary.

H.R. 1144. A bill to amend title 18, United States Code, with respect to witness tampering; to the Committee on the Judiciary.

By Mr. FOX (for himself, Mr. HYDE, Mr. CONYERS, Mr. MCCOLLUM, and Mr. SCHUMER):

H.R. 1145. A bill to amend title 18, United States Code, with respect to jury tampering; to the Committee on the Judiciary.

By Mr. HASTINGS of Washington (for himself, Mr. FOX, Mr. SHADEGG, Mrs. CHENOWETH, Mr. DOOLITTE, Mr. INGLIS of South Carolina, Mr. METCALF, Mr. SCARBOROUGH, and Mr. NEUMANN):

H.R. 1146. A bill to reduce the Federal welfare bureaucracy and empower States to design and implement efficient welfare programs that promote personal responsibility,

work, and stable families by replacing certain Federal welfare programs with a program of annual block grants to States, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Commerce, Agriculture, Resources, Economic and Educational Opportunities, Banking and Financial Services, the Judiciary, and Transportation and Infrastructure, 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. LANTOS (for himself, Ms. PELOSI, Mr. SMITH of New Jersey, and Mr. SOLOMON):

H.R. 1147. A bill to encourage liberalization inside the People's Republic of China and Tibet; to the Committee on International Relations.

By Mr. LAZIO of New York (for himself, Ms. MOLINARI, Mr. FORBES, Mr. TRAFICANT, Mr. KING, Mr. FOX, Mr. PACKARD, Mr. SAXTON, Mr. ACKERMAN, Mrs. MALONEY, Mr. WATT of North Carolina, Ms. LOFGREN, Mr. LIPINSKI, Mr. HILLIARD, Mr. SERRANO, Mr. MCCRERY, and Mr. ENGLISH of Pennsylvania):

H.R. 1148. A bill to amend the Internal Revenue Code of 1986 to permit penalty-free withdrawals by unemployed individuals from certain retirement plans; to the Committee on Ways and Means.

By Mr. LAZIO of New York (for himself, Ms. MOLINARI, Mr. FORBES, Mr. TRAFICANT, Mr. KING, Mr. FOX, Mr. PACKARD, Mr. SAXTON, Mr. ACKERMAN, Mrs. MALONEY, Ms. LOFGREN, Mr. LIPINSKI, Mr. SERRANO, Mr. ENGLISH of Pennsylvania, and Mr. MCCRERY):

H.R. 1149. A bill to amend the Internal Revenue Code of 1986 to provide for the nonrecognition of gain on the sale of a principal residence if the taxpayer is unemployed; to the Committee on Ways and Means.

By Mr. TRAFICANT:

H.R. 1150. A bill to require professional boxers to wear headgear during all professional fights in the United States; to the Committee on Economic and Educational Opportunities.

H.R. 1151. A bill to authorize appropriations for fiscal years 1996 and 1997 for the Coast Guard, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. VISCLOSKY:

H.R. 1152. A bill to amend the Federal Water Pollution Control Act to establish a national clean water trust fund and to authorize the Administrator of the Environmental Protection Agency to use amounts in that fund to carry out projects to restore and recover waters of the United States from damages resulting from violations of that act, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. WELDON of Pennsylvania (for himself, Mr. MCHUGH, Mr. ZIMMER, Mr. WOLF, and Mr. BEILENSON):

H.R. 1153. A bill to improve the collection, analysis, and dissemination of information that will promote the recycling of municipal solid waste; to the Committee on Commerce.

By Mr. WELDON of Pennsylvania (for himself, Mr. PALLONE, Mr. MANTON, Mr. STUDDS, Mr. UNDERWOOD, Mr. BEILENSON, and Mr. FIELDS of Texas):

H.R. 1154. A bill entitled the ''Ocean Radioactive Dumping Ban Act of 1994''; to the Committee on Transportation and Infrastructure.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SHAW:

H.R. 1155. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the vessel *Fifty One;* to the Committee on Transportation and Infrastructure.

H.R. 1156. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Big Dad;* to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. MCCOLLUM.

H.R. 70: Mr. LARGENT.

H.R. 103: Mr. BORSKI, Mr. GORDON, Mr. GOSS, Mr. WELDON of Florida, and Mr. FIELDS of Texas.

H.R. 109: Mr. FILNER, Mr. PARKER, and Mr. WOLF.

H.R. 303: Mr. MCCOLLUM.

H.R. 328: Mr. WELDON of Pennsylvania.

H.R. 357: Ms. LOWEY, Mr. SMITH of New Jersey, Mr. KLINK, Mrs. MALONEY, Mr. RANGEL, Ms. RIVERS, Mr. STARK, Mr. FALEOMAVAEGA, Mr. ROEMER, Mr. HINCHEY, and Mr. REED.

H.R. 359: Mr. LAZIO of New York, Mr. ABERCROMBIE, Mr. MCDADE, and Mr. SPENCE.

H.R. 467: Mr. METCALF, Mr. MCNULTY, Mr. MONTGOMERY, Mr. FROST, and Mr. KING.

H.R. 468: Mr. PETRI.

H.R. 482: Mr. ZIMMER.

H.R. 499: Mr. SCARBOROUGH, Mr. STUPAK, Mr. ROYCE, and Mr. MARTINEZ.

H.R. 500: Mr. CHRYSLER, Mrs. CUBIN, and Mr. TAUZIN.

H.R. 593: Mr. GUTKNECHT.

H.R. 605: Mr. PARKER.

H.R. 609: Ms. LOFGREN, Ms. PELOSI, and Mr. TORKILDSEN.

H.R. 612: Mr. GEJDENSON.

H.R. 682: Mr. LIGHTFOOT.

H.R. 747: Mrs. JOHNSON of Connecticut and Mrs. KENNELLY.

H.R. 789: Mr. UPTON, Mr. LAHOOD, and Mr. EMERSON.

H.R. 832: Mr. PACKARD, Mr. WOLF, Mr. BAKER of Louisiana, Mr. ARMEY, Mr. KNOLLENBERG, Mr. KINGSTON, Mr. CHRYSLER, Mr. GUTKNECHT, and Mr. CANADY.

H.R. 863: Mr. JACOBS.

H.R. 866: Mr. MORAN, Mr. LIPINSKI, Mr. CLYBURN, and Mr. BRYANT of Texas.

H.R. 888: Mr. FILNER, Mr. OWENS, Mr. MINETA, Ms. KAPTUR, Mr. BROWN of California, and Mrs. MINK of Hawaii.

H.R. 896: Mr. DEUTSCH, Mr. BARRETT of Wisconsin, Mr. HINCHEY, and Mr. ROMERO-BARCELO.

H.R. 949: Mr. HUTCHINSON and Mr. STEARNS.

H.R. 983: Ms. VELAZQUEZ, Mr. JACOBS, Mr. KLECZKA, Mr. FRANK of Massachusetts, Ms. LOFGREN, Mr. TORRICELLI, and Mr. MARKEY.

H.R. 991: Mr. JOHNSTON of Florida, Mr. PALLONE, Ms. VELAZQUEZ, and Mr. CONYERS.

H.R. 1066: Mr. WOLF, Mr. HASTERT, Mr. KING, and Mr. WICKER.

H.R. 1076: Mr. MCHUGH, Mr. FORBES, Mr. LIPINSKI, Mr. CREMEANS, Mr. SAXTON, Mr. PARKER, and Mr. GUNDERSON.

H.R. 1077: Mr. ALLARD, Mr. RADANOVICH, Mr. WATTS of Oklahoma, Mr. HERGER, Mr. STUMP, and Mr. EMERSON.

H.R. 1115: Ms. RIVERS and Mr. HOYER.

H.J. Res. 70: Mr. FILNER, Ms. ROYBAL-ALLARD, Mr. MARTINEZ, Mr. EVANS, Mr. WYNN, Mr. JEFFERSON, Mr. WARD, Mr. FRANK of Massachusetts, and Mr. UNDERWOOD.

H. Res. 95: Mr. POSHARD.

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. 481: Mr. CALLAHAN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1058

OFFERED BY: MR. MEEHAN

AMENDMENT NO. 14: Page 21, beginning on line 13 strike paragraph (4) through page 22, line 23 and insert the following:

''(4) REASONABLE EXPECTATION OF INTEGRITY OF MARKET PRICE.—A plaintiff who buys or sells a security for which it is unreasonable to rely on market price to reflect all current information may not establish reliance pursuant to paragraph (2). The Commission shall, by rule, define for purposes of this paragraph markets or types of securities that are not sufficiently active and liquid to justify such reliance. The Commission shall consider the following factors in determining whether it was reasonable for a party to expect the market price of the security to reflect substantially all publicly available information regarding the issuer of the security—

''(A) whether the issuer and its securities are regularly reviewed by two or more analysts;

''(B) the weekly trading volume of any class of securities of the issuer of the security;

''(C) the existence of public reports by securities analysts concerning any class of securities of the issuer of the security;

''(D) the eligibility of the issuer of the security, under the rules and regulations of the Commission, to incorporate by reference its reports made pursuant to section 13 of this title in a registration statement filed under the Securities Act of 1933 in connection with the sale of equity securities; and

''(E) a history of immediate movement of the price of any class of securities of the issuer of the security caused by the public dissemination of information regarding unexpected corporate events or financial releases.

H.J. RES. 2,

OFFERED BY: MR. CRANE

AMENDMENT NO. 2: Strike all after the resolving clause and insert the following:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE—

''SECTION 1. No person may be elected to the House of Representatives more than three times, and no person who has been a Member of the House of Representatives for one year of a term to which some other person was elected may be elected to the House

of Representatives more than two additional times.

''SECTION 2. No person may be elected or appointed to the Senate of the United States more than one time, and no person who has been a Senator for three years of a term to which some other person was elected or appointed may be elected to the Senate of the United States.

''SECTION 3. Only elections occurring after ratification of this article shall be considered for purposes of sections 1 and 2.''.

H.J. RES 2

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 3: Section 4., strike ''No election'' and insert ''Election''.

H.J. RES 2

OFFERED BY: MR. INGLIS OF SOUTH CAROLINA

AMENDMENT NO. 4: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

''ARTICLE —

''SECTION 1. No person who has been elected for a full term to the Senate two times shall be eligible for election or appointment to the Senate. No person who has been elected for a full term to the House of Representatives three times shall be eligible for election to the House of Representatives.

''SECTION 2. No person who has served as a Senator for more than three years of a term to which some other person was elected shall subsequently be eligible for election to the Senate more than once. No person who has served as a Representative for more than one year shall subsequently be eligible for election to the House of Representatives more than two times.

''SECTION 3. No election or service occurring before this article becomes operative shall be taken into account when determining eligibility for election under this article.''.

H.J. RES. 2

OFFERED BY: MR. MCCOLLUM

AMENDMENT NO. 5: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

''ARTICLE —

''SECTION 1. No person who has been elected for a full term to the Senate two times shall be eligible for election or appointment to the Senate. No person who has been elected for a full term to the House of Representatives six times shall be eligible for election to the House of Representatives.

''SECTION 2. No person who has served as a Senator for more than three years shall subsequently be eligible for election to the Senate more than once. No person who has served as a Representative for more than one year shall subsequently be eligible for election to the House of Representatives more than five times.

''SECTION 3. No election or service occurring before this article becomes operative shall be taken into account when determining eligibility for election under this article.''.

H.J. RES. 2

OFFERED BY: MR. MCCOLLUM

AMENDMENT NO. 6: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

''ARTICLE —

''SECTION 1. No person who has been elected for a full term to the Senate two times shall be eligible for election or appointment to the Senate. No person who has been elected for a full term to the House of Representatives six times shall be eligible for election to the House of Representatives.

''SECTION 2. No person who has served as a Senator for more than three years shall subsequently be eligible for election to the Senate more than once. No person who has served as a Representative for more than one year shall subsequently be eligible for election to the House of Representatives more than five times.

''SECTION 3. No election or service occurring before this article becomes operative shall be taken into account when determining eligibility for election under this article.

''SECTION 4. Nothing in the Constitution or law of any State shall diminish or enhance, directly or indirectly, the limits set by this article.''.

H.J. RES. 2

OFFERED BY: MR. MCCOLLUM

AMENDMENT NO. 7: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

''ARTICLE —

''SECTION 1. The term of office of a Representative in Congress shall be four years and shall coincide with the term of the President of the United States.

''SECTION 2. No person who has been elected for a full term to the Senate two times shall be eligible for election or appointment to the Senate. No person who has been elected for a full term to the House of Representatives three times shall be eligible for election to the House of Representatives.

''SECTION 3. No person who has served as a Senator for more than three years shall subsequently be eligible for election to the Senate more than once. No person who has served as a Representative for more than two years shall subsequently be eligible for election to the House of Representatives more than two times.

''SECTION 4. No election or service occurring before this article becomes operative shall be taken into account when determining eligibility for election under this article.

''SECTION 5. No Member of one House of Congress may, except in the final year of that Member's current term, qualify under applicable State law as a candidate for the other House of Congress, unless that Member has resigned from the House in which that Member currently serves.

''SECTION 6. This article shall apply with respect to terms of office of Representatives and Senators beginning after the first day of the year immediately following the first presidential election after ratification of this article.''.

H.J. RES. 2

OFFERED BY: MR. PETERSON OF FLORIDA

AMENDMENT NO. 8: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three fourths of the several States within 7 years from the date of its submission by the Congress:

''ARTICLE —

''SECTION 1. The House of Representatives shall be composed of Members chosen every 4th year by the people of the several States. The terms of Representatives shall begin at noon on the 3rd day of January of the years that occur 2 years after the years in which the term of the President begins.

''SECTION 2. A person may not be a Senator if the person has been a Senator for more than 12 years during the lifetime of the person. A person may not be a Representative if the person has been a Representative for more than 12 years during the lifetime of the person. Any term as a Senator or Representative for which a person is elected or appointed to fill a vacancy in the representation of any State in the Congress may not be counted for purposes of computing the 12-year limits in this section.

''SECTION 3. Sections 1 and 2 shall apply only to Representatives who are elected on or after the date occurring 1 year after the 1st day that this article is valid as part of the Constitution and on which the electors of the President and the Vice President are chosen.

''SECTION 4. Section 2 shall apply only to Senators who are elected or appointed on or after the date occurring 1 year after the 1st day that this article is valid as part of the Constitution and on which the electors of the President and the Vice President are chosen.''.

H.J. RES. 2

OFFERED BY: MR. PETERSON OF FLORIDA

AMENDMENT NO. 9: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three fourths of the several States within 7 years from the date of its submission by the Congress:

''ARTICLE —

''SECTION 1. A person may not be a Senator if the person has been a Senator for more than 12 years during the lifetime of the person. A person may not be a Representative if the person has been a Representative for more than 12 years during the lifetime of the person. Any term as a Senator or Representative for which a person is elected or appointed to fill a vacancy in the representation of any State in the Congress may not be counted for purposes of computing the 12-year limits in this section.

''SECTION 2. This article shall apply with respect to terms of Senator and Representative beginning more than one year after the date of the ratification of this article.''.

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Senate

(Legislative day of Monday, March 6, 1995)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The guest Chaplain, the Reverend Dr. Neal T. Jones, Columbia Baptist Church, Falls Church, VA, offered the following prayer:

Let us pray:

Heavenly Father, help us to discover an everlasting joy to replace our perennial search for happiness. We are weary of hunting for momentary happiness. We are tired of recreation that does not recreate. We are tired of smiling with a lump in our throat. We are exhausted by moments of leisure when we cannot shed our pain.

We praise You that we have located the Master, our joyful Person. For the joy that was set before Him, He endured the cross. We ask for the power to pursue the joy of purpose. Thank You that joy can come in our pain because our purpose is great. Restore unto us the joy of living with Your help.

In Jesus' name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, the Senate will resume consideration of S. 244, the Paperwork Reduction Act. Under the agreement four amendments remain in order to the bill.

We hope to finish the bill and handle all amendments prior to the policy luncheon. Any votes will be stacked to begin at 2:15 or later, depending on how much debate time remains. For the luncheons we will be in recess from 12:30 until 2:15.

After disposition of the Paperwork Reduction Act, we will begin consideration of H.R. 889, the supplemental appropriations bill.

So I advise my colleagues there could be votes throughout the afternoon and into the evening.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PAPERWORK REDUCTION ACT OF 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 244, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 244) to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan will offer an amendment on which there will be 10 minutes equally divided.

Mr. LEVIN. I thank the Chair.

AMENDMENT NO. 319

(Purpose: To provide for the elimination and modification of reports by Federal departments and agencies to the Congress, and for other purposes)

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 legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself and Mr. COHEN, proposes an amendment numbered 319.

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 text of the amendment appears in today's RECORD under ''Amendments Submitted.'')

Mr. LEVIN. Mr. President, I am pleased to offer today in behalf of Senator COHEN and myself the Federal Reports Elimination and Modification Act of 1995 as an amendment to the pending bill.

Our amendment will eliminate over 200 outdated and unnecessary reporting requirements. These are reporting requirements which have been placed into the law over many, many years that are now useless. These are over 200 reports that are not needed or used by congressional committees. They require up to $10 million of cost in their preparation. We have gone through each of the reports mandated by law. We have talked to each of the agencies. We have consulted with each of the congressional committees. This is the list of those reports which are totally dispensable which for the most part no one even uses anymore. But they just stay in the law, filed every year or every 6 months by agencies at great cost.

My subcommittee, the oversight subcommittee of governmental affairs, which Senator COHEN now chairs and which I am now the ranking member of, has gone through all of the reporting requirements. We have again made this assessment as to those reports. Each committee having proposed what their needs are, these reports are the ones that are no longer needed.

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

This legislation is designed to improve the efficiency of agency operations by eliminating unnecessary paperwork and staff time by consolidating the amount of information that flows from the agencies to Congress.

So this amendment is the product of a coordinated and a thorough and aggressive effort to identify the congressionally mandated agency reporting requirements that have outlived their usefulness and now serve only as an unnecessary drain on agency resources, resources that could be devoted to more important program use. In fact, the Congressional Budget Office estimates that enactment of this legislation could result in savings of up to $5 to $10 million.

This is the second wave of reports elimination from the Subcommittee on Oversight of Government Management which Senator COHEN chairs and on which I now serve as the ranking Democrat. We passed a similar bill that eliminated or modified other reporting requirements in 1985.

Since it had been over 8 years since that effort, I decided it was time once again to take a look at agency reporting requirements that we, in Congress, have enacted and take those reports that have outlived their usefulness off our books. That is much easier said than done. There are literally thousands of different congressionally mandated reporting requirements. Each of those reporting requirements was enacted for a reason. To make a responsible choice about whether or not a particular reporting requirement should be eliminated, that reason must be identified and evaluated as to whether it remains valid. That is time-consuming, painstaking work; however, it is necessary work.

For example, by the time the 1985 legislation was enacted into law, the number of report eliminations contained in the bill had dropped from over 100 on introduction to just 23. The General Accounting Office [GAO] did a review of the 1985 reports elimination effort to see why the number of reports in the bill dropped so drastically. GAO uncovered certain weaknesses in that effort; primarily that the agencies did not consult with Congress when making their recommendations for eliminations or modifications and that the agency recommendations were not accompanied by adequate justifications.

We took heed of GAO's findings in developing this legislation. The 1985 legislation was based on a list of agency recommendations generated by the Office of Management and Budget. This time around, there was no such list available, so we had to generate our own. In 1993, Senator COHEN and I wrote to all 89 executive and independent agencies and asked that they identify reports required by law that they believe are no longer necessary or useful and, therefore, that could be eliminated or modified. In our request letter, we stressed the importance of a clear and substantiated justification for each recommendation made.

We received responses from about 80 percent of the agencies. For the most part, the agencies made a serious effort to review and recommend a respectable number of reporting requirements for elimination, but given the opportunity our effort presented, some were surprisingly less aggressive. Certain agencies already had report elimination projects underway. For example, the Department of Defense, at the request of Senator MCCAIN, conducted an internal review of the congressionally mandated reporting requirements for all of its services. Numerous reporting requirements were then eliminated and modified in the fiscal year 1995 defense authorization bill and were not included, therefore, in this legislation.

After receiving the agency responses, a member of the subcommittee staff generated a master list of all the agency recommendations. At the same time we sent to the chairman and ranking member of each of the relevant Senate committees, for their review and comment, the recommendations made by the agencies under their respective jurisdictions. Feedback from the committees of jurisdiction is necessary to ensure that this effort eliminates as many reporting requirements as possible without losing needed information. We also asked that the committees provide us with any additional recommendations for eliminations or modifications they might have.

Many of the committees responded to the request for comments. Those responses were generally supportive of the subcommittee's efforts and most contained only a few changes to the agency recommendations. Those changes were primarily requests by committees to retain reports under their jurisdiction because the information contained in the report is of use to the committee or, in some cases, of use to outside organizations. We adjusted the master list of eliminations and modifications based on those committee comments. Subcommittee staff then worked with the Senate legislative counsel's office to check statutory references to make sure we are addressing the correct provisions in law.

Senator COHEN and I introduced S. 2156 on May 25, 1994. As introduced, the bill contained nearly 300 recommendations for eliminations or modifications. Senators GLENN, ROTH, STEVENS, and MCCAIN cosponsored that bill.

Shortly after the introduction of S. 2156, Senator COHEN and I again wrote to all the committees and asked for comments on the bill as introduced. This was a continuation of our effort to avoid the problems of the 1985 effort by including the committees of jurisdiction in each step of the development of S. 2156. Certain committees have responded to that second request and generally they have asked for few changes to the bill.

While most of the recommendations we received from the agencies and included in the bill concern targeted, agency-specific reporting requirements, we did receive several recommendations regarding governmentwide reporting requirements. Again, we turned to the committees of jurisdiction for guidance on how or whether to enact these governmentwide agency recommendations. A number of these recommendations concerned reporting requirements that fall under various financial management statutes such as the Chief Financial Officers Act. Our bill does not address these particular recommendations due to the proposal contained in H.R. 3400 and other legislation to allow the administration to set up a pilot program aimed at streamlining the reporting and other requirements contained in these laws.

We are in the process of reviewing other governmentwide reporting requirements to see if some changes can be made. For instance, there were several recommendations to change inspector general [IG] reports from semiannual to annual. From our initial discussions with the IG community and the relevant committee staff it seems that it might be possible to make this shift without jeopardizing the oversight responsibilities of the IG's. We will continue to discuss this recommendation to see if we can't achieve some change. Another issue that we will be looking at is creating thresholds for governmentwide reporting requirements. We received several recommendations from smaller agencies that talked of the burden of complying with certain governmentwide reporting requirements that have no relevance to their small agency.

Every reporting requirement takes away resources that could be used elsewhere in the agency. Sometimes the burden is slight—as low as a few hundred dollars. Sometimes the burden is great—as high as a few million dollars. Enactment of this legislation will save time and money.

This legislation gets at those reports that no one uses. These are the reports that come into our offices and sit in staff in-boxes for weeks, maybe months, until they are either rerouted to someone else or filed in that popular circular file drawer. On several occasions in the process of drafting this legislation, agencies told us that, for whatever reason, they hadn't been doing or had never done the reporting requirement they were now seeking to eliminate. Apparently no one had noticed the agency's failure to report or, if they did, no one complained. We have taken care to be aggressive in identifying reports, but deferential to the committees with substantive responsibility that may use these reports.

This amendment, which is the same as S. 2156 with a few changes, is a bipartisan effort. It was unanimously reported out of the Governmental Affairs Committee by voice vote on August 2, 1994. We tried to get it to the floor last

year, but were unable to do so. I am pleased that the Senate will act on this legislation today to move the Federal Report Elminiation and Modification Act of 1995 one step closer to becoming law. In today's day and age, we need all the resources we can get. The longer the reporting requirements contained in this bill stay on the books, the more resources are unnecessarily spent to comply. I thank Senator COHEN and his staff for their assistance in developing and moving this bill through the legislative process. I also want to take this opportunity to thank Tony Coe of the Senate legislative counsel's office for his fine work in drafting this legislation. I also want to thank Kay Dekuiper who was a member of the Oversight Subcommittee staff when this legislation was being developed and who did the bulk of the hard, tedious work putting this legislation together. She has since left the Senate to pursue her career elsewhere, but our appreciation for her efforts while she was here remain undiminished.

Mr. President, I believe this amendment has been cleared on the other side. I spoke to Senator ROTH about this last night. He, again, was a supporter of this in the last Congress.

This matter came up quite quickly last night, so we did not even have an opportunity to list him as a cosponsor. I am quite confident, however, from his quick comments to me last night on the floor, that he does support this amendment.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, on behalf of the manager of this legislation, my understanding is that this is not a controversial amendment. I am basing that, at least partially, on the assurances of the distinguished Senator from Michigan. I also understand from the staff that this amendment is acceptable.

So, at this juncture, there will be no objection to this amendment.

Mr. LEVIN. Again I thank the manager of the bill for his support.

Mr. NUNN. Mr. President, I urge adoption of the amendment.

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

The amendment (No. 319) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 320

Mr. WELLSTONE. 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 Minnesota [Mr. WELLSTONE] proposes an amendment numbered 320.

The amendment is as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF CONGRESS.

It is the sense of Congress that Congress should not enact or adopt any legislation that will increase the number of children who are hungry or homeless.

Mr. WELLSTONE. Mr. President, let me start out with a definition for my colleagues. The definition of hunger. This amendment talks about hunger among children.

The mental and physical condition that comes from not eating enough food due to insufficient economic, family or community resources.

Mr. President, the way in which this is measured would be if there was a ''yes'' on at least five of the following eight questions.

Does your household ever run out of money to buy food to make a meal?

Do you or other adult members of your household ever eat less than you feel you should because there is not enough money to buy food?

Do you or other adult members of your household ever cut the size of meals or skip meals because there is not enough money for food?

Do your children ever eat less than you feel they should because there is not enough money for food?

Do you ever cut the size of your children's meals or do they ever skip meals because there is not enough money for food?

Do your children ever say they are hungry because there is not enough food in the house?

Do you ever rely on a limited number of foods to feed your children because you are running out of money to buy food for a meal?

Do any of your children ever go to bed hungry because there is not enough money to buy food?

Mr. President, the Food Research Action Council Community Childhood Hunger Identification Project, estimated in 1991 that there are 5.5 million children under 12 years of age who are hungry in the United States. Let me repeat that. There are 5.5 million children today, with existing programs of support, who are hungry in the United States of America.

Mr. President, the U.S. Council of Mayors Status Report on Hunger and Homelessness in American Cities in 1994 found that 64 percent of the persons receiving food assistance were from families with children.

I could go on with other definitions and would be pleased to do so as we move forward with this amendment.

Homelessness. The U.S. Council of Mayors Status Report on Hunger and Homelessness in American Cities estimated that 26 percent of the requests at the emergency shelters were for children, homeless children.

In 1988, the National Academy of Sciences, Institute of Medicine, estimated that there were 100,000 children who are homeless each day—100,000 children, Mr. President, homeless in the United States of America.

Mr. President, on the very first day or the second day of this session, going back to the Congressional Accountability Act, I brought this amendment to the floor. I said that I feared that what was going to happen in the 104th Congress would go way beyond the goodness of people and that part of the safety net would be eviscerated, in particular, support for children in America. That was voted down. I could not get the Senate to go on record.

Then, Mr. President, with the unfunded mandates bill, I came out and said, ''Why don't we at least do a child impact statement so we know what we are doing with these cuts, be they rescissions or proposed cuts in the budget and reconciliation bill?'' That was voted down.

Then I brought a motion to refer which was a direction back to the Budget Committee as a part of the balanced budget amendment. At that time, I held up some headlines, and I said, ''I have been told by colleagues, 'Senator WELLSTONE, there is no reason for you to come out here with scare tactics because we are not going to cut nutrition programs for children. We are not going to do anything that could lead to more hunger or homelessness among children.' ''

I came out here just last week with several headlines, one from February 23, ''House Panel Votes Social Funding Cuts, Republicans Trim Nutrition and Housing.'' Another one, ''House Panel Moves to Cut Federal Child Care, School Lunch Fund.''

Mr. President, today, just by way of background, what is the headline in the Washington Post, Tuesday, March 7? It is a front-page story about a school in Fayette, MS. The headline is ''School Fearful That Johnny Can't Eat''—not ''School Fearful That 'Johnny Can't Read' ''—''School Fearful That 'Johnny Can't Eat.' ''

The Congress' school lunch debate worries some in rural Mississippi.

I got a little boy come in here every morning and eats everybody's food. Just licks the plate. And you know he's not the only one,'' said Jeanette Reeves, eagle-eyed and dressed in starched white, a cafeteria manager who doesn't have to tell the children twice to eat all their lima beans. ''Many of these children get their only meals right here at school. Lord, it'll be cruel to change that.

That, Mr. President, is a front-page story from the Washington Post. Now we are moving to the point where we are not worried about whether ''Johnny can't read.'' We are worried about whether or not ''Johnny can't eat''—cuts in School Lunch Programs and School Breakfast Programs and Child Nutrition Programs.

Mr. President, the same Washington Post piece, page A–4, headline: ''House Panel Votes to Curtail Program for Disabled Children.''

Mr. President, I think we have just plain run out of excuses here on the Senate side.

Let me just give a little bit more context. Last week we had charts out on the importance of the debt and the annual budget deficits. I have brought some charts out about the importance of children in America.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Bob Herbert, ''Inflicting Pain on Children,'' in a New York Times op-ed piece, Saturday, February 25.

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

[From the New York Times, Feb. 25, 1995]

INFLICTING PAIN ON CHILDREN

(By Bob Herbert)

THE HELPLESS ARE TAKING THE BRUNT OF THE REPUBLICANS' ATTACK ON OUR SOCIAL SYSTEM

The Republican jihad against the poor, the young and the helpless rolls on. So far no legislative assault has been too cruel, no budget cut too loathsome for the party that took control of Congress at the beginning of the year and has spent all its time since then stomping on the last dying embers of idealism and compassion in government.

This week Republicans in the House began approving measures that would take food off the trays of hungry school children and out of the mouths of needy infants. With reckless disregard for the human toll that is sure to follow, they have also aimed their newly powerful budget-reducing weapons at programs that provide aid to handicapped youngsters, that support foster care and adoption,that fight drug abuse in schools and that provide summer jobs for needy youths.

They have also targeted programs that provide fuel oil to the poor and assistance to homeless veterans. And they have given the back of their hand to President Clinton's national service corps.

The United States has entered a nightmare period in which the overwhelming might of the Federal Government is being used to deliberately inflict harm on the least powerful people in the nation. The attacks on children have been the worst. If the anti-child legislation that is moving with such dispatch through the House actually becomes law, ''the results will be cataclysmic,'' according to James Weill, general counsel to the Children's Defense Fund.

Mr. Weill said: ''The Republican leadership has targeted children for almost all of the pain. They've cut, I think, $7 billion out of the child nutrition programs, and that's not even counting food stamps, which they haven't done yet.

''Foster care and adoption have been cut by $4 billion over five years. They've cut Aid to Families with Dependent Children, and they're eliminating most of the entitlements as they go along. They're just smashing their way through all of the children's programs. To me, this so-called revolution is more like a massacre of the innocents.''

President Clinton denounced the cuts and accused the G.O.P. majority in Congress of ''making war on children.'' At a press conference yesterday in Ottawa, Canada, Mr. Clinton said: ''What they want to do is make war on the kids of this country to pay for the capital gains tax cut. That's what's going on.''

There is a breathless, frenzied quality to the Republican assault, as if the party leaders recognize that they must get their work done fast—while the Democrats are still in a post-election stupor, and before the public at large becomes aware of the extremes of suffering and social devastation that are in the works.

''This agenda is too harsh,'' said Senator Paul Wellstone, a Democrat from Minnesota. ''I realize that the Republicans won the election, but these measures are too extreme, too mean-spirited. They go beyond what the goodness of the people in this country would permit. Most Americans do not want to see vulnerable people hurt, especially children.''

Mr. Wellstone has irritated some of his Republican colleagues by frequently offering a legislative amendment that says the Senate ''will not enact any legislation that will increase the number of children who are hungry or homeless.'' Each time it is offered, the amendment is defeated.

The Senate majority leader, Bob Dole, dismissed the Wellstone amendment as an ''extraneous'' measure designed solely to make Republicans ''look heartless and cold.'' No doubt. But Senator Wellstone is right on target when he says that the Republican legislative strategy was carefully designed to hurt the people ''who aren't the big players, who aren't the heavy hitters, who don't make big contributions, who don't have lobbyists, who don't have clout.''

If anything is funny in this dismal period, it's that the Republicans are touchy about being called heartless and cold. That's a riot. Has anyone listened to Newt Gingrich lately? To Dick Armey? To Phil Gramm? This is the coldest crew to come down the pike since the Ice Age.

An indication of just how cold and heartless the Republicans have become is the startling fact that Mr. Dole, of all people, is starting to look a little warm and fuzzy.

Mr. WELLSTONE. I quote from that article:

The Republican jihad against the poor, the young and the helpless rolls on. So far no legislative assault has been too cruel, no budget cut too loathsome for the party that took control of Congress at the beginning of the year and has spent all its time since then stomping on the last dying embers of idealism and compassion in government.

This week Republicans in the House began approving measures that would take food off the trays of hungry schoolchildren and out of the mouths of needy infants. With reckless disregard for the human toll that is sure to follow, they have also aimed their newly powerful budget-reducing weapons at programs that provide aid to handicapped youngsters, that support foster care and adoption, that fight drug abuse in schools and that provide summer jobs for needy youths.

Mr. President, 1 day in the life of American children: 636 babies are born to women who had late or no prenatal care. One day in the life of American children: 801 babies are born at low birthweight; by the way, to many women who never had any proper nutrition, and we now have proposed cuts in the Women, Infants, and Children Program. One day in the life of American children: 1,234 children run away from their homes. One day in the life of American children: 2,255 teenagers drop out of school each school day. One day in the life of American children: 2,868 babies are born into poverty. One day in the life of American children: 7,945 children are reported abused or neglected. One day in the life of American children: 100,000 children are homeless. One day in the life of American children: Three children die from child abuse. One day in the life of American children: 9 children are murdered; 13 children die from guns; 27 children—a classroomful—die from poverty; 63 babies die before they are 1 month old—63 babies die before they are 1 month old; and 101 babies die before their 1st birthday.

Mr. President, it is just time for the U.S. Senate to go on record. Let me just make it clear again what this amendment does. This amendment on the paperwork reduction bill is just a sense-of-the-Senate amendment. We are not going to do anything that creates more hunger or homelessness among children. There is no excuse not to go on record. The U.S. Senate needs to take this position.

Mr. President, a little bit more in context, I have a report: ''Unshared Sacrifice; The House of Representatives' Shameful Assault on America's Children,'' March 1995, the Children's Defense Fund, that I ask be printed in the RECORD.

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

[From the Children's Defense Fund, March 1995]

UNSHARED SACRIFICE—THE HOUSE OF REPRESENTATIVES' SHAMEFUL ASSAULT ON AMERICA'S CHILDREN

INTRODUCTION

In a ''revolution'' that so far has spared just about everyone else, the House leadership and key committee majorities have targeted America's children for the earliest, broadest, and by far the deepest pain in budget cuts, program restructuring, and rescissions. In less than two weeks key committees and subcommittees have voted to cut $40 billion from crucial child survival programs, and to end the federal safety net for children and their families. This is a wholly unshared sacrifice: the House seems to be postponing for a later day, if ever, any contemplation of major cuts for other constituencies. Savings from savage cuts in programs for needy and helpless children would be used to fund a new and unnecessary defense build-up; to pay for a capital gains tax cut of which 71 percent goes to the richest 1 percent of Americans; and to reduce a tax on the richest 13 percent of the elderly by $56 billion (over 10 years) when that tax goes to pay part of Medicare's cost.

While the House majority's welfare plan has gotten most media attention, that plan's unprecedented savaging of children is merely symptomatic of a broad-gauged assault on hungry children's nutrition programs, disabled children's disability assistance, preschool children's child care and child development centers, unemployed youths' summer jobs, sick children's medical care, and abused children's foster care and hope for adoptive families. Block grants, rescissions, and consolidations are being used in a multifront attack on children's services. Not even proven money-saving programs like Head Start have been spared. And in the midst of this series of brutal reductions, the most severe have been reserved for the most vulnerable children—those who are disabled or in foster care.

Based on data from the Congressional Budget Office, the Department of Health and

Human Services and the Department of Agriculture, and analysis of congressional numbers by the Children's Defense Fund, $40 billion in core safety net program cuts were adopted in the past two weeks that would force out of these programs millions of the children eligible under current rules (see chart, next page).

These numbers assume that states would reduce spending by the amount of federal reductions, and do so by eliminating eligible children from the program rather than reducing benefits across-the-board. In some programs like AFDC and SSI, the strategy of dropping children is virtually dictated by the proposed legislation. In others, it is possible for states to spread out the cuts and reduce benefits for more children, but completely deny benefits to fewer. In that case, many more children would be hurt, but the damage to each would be a bit less. In either instance, the pain will be massive.

The numbers in this report actually understate the real depth of the cuts, since they assume there is no recession driving up the number of children needing help; assume there are no transfers from the new block grants to other programs (as is allowed with some of the funds); assume that there are not larger cuts in state funds by states that would be freed from any matching requirements; and do not account for how cuts in one area (such as AFDC) will drive up the need in other areas (such as foster care). Moreover, the AFDC losses in 2000 disguise the full impact of the House welfare plan: 3 million to 5 million children could lose AFDC when that plan is fully phased in.

THE UNSHARED SACRIFICE

	Dollars cut over 5 years	Dollars cut in the fifth year (2000)	Children losing benefits in the year 2000	Percentage of all eligible children who would lose benefits in the year 2000
AFDC	$12.8 billion	$3.7 billion	1.7 million (3–5 million in later years).	18.1
SSI for children	$12.1 billion	$5.5 billion	516,000	67.0
Foster Care and Adoption Assistance	$5.5 billion	$1.7 billion	111,000	26.0
School Lunches	$2 billion	$510 million	2.22 million	8.8
Child Care	$2.5 billion	$612 million	378,000	24.0
Child and Adult Care Food Program	$4.6 billion	$1.1 billion	1,048,000	50.0

This assault on America's children is also an assault on America's future. The millions of infants and toddlers who would be denied food necessary for their physical and intellectual development in the years ahead are the ones America will want to be computer programmers in 2017. The millions of five-year-olds who would be denied any cash aid for housing, food, or clothing are the ones we will want to be learning in college or apprenticing in industry in 2010. The thousands of battered 10-year-olds denied counseling and foster care and adoptive homes are the ones we will want not to be violent 16-year-olds in 2001. By ravaging the childhoods of millions of American children, the House simultaneously will be pillaging America's economic and democratic future.

The assault on children is unique in its size and severity. No other group, except for legal aliens, has been touched by more than a small fraction of the cuts aimed at children. No massively subsidized corporation has yet to see a dime threatened. (In fact, a handful of big businesses got a $1 billion gift from higher prices on infant formula—and less formula purchased—when the House Committee on Economic and Educational Opportunities voted down competitive bidding in the WIC program, a step USDA says will cause ''increased malnutrition, growth stunting, and iron deficiency anemia.'') No farmer has had his crop subsidies cut. No military or civil service retiree—or member of Congress—has seen his pay or health insurance or retirement benefits cut. Defense contractors have been given a gift of new and higher spending. Programs for poor families have faced extra cuts in order to spare traditional ''pork'' like visitors' centers or NRA-sponsored efforts to teach school children to shoot guns.

The House majority has put almost all its cost-cutting effort into slashing and burning its way through programs for children and the parents, grandparents, foster parents, and others who are struggling to care for them.

This is not what America voted for last November. This is not what Americans want. This is not what America needs. Nevertheless, in just 10 days in February, House committees voted to slash these basic supports:

Food for children. The House Economic and Educational Opportunities Committee voted to take away the guarantee that low-income children can get free or reduced-price school lunches and breakfasts. The plan indiscriminately lumps these school-based programs together and cuts them by $2 billion over five years. In a separate block grant, the committee ended the guarantee of food for children in Head Start and child care centers through the Child and Adult Care Food Program and lumped this with the WIC program of food for poor pregnant women and infants, the summer food program, and food for the homeless, and cut the package by $5 billion over five years. Cutting fat? Hardly. Experts estimate that hundreds of millions fewer meals would be served to needy children in the year 2000, thanks to the cut. And 60,000 Head Start placements are likely to end because programs will have to spend the Head Start money on food to replace the child care food program cut for hundreds of thousands of children. Sharing the pain? Hardly. No other food program has yet been cut, whether the cafeteria for members of the House of Representatives or the programs that feed the elderly. House Speaker Gingrich has promised, as well as he should, not to cut food programs for the elderly. But it is perverse to treat food for seniors as deserving of protection but food for children as a waste of national resources. We can afford to feed both.

Income support for children. The House Ways and Means Committee's Human Resources subcommittee voted to take away the guarantee that poor children can get AFDC; voted to order states to deny throughout childhood any aid to children born out of wedlock to young mothers (even though the mother may eventually requalify for aid); and voted to limit to five years the receipt of welfare for children who might still qualify despite the other rule changes. In the year 2000, $3.7 billion will be taken away from poor children. Is this aimed at parents and personal responsibility? Not really. The plan cuts off children even when parents can get benefits, cuts off families even when they have been working and complying with all rules, and tells a child who has been living with his low-income, elderly grandparents since birth that she'll get no help after the age of five. Cutting fat? No! In the year 2000, 1.7 million children who by definition do not have enough for food or shelter are projected to lose AFDC. Even more will lose help if states cut back further or divert state and federal AFDC funds to other purposes. Sharing the pain? Hardly.

Mr. WELLSTONE. I will just read a couple of operative paragraphs.

In a ''revolution'' that so far has spared just about everyone else, the House leadership and key committee majorities have targeted America's children for the earliest, broadest, and by far the deepest pain in budget cuts, program restructuring, and rescissions. In less than two weeks key committees and subcommittees have voted to cut $40 billion from crucial child survival programs, and to end the federal safety net for children and their families. This is a wholly unshared sacrifice: the House seems to be postponing for a later day, if ever, any contemplation of major cuts for other constituencies. Savings from savage cuts in program for needy and helpless children would be used to fund a new and unnecessary defense build-up; to pay for a capital gains tax cut of which 71 percent goes to the richest 1 percent of Americans; and to reduce a tax on the richest 13 percent of the elderly by $56 billion (over 10 years) when that tax goes to pay part of Medicare's cost.

Mr. President, when I go to gatherings of senior citizens, they list children and their grandchildren right at the top of their concerns. We talk about their concerns about block granting congregate dining and Meals on Wheels, which older Americans made sure did not happen in the House. The first thing they say to me is, ''Senator, we also want to make sure that the school lunch program is not eliminated or cut back. We want to make sure that there are not cuts in childhood nutrition programs.''

Mr. President, I say to my colleagues that we do not have, in this Contract With America, we have not seen in any of these rescissions, we have not seen in any of the action on the House side, one word about oil company subsidies being cut, one word about coal company subsidies being cut, one word about pharmaceutical company subsidies being cut, one word about the privileged, about the powerful, about Pentagon contractors having to sacrifice at all.

Instead, those citizens who are being asked to sacrifice and tighten their belts are the very citizens who cannot—the children in this country. I suggest today that there is a reason for that. They are the citizens who are not the heavy hitters. They are the citizens who are not the well connected. They are the citizens who do not have all the

lobbyists. They are the citizens with the least amount of political power. I do not think we should be making decisions on that basis.

How interesting it is, Mr. President, that we are willing to cut free lunches for children, but we are not willing to ban gifts and cut free lunches for Senators and Representatives. Let me repeat that once again: How interesting it is that in the U.S. Congress, on the House side, there is a willingness to cut free lunches for hungry children, but no commitment to have a gift ban and end free lunches for Representatives and Senators. That small example tells a large story about what is going on here right now in the U.S. Congress.

Mr. President, people voted for change. But it always begged the question, What kind of change? With these cuts in nutrition programs, now we have to have fear, in the schools of Ohio, Minnesota, Mississippi, and all across the land, not that Johnny cannot read, but that Johnny cannot eat. These cuts go beyond the goodness of people in this country.

This is not what people voted for. And when we see the rescissions coming over, and some of these block grants and mean-spirited cutbacks in child nutrition programs, and mean-spirited cuts in other children's programs that will lead to more homeless, all I ask my colleagues in the U.S. Senate to do today is to go on record with a mild sense-of-the-Senate resolution that we will not do anything that will increase more hunger or homelessness among children.

Now, Mr. President, I say to my colleagues—because I have had this amendment on the floor over and over again—that I do not think they can hide any longer. First, at the beginning of the session, it was all about prerogative, not on the Congressional Accountability Act.

I also heard about this type of rationale and even read in the New York Times Magazine about this the other day in relation to gift ban. No, we do not want to do that because we want to show that we are in control. Or we do not want to give a Senator ink. I did not think we made decisions on that basis, but the gift ban amendment was voted down. This amendment was voted down also. Then I brought it up again on unfunded mandates—it was voted down. Then I brought it up as just a motion to refer to the Budget Committee, not as an amendment to the constitutional amendment to balance the budget. Senator HATCH was on the floor, a Senator whom I deeply respect, and he said, ''Look, Senator WELLSTONE, I really think that this is based upon your opposition to the balanced budget amendment, and these amendments are not going to be amendments we will accept.'' Fine.

But now we have a bill that is sailing through the Senate. There is tremendous support for it. I support it. And all I am doing, since this bill is out here, is asking for a sense of the Senate. We see the front page stories; we hear it on the radio; we see it on television. Sometimes, I think, Mr. President, if I had time, I would retrace the hunger tour that Senator Robert Kennedy took. I really would. I almost feel as though Senators need to see it themselves.

All I am saying is, the writing is on the wall. We see where the deep cuts are. We see what its effects on children are going to be. Everybody agrees that these programs are harsh, that these programs will have a very serious impact on children, the most vulnerable of our citizens, the poor children of America.

I am saying, because all eyes are on the Senate to put a stop to this, today is the day. Let Members go on record. We can do this on a nonpartisan basis. We should have Democrats and Republicans in a resounding vote go on record that we will not do anything to create more hunger or homelessness among children. Let Members agree on that. Let Members agree when it comes to deficit reduction, there will be a standard of fairness. Let Members agree we will represent children in America and we will represent them well. Let Members agree this is a part of the priorities of what we stand for. Let Members put to rest the fears that so many people have in this country that what is happening right now in the Congress is a juggernaut that is mean spirited, that will hurt so many children in the country.

We, today, can go on record saying we are not going to do that. That is what I ask my colleagues to do.

Mr. President, I do not really understand. One of the things that has been interesting to me is the silence on the other side of the aisle. We know rescissions are coming over here. We know the kind of cuts that have already taken place in committee and on the floor in the House of Representatives. So there is not one Senator who can look me in the eye and say any longer, ''Senator WELLSTONE, you're crying Chicken Little.'' That is what some of my colleagues had to say to me at the beginning of the session.

But now the evidence is irrefutable and irreducible. We know the proposed cuts. We know what is coming over here. I do not think there is one Senator who can come out on the floor and say to me today ''You are wrong, we don't need to go on record with this statement, because no one will do this to children in America.'' The evidence is clear it is being done. Nor are there any excuses any longer about it being the beginning of the session or about it being the constitutional amendment to balance the budget. It is all very clear.

One more time, Mr. President:

It is the sense of the Congress that Congress should not enact or adopt any legislation that will increase the number of children who are hungry or homeless.

Is that too much to ask of my colleagues?

Moments in America for children, a Children's Defense Fund study last year:

Every 5 seconds of the school day a student drops out of public school;

Every 30 seconds a baby is born into poverty;

Every 2 minutes a baby is born at low birthweight;

Every 2 minutes a baby is born to a mother who had late or no prenatal care;

Every 4 minutes a child is arrested for an alcohol-related crime;

Every 7 minutes a child is arrested for a drug crime;

Every 2 hours a child is murdered;

Every 4 hours a child commits suicide.

Mr. President, we cannot savage children in America today. It is unconscionable, as I look at what the House of Representatives is doing right now, that we in the U.S. Congress seem to be willing to cut free lunches for poor children in America, but we have not yet passed a gift ban that would end free lunches for Representatives and Senators. Today I ask the U.S. Senate, Democrats and Republicans alike, to go on record, ''It is the sense of Congress that Congress should not enact or adopt any legislation that would increase the number of children who are hungry or homeless.''

How much time do I have left?

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Minnesota has 23 minutes 15 seconds.

Mr. WELLSTONE. Mr. President, I reserve the remainder of my time

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, we have no request for time on this side. We are prepared to yield our time back if the Senator from Minnesota is ready to conclude the debate.

Mr. WELLSTONE. Mr. President, before I do, and while my colleague is on the floor, I would like to get his attention just for a moment. I will be pleased to do so, and I understand the votes will all take place after our caucus meetings this afternoon.

I have a lot of respect for the whip. I think we have a good friendship, agree or disagree, on all issues. But I want my colleague to know why I continue to bring this amendment to the floor. It certainly is not for ink because there has not been a lot of coverage for this amendment.

I said at the beginning I was going to do it, and every day as I read the papers and hear what is happening on the House side, I realize that it is really going to be up to the Senate, Republicans and Democrats alike, in a careful nonpartisan way to take certain action that I think 90 percent of the people in the country want us to take.

Part of that action is to certainly not, for example, cut nutrition programs for children. I refer the Senator from Mississippi to this article today regarding Fayette, MS, and there were

two parts to this. There are wonderful interviews with some of the parents and some of the women who work at the cafeteria and teachers who work with children about the tremendous fear.

The headline is ''School Fearful That 'Johnny Can't Eat','' not ''Johnny Can't Read.''

Congress' school lunch debate worries some in rural Mississippi. The Senator may have been off the floor. It starts out with this quote. I find this quote to be, at a personal level—it moves me and really worries me.

''I got a little boy come in here every morning and eats everybody's food. Just licks the plate. And you know he's not the only one,'' said Jeanette Reeves, eagle-eyed and dressed in starched white, a cafeteria manager who doesn't have to tell the children twice to eat all their lima beans. ''Many of these children get their only meals right here at school. Lord, it'll be cruel to change that.''

And then there are some teachers, I say to my colleague from Mississippi. This is in Fayette, MS, and they say, ''Listen, these children just cannot learn, if they are not going to have at least one good meal a day, they can't learn, they can't do well in school.''

Mr. President, we all say we are for the children in America. As I have said on the floor before, I think that includes all God's children, not just our children, and that includes the children that are poor and, unfortunately, a sizable percentage of children in America are poor.

I say to my colleague from Mississippi, if there is no further debate, I would be pleased to yield back the remainder of my time, but I am hoping that in the absence of debate today that finally the Senate is willing to go on record:

It is the sense of Congress that Congress should not enact or adopt any legislation that will increase the number of children who are hungry or homeless.

I do not think there should be one Senator who should have a problem voting for this. I think it is time we go on record as an institution. If there is no debate, I take that silence as consent, and I yield back the remainder of my time.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I will be happy to yield back the remainder of time, but first, since my State has been referred to several times—that is normal, if you want to make a case, it has been the practice around here for 20 years to attack Mississippi.

Frankly, we do not appreciate that. But also I just want to emphasize, there is a lot of misinformation out here. What we would like to do is to take nutrition programs, a lot of other programs, reform them, get the fraud out of them where it exists—and it may not be the case in the nutrition program—cut back on administration costs because there is a lot of waste and money going to the administration of these programs instead of getting to children, food for children, nutrition for children.

One of the points that people in Washington seem to miss is——

Mr. WELLSTONE. Will the Senator yield? Can I ask the Senator before he moves to table if I could have a couple minutes to respond?

Mr. LOTT. I am sure we can work that out.

Mr. WELLSTONE. I thank the Senator.

Mr. LOTT. I just ask the Senators here, is there anybody among us who would not like to see us find some savings in programs, maybe actually get more money to the children? What I understand is being proposed in the House of Representatives actually with the block grants is that you would get more money actually going for food to the children by cutting out the bureaucracy and the redtape.

It seems to me like that is a good idea: More flexibility for the States, a better way, perhaps, being found to administer these programs. The Governors believe that can happen—the Governor of my State, the Governor of Michigan.

So what we are talking about is a better program, a better deal that will help more children. What we have been doing is we are feeding bureaucrats. How about if we feed the children instead?

What everybody is saying is we cannot change anything. ''Oh, no, don't touch this one, don't touch that one.'' For 40 years this stuff has been building up. It is a bureaucratic nightmare, with all kinds of waste. It is time that we find a way to improve some of these programs. We believe we can do that. That is all we are seeking with these nutrition programs. There is a tremendous amount of misinformation out there on this and other programs.

Last week we had debate on the balanced budget amendment. They said, ''Oh, we don't need this. Let's just go and find a way to reduce the deficit.'' And then the list begins: ''Oh, but, you can't touch this program, you can't even improve it, you can't limit the rate of increase in spending on programs.''

That is all we are talking about. Most of these programs we are not talking about cutting a nickel; we are talking about controlling the rate of growth. So here they come, the same crowd we heard in the eighties: ''Oh, don't cut this one, don't cut that one, don't cut the Low Income Energy Assistance Program,'' that gives $19 million for air conditioning in the State of Florida, and I am sure a lot of money for air conditioning in my State.

We all have our little program and say, ''Don't touch this one.'' You cannot have it both ways. You cannot find ways to begin to control spending and reduce the deficit without looking at every program, every agency, every department and seeing if we cannot do a better job. If we say do not touch any program, we will never get anything done.

I did not want to start a full debate here, but I had to at least get that on the record. I think what we are talking about is better programs, less bureaucracy, and more funds for people who really need the help.

Does the Senator wish to use additional time?

Mr. WELLSTONE. Mr. President, if I might just ask for 5 minutes.

Mr. LOTT. Since the Senator yielded back his time, I will yield back 5 minutes from our time.

Mr. WELLSTONE. Mr. President, I thank the Senator from Mississippi.

Let me just be really clear about, first of all, what this vote is on. I do take exception to some of what my colleague had to say. But I am not even debating today whether or not some of what has been proposed in block grants will work better or not. I take what the Senator has said to be said in good faith.

What this amendment says is the Senate goes on record that we will not enact or adopt any legislation which will increase the number of children hungry or homeless.

So the Senator from Mississippi would agree with me on that. He has not proposed that we do make cuts that would increase hunger and homelessness.

This does not cast judgment on any particular proposal. Given what is moving through and given some of the discussion, let us go on record that we are not going to do anything that would do that. I should think the Senator would agree. That is my first point. To vote for this means that Senators are willing to go on record saying certainly one thing that is important to us is not to increase any hunger or homelessness among children. That is all this says. That is point one.

Point two—and I say this with some sense of sadness to my colleague—actually there is a considerable amount of empirical data about the cuts. I have before me a Department of Agriculture study, and actually there are many other studies that are now coming out about the cuts that are being proposed, cuts I say to my colleague, in child nutrition programs State by State. Alabama, school-age children, fiscal year 1996, $1,972,000; preschool children, $15,098,000; Mississippi—but I will get to Minnesota so you do not think it is just Mississippi—$2,421,000 for school-age children and $14 million cuts for preschool children in nutrition programs. In my State of Minnesota, cuts of $1,627,000 for school-age children and $15,189,000 for preschool children.

That is why I am worried about this, I say to my colleague from Mississippi. So, first, there is no one any longer who is really arguing we are not facing deep cuts that will have a harmful effect on children. But, even if I was to agree with what my colleague just said, that is not what this amendment is about. We should together vote for

this because then we make it clear that regardless of our disagreement about specific policies, one thing we are in agreement on is that the Senate as an institution certainly is not going to take any action that would increase hunger or homelessness among children. I do not know how my colleagues can continue to vote against this.

Finally, I would like to say this by way of an apology because I agree with my colleague from Mississippi about this. I think this is a powerful story, but in no way, shape or form did I intend to pick on Mississippi. I believe that one of the things we do over and over again is that we look everywhere but home. It is so easy for those of us in Pennsylvania or Minnesota to focus on Mississippi, and I fully understand the sentiment of my colleague from Mississippi. Unfortunately, Mr. President, I say to my colleague, I can point to children that are struggling in Minnesota. I am sure that the Presiding Officer can in Pennsylvania. The kind of issues that concern me are all across the United States of America, not just in the State of Mississippi, which, indeed, is a wonderful State. But this is a wonderful story because it puts faces, it puts real people, it puts real children behind all the statistics, and that is why I use this as an example.

Mr. President, I thank the Senator from Mississippi. I really hope I will have support from colleagues on this.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I yield back the remainder of our time, and I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. Mr. President, does the Chair have business pending?

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota [Mr. WELLSTONE] is recognized to offer an amendment on which there shall be 90 minutes equally divided.

Mr. WELLSTONE. Mr. President, yesterday, I had reserved time for another slot and had considered an amendment, which is the gift ban amendment, and again the connection I make over and over again today, it just strikes me as being more than ironic; I think it is unconscionable that, apparently, as I look at what the House of Representatives is doing right now, we are willing to cut free lunches for children but we are not willing to pass a gift ban that ends free lunches for Senators and Representatives.

However, Mr. President, while I think there has to be action on this, I look forward to working with my colleagues, Senator LEVIN from Michigan, Senator FEINGOLD, Senator LAUTENBERG, and certainly the majority leader, who has gone on record in favor of this. So this amendment will be in the Chamber, though not today, and we will have a vote on it. I will not propose this amendment today.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I would like to say to the Senator from Minnesota and remind all of our colleagues that the majority leader, Senator DOLE, has indicated this issue will be addressed. He is working on legislation in the gift ban area, and I do expect that we will have a vote in this area in the not too distant future. So rest assured, we are going to take up this issue.

Mr. WELLSTONE. Mr. President, I thank my colleague from Mississippi, and I would just say I appreciate that. Rest assured, I will be out in the Chamber with other colleagues with this amendment and keep pushing this, and hopefully we will all do this together.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, at this time I had the right to offer an amendment. I do not intend to offer the amendment at this time and withdraw that right.

THE OREGON OPTION

Mr. HATFIELD. Mr. President, recently, the State of Oregon and several Federal agencies signed a memorandum of understanding to create a new partnership which will test unique methods of delivering Government services in a better and more efficient manner. When this revolutionary partnership, called the Oregon option, is fully implemented, Federal grants or transfers to State and local governments in Oregon will be based on results rather than compliance with procedures.

I believe that this project has the potential to vastly improve intergovernmental service delivery in my State and may well prove to be a national model for future governmental partnerships. For this reason, I am pleased the managers of the pending legislation, the Paperwork Reduction Act of 1995, have included in their bill my sense-of-the-Senate resolution urging the Federal Government to continue to be an active partner in this effort.

Mr. President, I would specifically like to thank Senators ROTH and GLENN for their assistance and would also like to thank Senator NUNN for his help in including my amendment.

Mr. COHEN. Mr. President, as a cosponsor of this important legislation, I am pleased that the Senate will soon pass the Paperwork Reduction Act of 1995. I am a longtime supporter of the Paperwork Reduction Act which seeks to reduce the Federal paperwork burdens imposed on the public.

I have been particularly concerned about the effects of the Federal regulatory burden on small businesses throughout my years in Congress. Americans spend billions of hours a year filling out forms, surveys, questionnaires, and other information requests for the Federal Government at a cost of several hundred billions dollars. Increasing paperwork burdens force small businesses to redirect scarce resources away from activities that might otherwise allow them to provide better services to their customers or provide additional jobs. America's small businesses are the backbone of our economy and, as such we need to ensure that they are not crippled by regulatory burdens that hinder their ability to compete in the increasingly competitive global marketplace.

I am also pleased to cosponsor an amendment offered by Senator LEVIN to eliminate or modify over 200 statutory reporting requirements that have outlived their usefulness. This is an issue that Senator LEVIN and I have worked on for a number of years in our capacity as chairman and ranking minority member of the Governmental Affairs Subcommittee on Oversight of Government Management. The Levin amendment is consistent with efforts by the administration and the Congress to reinvent Government and make it more efficient. It is based on a bill Senator LEVIN and I introduced last Congress which CBO estimated would reduce agencies' reporting costs by $5 to $10 million annually. The legislation was the product of more than a year's worth of discussions with Government agencies and congressional committees.

Examples of the types of reports that the amendment will eliminate or modify include a provision to eliminate an annual Department of Energy reporting requirement on naval petroleum and oil shale reserves production. The same data included in this report is included in the naval petroleum reserves annual report. Another provision would modify the Department of Labor's annual report to include the Department's audited financial statements and, thereby, eliminate the need for a separate annual report for all money received and disbursed by the Department.

The Levin amendment is consistent with the goals of the Paperwork Reduction Act. It is intended to reduce the paperwork burdens placed on Federal agencies and streamline the information that flows from these agencies to the Congress.

Mr. President, I would now like to make a few statements about the overall legislation. The bill before us contains provisions to maximize the use of information collected by the Federal Government and keep in place the 1980 act's goal of reducing the paperwork burdens imposed on the public through

an annual governmentwide paperwork reduction goal of 5 percent.

It reauthorizes the Office of Information and Regulatory Affairs [OIRA], within the Office of Management and Budget [OMB], which implements the act and requires each Federal agency to thoroughly review proposed paperwork requirements to make sure they are truly needed and have a practical utility. It also enhances public participation in reviewing paperwork requirements.

The bill clarifies that the act applies to all Government-sponsored paperwork, eliminating any confusion over the coverage of so-called third party burdens—those imposed by one private party on another due to a Federal regulation—caused by the U.S. Supreme Court's 1989 decision in Dole versus United Steelworkers of America. This decision created a loophole for agencies to avoid public comment and OMB review. Florida Gov. Lawton Chiles, who authorized the Paperwork Reduction Act when he was in the Senate, filed on amicus brief with the Supreme Court arguing that no such exemption for third party paperwork burdens where intended when the act was created. Unfortunately, the Court held that the plain meaning of the statute could not support such a finding.

Finally, I am pleased that the Governmental Affairs Committee accepted an amendment I offered in committee to make changes to the information technology provisions of the bill and allow the opportunity for information technology reform later this Congress. This is an important issue that warrants separate legislative consideration. In closing, I want to commend Senators ROTH, GLENN, and NUNN for their work in this area. The bill enjoys broad bipartisan support and I hope my colleagues will move expeditiously to vote on final passage.

RECESS UNTIL 2:15 P.M.

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate now stand in recess until 2:15.

There being no objection, the Senate, at 12:23 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ABRAHAM).

PAPERWORK REDUCTION ACT OF 1995

The Senate continued with the consideration of the bill.

VOTE ON MOTION TO TABLE AMENDMENT NO. 320

The PRESIDING OFFICER. The question now occurs on the motion to table amendment No. 320, offered by the Senator from Minnesota [Mr. WELLSTONE].

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

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oklahoma [Mr. INHOFE] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of death in the family.

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

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 99 Leg.]

YEAS—51

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

NAYS—47

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

NOT VOTING—2

Inhofe	Pryor

So the motion to lay on the table the amendment (No. 320) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. DOLE. Mr. President, I ask for the yeas and nays

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill, having been read the third time, the question is, Shall it pass?

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

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of death in the family.

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 100 Leg.]

YEAS—99

Abraham	Boxer	Campbell
Akaka	Bradley	Chafee
Ashcroft	Breaux	Coats
Baucus	Brown	Cochran
Bennett	Bryan	Cohen
Biden	Bumpers	Conrad
Bingaman	Burns	Coverdell
Bond	Byrd	Craig
D'Amato	Hollings	Murkowski
Daschle	Hutchison	Murray
DeWine	Inhofe	Nickles
Dodd	Inouye	Nunn
Dole	Jeffords	Packwood
Domenici	Johnston	Pell
Dorgan	Kassebaum	Pressler
Exon	Kempthorne	Reid
Faircloth	Kennedy	Robb
Feingold	Kerrey	Rockefeller
Feinstein	Kerry	Roth
Ford	Kohl	Santorum
Frist	Kyl	Sarbanes
Glenn	Lautenberg	Shelby
Gorton	Leahy	Simon
Graham	Levin	Simpson
Gramm	Lieberman	Smith
Grams	Lott	Snowe
Grassley	Lugar	Specter
Gregg	Mack	Stevens
Harkin	McCain	Thomas
Hatch	McConnell	Thompson
Hatfield	Mikulski	Thurmond
Heflin	Moseley-Braun	Warner
Helms	Moynihan	Wellstone

NOT VOTING—1

Pryor

So the bill (S. 244) as amended was passed as follows:

S. 244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PAPERWORK REDUCTION

SEC. 101. SHORT TITLE.

This title may be cited as the ''Paperwork Reduction Act of 1995''.

SEC. 102. COORDINATION OF FEDERAL INFORMATION POLICY.

Chapter 35 of title 44, United States Code, is amended to read as follows:

''CHAPTER 35—COORDINATION OF FEDERAL INFORMATION POLICY

''§ 3501. Purposes

''The purposes of this chapter are to—

''(1) minimize the paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State, local and tribal governments, and other persons resulting from the collection of information by or for the Federal Government;

''(2) ensure the greatest possible public benefit from and maximize the utility of information created, collected, maintained,

used, shared and disseminated by or for the Federal Government;

''(3) coordinate, integrate, and to the extent practicable and appropriate, make uniform Federal information resources management policies and practices as a means to improve the productivity, efficiency, and effectiveness of Government programs, including the reduction of information collection burdens on the public and the improvement of service delivery to the public;

''(4) improve the quality and use of Federal information to strengthen decisionmaking, accountability, and openness in Government and society;

''(5) minimize the cost to the Federal Government of the creation, collection, maintenance, use, dissemination, and disposition of information;

''(6) strengthen the partnership between the Federal Government and State, local, and tribal governments by minimizing the burden and maximizing the utility of information created, collected, maintained, used, disseminated, and retained by or for the Federal Government;

''(7) provide for the dissemination of public information on a timely basis, on equitable terms, and in a manner that promotes the utility of the information to the public and makes effective use of information technology;

''(8) ensure that the creation, collection, maintenance, use, dissemination, and disposition of information by or for the Federal Government is consistent with applicable laws, including laws relating to—

''(A) privacy and confidentiality, including section 552a of title 5;

''(B) security of information, including the Computer Security Act of 1987 (Public Law 100–235); and

''(C) access to information, including section 552 of title 5;

''(9) ensure the integrity, quality, and utility of the Federal statistical system;

''(10) ensure that information technology is acquired, used, and managed to improve performance of agency missions, including the reduction of information collection burdens on the public; and

''(11) improve the responsibility and accountability of the Office of Management and Budget and all other Federal agencies to Congress and to the public for implementing the information collection review process, information resources management, and related policies and guidelines established under this chapter.

''§ 3502. Definitions

''As used in this chapter—

''(1) the term 'agency' means any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency, but does not include—

''(A) the General Accounting Office;

''(B) Federal Election Commission;

''(C) the governments of the District of Columbia and of the territories and possessions of the United States, and their various subdivisions; or

''(D) Government-owned contractor-operated facilities, including laboratories engaged in national defense research and production activities;

''(2) the term 'burden' means time, effort, or financial resources expended by persons to generate, maintain, or provide information to or for a Federal agency, including the resources expended for—

''(A) reviewing instructions;

''(B) acquiring, installing, and utilizing technology and systems;

''(C) adjusting the existing ways to comply with any previously applicable instructions and requirements;

''(D) searching data sources;

''(E) completing and reviewing the collection of information; and

''(F) transmitting, or otherwise disclosing the information;

''(3) the term 'collection of information'—

''(A) means the obtaining, causing to be obtained, soliciting, or requiring the disclosure to third parties or the public, of facts or opinions by or for an agency, regardless of form or format, calling for either—

''(i) answers to identical questions posed to, or identical reporting or recordkeeping requirements imposed on, ten or more persons, other than agencies, instrumentalities, or employees of the United States; or

''(ii) answers to questions posed to agencies, instrumentalities, or employees of the United States which are to be used for general statistical purposes; and

''(B) shall not include a collection of information described under section 3518(c)(1);

''(4) the term 'Director' means the Director of the Office of Management and Budget;

''(5) the term 'independent regulatory agency' means the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Deposit Insurance Corporation, the Federal Energy Regulatory Commission, the Federal Housing Finance Board, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Mine Enforcement Safety and Health Review Commission, the National Labor Relations Board, the Nuclear Regulatory Commission, the Occupational Safety and Health Review Commission, the Postal Rate Commission, the Securities and Exchange Commission, and any other similar agency designated by statute as a Federal independent regulatory agency or commission;

''(6) the term 'information resources' means information and related resources, such as personnel, equipment, funds, and information technology;

''(7) the term 'information resources management' means the process of managing information resources to accomplish agency missions and to improve agency performance, including through the reduction of information collection burdens on the public;

''(8) the term 'information system' means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information;

''(9) the term 'information technology' has the same meaning as the term 'automatic data processing equipment' as defined by section 111(a) (2) and (3)(C) (i) through (v) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(a) (2) and (3)(C) (i) through (v));

''(10) the term 'person' means an individual, partnership, association, corporation, business trust, or legal representative, an organized group of individuals, a State, territorial, or local government or branch thereof, or a political subdivision of a State, territory, or local government or a branch of a political subdivision;

''(11) the term 'practical utility' means the ability of an agency to use information, particularly the capability to process such information in a timely and useful fashion;

''(12) the term 'public information' means any information, regardless of form or format, that an agency discloses, disseminates, or makes available to the public; and

''(13) the term 'recordkeeping requirement' means a requirement imposed by or for an agency on persons to maintain specified records.

''§ 3503. Office of Information and Regulatory Affairs

''(a) There is established in the Office of Management and Budget an office to be known as the Office of Information and Regulatory Affairs.

''(b) There shall be at the head of the Office an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall delegate to the Administrator the authority to administer all functions under this chapter, except that any such delegation shall not relieve the Director of responsibility for the administration of such functions. The Administrator shall serve as principal adviser to the Director on Federal information resources management policy.

''(c) The Administrator and employees of the Office of Information and Regulatory Affairs shall be appointed with special attention to professional qualifications required to administer the functions of the Office described under this chapter. Such qualifications shall include relevant education, work experience, or related professional activities.

''§ 3504. Authority and functions of Director

''(a)(1) The Director shall oversee the use of information resources to improve the efficiency and effectiveness of governmental operations to serve agency missions, including service delivery to the public. In performing such oversight, the Director shall—

''(A) develop, coordinate and oversee the implementation of Federal information resources management policies, principles, standards, and guidelines; and

''(B) provide direction and oversee—

''(i) the review of the collection of information and the reduction of the information collection burden;

''(ii) agency dissemination of and public access to information;

''(iii) statistical activities;

''(iv) records management activities;

''(v) privacy, confidentiality, security, disclosure, and sharing of information; and

''(vi) the acquisition and use of information technology.

''(2) The authority of the Director under this chapter shall be exercised consistent with applicable law.

''(b) With respect to general information resources management policy, the Director shall—

''(1) develop and oversee the implementation of uniform information resources management policies, principles, standards, and guidelines;

''(2) foster greater sharing, dissemination, and access to public information, including through—

''(A) the use of the Government Information Locator Service; and

''(B) the development and utilization of common standards for information collection, storage, processing and communication, including standards for security, interconnectivity and interoperability;

''(3) initiate and review proposals for changes in legislation, regulations, and agency procedures to improve information resources management practices;

''(4) oversee the development and implementation of best practices in information resources management, including training; and

''(5) oversee agency integration of program and management functions with information resources management functions.

''(c) With respect to the collection of information and the control of paperwork, the Director shall—

''(1) review proposed agency collections of information, and in accordance with section

3508, determine whether the collection of information by or for an agency is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

''(2) coordinate the review of the collection of information associated with Federal procurement and acquisition by the Office of Information and Regulatory Affairs with the Office of Federal Procurement Policy, with particular emphasis on applying information technology to improve the efficiency and effectiveness of Federal procurement and acquisition and to reduce information collection burdens on the public;

''(3) minimize the Federal information collection burden, with particular emphasis on those individuals and entities most adversely affected;

''(4) maximize the practical utility of and public benefit from information collected by or for the Federal Government; and

''(5) establish and oversee standards and guidelines by which agencies are to estimate the burden to comply with a proposed collection of information.

''(d) With respect to information dissemination, the Director shall develop and oversee the implementation of policies, principles, standards, and guidelines to—

''(1) apply to Federal agency dissemination of public information, regardless of the form or format in which such information is disseminated; and

''(2) promote public access to public information and fulfill the purposes of this chapter, including through the effective use of information technology.

''(e) With respect to statistical policy and coordination, the Director shall—

''(1) coordinate the activities of the Federal statistical system to ensure—

''(A) the efficiency and effectiveness of the system; and

''(B) the integrity, objectivity, impartiality, utility, and confidentiality of information collected for statistical purposes;

''(2) ensure that budget proposals of agencies are consistent with system-wide priorities for maintaining and improving the quality of Federal statistics and prepare an annual report on statistical program funding;

''(3) develop and oversee the implementation of Governmentwide policies, principles, standards, and guidelines concerning—

''(A) statistical collection procedures and methods;

''(B) statistical data classification;

''(C) statistical information presentation and dissemination;

''(D) timely release of statistical data; and

''(E) such statistical data sources as may be required for the administration of Federal programs;

''(4) evaluate statistical program performance and agency compliance with Governmentwide policies, principles, standards and guidelines;

''(5) promote the sharing of information collected for statistical purposes consistent with privacy rights and confidentiality pledges;

''(6) coordinate the participation of the United States in international statistical activities, including the development of comparable statistics;

''(7) appoint a chief statistician who is a trained and experienced professional statistician to carry out the functions described under this subsection;

''(8) establish an Interagency Council on Statistical Policy to advise and assist the Director in carrying out the functions under this subsection that shall—

''(A) be headed by the chief statistician; and

''(B) consist of—

''(i) the heads of the major statistical programs; and

''(ii) representatives of other statistical agencies under rotating membership; and

''(9) provide opportunities for training in statistical policy functions to employees of the Federal Government under which—

''(A) each trainee shall be selected at the discretion of the Director based on agency requests and shall serve under the chief statistician for at least 6 months and not more than 1 year; and

''(B) all costs of the training shall be paid by the agency requesting training.

''(f) With respect to records management, the Director shall—

''(1) provide advice and assistance to the Archivist of the United States and the Administrator of General Services to promote coordination in the administration of chapters 29, 31, and 33 of this title with the information resources management policies, principles, standards, and guidelines established under this chapter;

''(2) review compliance by agencies with—

''(A) the requirements of chapters 29, 31, and 33 of this title; and

''(B) regulations promulgated by the Archivist of the United States and the Administrator of General Services; and

''(3) oversee the application of records management policies, principles, standards, and guidelines, including requirements for archiving information maintained in electronic format, in the planning and design of information systems.

''(g) With respect to privacy and security, the Director shall—

''(1) develop and oversee the implementation of policies, principles, standards, and guidelines on privacy, confidentiality, security, disclosure and sharing of information collected or maintained by or for agencies;

''(2) oversee and coordinate compliance with sections 552 and 552a of title 5, the Computer Security Act of 1987 (40 U.S.C. 759 note), and related information management laws; and

''(3) require Federal agencies, consistent with the Computer Security Act of 1987 (40 U.S.C. 759 note), to identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency.

''(h) With respect to Federal information technology, the Director shall—

''(1) in consultation with the Director of the National Institute of Standards and Technology and the Administrator of General Services—

''(A) develop and oversee the implementation of policies, principles, standards, and guidelines for information technology functions and activities of the Federal Government, including periodic evaluations of major information systems; and

''(B) oversee the development and implementation of standards under section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d));

''(2) monitor the effectiveness of, and compliance with, directives issued under sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759);

''(3) coordinate the development and review by the Office of Information and Regulatory Affairs of policy associated with Federal procurement and acquisition of information technology with the Office of Federal Procurement Policy;

''(4) ensure, through the review of agency budget proposals, information resources management plans and other means—

''(A) agency integration of information resources management plans, program plans and budgets for acquisition and use of information technology; and

''(B) the efficiency and effectiveness of inter-agency information technology initiatives to improve agency performance and the accomplishment of agency missions; and

''(5) promote the use of information technology by the Federal Government to improve the productivity, efficiency, and effectiveness of Federal programs, including through dissemination of public information and the reduction of information collection burdens on the public.

''§ 3505. Assignment of tasks and deadlines

''In carrying out the functions under this chapter, the Director shall—

''(1) in consultation with agency heads, set an annual Governmentwide goal for the reduction of information collection burdens by at least five percent, and set annual agency goals to—

''(A) reduce information collection burdens imposed on the public that—

''(i) represent the maximum practicable opportunity in each agency; and

''(ii) are consistent with improving agency management of the process for the review of collections of information established under section 3506(c); and

''(B) improve information resources management in ways that increase the productivity, efficiency and effectiveness of Federal programs, including service delivery to the public;

''(2) with selected agencies and non-Federal entities on a voluntary basis, conduct pilot projects to test alternative policies, practices, regulations, and procedures to fulfill the purposes of this chapter, particularly with regard to minimizing the Federal information collection burden; and

''(3) in consultation with the Administrator of General Services, the Director of the National Institute of Standards and Technology, the Archivist of the United States, and the Director of the Office of Personnel Management, develop and maintain a Governmentwide strategic plan for information resources management, that shall include—

''(A) a description of the objectives and the means by which the Federal Government shall apply information resources to improve agency and program performance;

''(B) plans for—

''(i) reducing information burdens on the public, including reducing such burdens through the elimination of duplication and meeting shared data needs with shared resources;

''(ii) enhancing public access to and dissemination of, information, using electronic and other formats; and

''(iii) meeting the information technology needs of the Federal Government in accordance with the purposes of this chapter; and

''(C) a description of progress in applying information resources management to improve agency performance and the accomplishment of missions.

''§ 3506. Federal agency responsibilities

''(a)(1) The head of each agency shall be responsible for—

''(A) carrying out the agency's information resources management activities to improve agency productivity, efficiency, and effectiveness; and

''(B) complying with the requirements of this chapter and related policies established by the Director.

''(2)(A) Except as provided under subparagraph (B), the head of each agency shall designate a senior official who shall report directly to such agency head to carry out the responsibilities of the agency under this chapter.

''(B) The Secretary of the Department of Defense and the Secretary of each military department may each designate senior officials who shall report directly to such Secretary to carry out the responsibilities of the department under this chapter. If more than one official is designated, the respective duties of the officials shall be clearly delineated.

''(3) The senior official designated under paragraph (2) shall head an office responsible for ensuring agency compliance with and prompt, efficient, and effective implementation of the information policies and information resources management responsibilities established under this chapter, including the reduction of information collection burdens on the public. The senior official and employees of such office shall be selected with special attention to the professional qualifications required to administer the functions described under this chapter.

''(4) Each agency program official shall be responsible and accountable for information resources assigned to and supporting the programs under such official. In consultation with the senior official designated under paragraph (2) and the agency Chief Financial Officer (or comparable official), each agency program official shall define program information needs and develop strategies, systems, and capabilities to meet those needs.

''(b) With respect to general information resources management, each agency shall—

''(1) manage information resources to—

''(A) reduce information collection burdens on the public;

''(B) increase program efficiency and effectiveness; and

''(C) improve the integrity, quality, and utility of information to all users within and outside the agency, including capabilities for ensuring dissemination of public information, public access to government information, and protections for privacy and security;

''(2) in accordance with guidance by the Director, develop and maintain a strategic information resources management plan that shall describe how information resources management activities help accomplish agency missions;

''(3) develop and maintain an ongoing process to—

''(A) ensure that information resources management operations and decisions are integrated with organizational planning, budget, financial management, human resources management, and program decisions;

''(B) in cooperation with the agency Chief Financial Officer (or comparable official), develop a full and accurate accounting of information technology expenditures, related expenses, and results; and

''(C) establish goals for improving information resources management's contribution to program productivity, efficiency, and effectiveness, methods for measuring progress towards those goals, and clear roles and responsibilities for achieving those goals;

''(4) in consultation with the Director, the Administrator of General Services, and the Archivist of the United States, maintain a current and complete inventory of the agency's information resources, including directories necessary to fulfill the requirements of section 3511 of this chapter; and

''(5) in consultation with the Director and the Director of the Office of Personnel Management, conduct formal training programs to educate agency program and management officials about information resources management.

''(c) With respect to the collection of information and the control of paperwork, each agency shall—

''(1) establish a process within the office headed by the official designated under subsection (a), that is sufficiently independent of program responsibility to evaluate fairly whether proposed collections of information should be approved under this chapter, to—

''(A) review each collection of information before submission to the Director for review under this chapter, including—

''(i) an evaluation of the need for the collection of information;

''(ii) a functional description of the information to be collected;

''(iii) a plan for the collection of the information;

''(iv) a specific, objectively supported estimate of burden;

''(v) a test of the collection of information through a pilot program, if appropriate; and

''(vi) a plan for the efficient and effective management and use of the information to be collected, including necessary resources;

''(B) ensure that each information collection—

''(i) is inventoried, displays a control number and, if appropriate, an expiration date;

''(ii) indicates the collection is in accordance with the clearance requirements of section 3507; and

''(iii) contains a statement to inform the person receiving the collection of information—

''(I) the reasons the information is being collected;

''(II) the way such information is to be used;

''(III) an estimate, to the extent practicable, of the burden of the collection; and

''(IV) whether responses to the collection of information are voluntary, required to obtain a benefit, or mandatory; and

''(C) assess the information collection burden of proposed legislation affecting the agency;

''(2)(A) except as provided under subparagraph (B), provide 60-day notice in the Federal Register, and otherwise consult with members of the public and affected agencies concerning each proposed collection of information, to solicit comment to—

''(i) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

''(ii) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information;

''(iii) enhance the quality, utility, and clarity of the information to be collected; and

''(iv) minimize the burden of the collection of information on those who are to respond, including through the use of automated collection techniques or other forms of information technology; and

''(B) for any proposed collection of information contained in a proposed rule (to be reviewed by the Director under section 3507(d)), provide notice and comment through the notice of proposed rulemaking for the proposed rule and such notice shall have the same purposes specified under subparagraph (A) (i) through (iv); and

''(3) certify (and provide a record supporting such certification, including public comments received by the agency) that each collection of information submitted to the Director for review under section 3507—

''(A) is necessary for the proper performance of the functions of the agency, including that the information has practical utility;

''(B) is not unnecessarily duplicative of information otherwise reasonably accessible to the agency;

''(C) reduces to the extent practicable and appropriate the burden on persons who shall provide information to or for the agency, including with respect to small entities, as defined under section 601(6) of title 5, the use of such techniques as—

''(i) establishing differing compliance or reporting requirements or timetables that take into account the resources available to those who are to respond;

''(ii) the clarification, consolidation, or simplification of compliance and reporting requirements; or

''(iii) an exemption from coverage of the collection of information, or any part thereof;

''(D) is written using plain, coherent, and unambiguous terminology and is understandable to those who are to respond;

''(E) is to be implemented in ways consistent and compatible, to the maximum extent practicable, with the existing reporting and recordkeeping practices of those who are to respond;

''(F) contains the statement required under paragraph (1)(B)(iii);

''(G) has been developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected, including the processing of the information in a manner which shall enhance, where appropriate, the utility of the information to agencies and the public;

''(H) uses effective and efficient statistical survey methodology appropriate to the purpose for which the information is to be collected; and

''(I) to the maximum extent practicable, uses information technology to reduce burden and improve data quality, agency efficiency and responsiveness to the public.

''(d) With respect to information dissemination, each agency shall—

''(1) ensure that the public has timely and equitable access to the agency's public information, including ensuring such access through—

''(A) encouraging a diversity of public and private sources for information based on government public information, and

''(B) agency dissemination of public information in an efficient, effective, and economical manner;

''(2) regularly solicit and consider public input on the agency's information dissemination activities; and

''(3) not, except where specifically authorized by statute—

''(A) establish an exclusive, restricted, or other distribution arrangement that interferes with timely and equitable availability of public information to the public;

''(B) restrict or regulate the use, resale, or redissemination of public information by the public;

''(C) charge fees or royalties for resale or redissemination of public information; or

''(D) establish user fees for public information that exceed the cost of dissemination.

''(e) With respect to statistical policy and coordination, each agency shall—

''(1) ensure the relevance, accuracy, timeliness, integrity, and objectivity of information collected or created for statistical purposes;

''(2) inform respondents fully and accurately about the sponsors, purposes, and uses of statistical surveys and studies;

''(3) protect respondents' privacy and ensure that disclosure policies fully honor pledges of confidentiality;

''(4) observe Federal standards and practices for data collection, analysis, documentation, sharing, and dissemination of information;

''(5) ensure the timely publication of the results of statistical surveys and studies, including information about the quality and limitations of the surveys and studies; and

''(6) make data available to statistical agencies and readily accessible to the public.

''(f) With respect to records management, each agency shall implement and enforce applicable policies and procedures, including requirements for archiving information maintained in electronic format, particularly in the planning, design and operation of information systems.

''(g) With respect to privacy and security, each agency shall—

''(1) implement and enforce applicable policies, procedures, standards, and guidelines on privacy, confidentiality, security, disclosure and sharing of information collected or maintained by or for the agency;

''(2) assume responsibility and accountability for compliance with and coordinated management of sections 552 and 552a of title 5, the Computer Security Act of 1987 (40 U.S.C. 759 note), and related information management laws; and

''(3) consistent with the Computer Security Act of 1987 (40 U.S.C. 759 note), identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency.

''(h) With respect to Federal information technology, each agency shall—

''(1) implement and enforce applicable Governmentwide and agency information technology management policies, principles, standards, and guidelines;

''(2) assume responsibility and accountability for information technology investments;

''(3) promote the use of information technology by the agency to improve the productivity, efficiency, and effectiveness of agency programs, including the reduction of information collection burdens on the public and improved dissemination of public information;

''(4) propose changes in legislation, regulations, and agency procedures to improve information technology practices, including changes that improve the ability of the agency to use technology to reduce burden; and

''(5) ensure responsibility for maximizing the value and assessing and managing the risks of major information systems initiatives through a process that is—

''(A) integrated with budget, financial, and program management decisions; and

''(B) used to select, control, and evaluate the results of major information systems initiatives.

''§ 3507. Public information collection activities; submission to Director; approval and delegation

''(a) An agency shall not conduct or sponsor the collection of information unless in advance of the adoption or revision of the collection of information—

''(1) the agency has—

''(A) conducted the review established under section 3506(c)(1);

''(B) evaluated the public comments received under section 3506(c)(2);

''(C) submitted to the Director the certification required under section 3506(c)(3), the proposed collection of information, copies of pertinent statutory authority, regulations, and other related materials as the Director may specify; and

''(D) published a notice in the Federal Register—

''(i) stating that the agency has made such submission; and

''(ii) setting forth—

''(I) a title for the collection of information;

''(II) a summary of the collection of information;

''(III) a brief description of the need for the information and the proposed use of the information;

''(IV) a description of the likely respondents and proposed frequency of response to the collection of information;

''(V) an estimate of the burden that shall result from the collection of information; and

''(VI) notice that comments may be submitted to the agency and Director;

''(2) the Director has approved the proposed collection of information or approval has been inferred, under the provisions of this section; and

''(3) the agency has obtained from the Director a control number to be displayed upon the collection of information.

''(b) The Director shall provide at least 30 days for public comment prior to making a decision under subsection (c), (d), or (h), except as provided under subsection (j).

''(c)(1) For any proposed collection of information not contained in a proposed rule, the Director shall notify the agency involved of the decision to approve or disapprove the proposed collection of information.

''(2) The Director shall provide the notification under paragraph (1), within 60 days after receipt or publication of the notice under subsection (a)(1)(D), whichever is later.

''(3) If the Director does not notify the agency of a denial or approval within the 60-day period described under paragraph (2)—

''(A) the approval may be inferred;

''(B) a control number shall be assigned without further delay; and

''(C) the agency may collect the information for not more than 2 years.

''(d)(1) For any proposed collection of information contained in a proposed rule—

''(A) as soon as practicable, but no later than the date of publication of a notice of proposed rulemaking in the Federal Register, each agency shall forward to the Director a copy of any proposed rule which contains a collection of information and any information requested by the Director necessary to make the determination required under this subsection; and

''(B) within 60 days after the notice of proposed rulemaking is published in the Federal Register, the Director may file public comments pursuant to the standards set forth in section 3508 on the collection of information contained in the proposed rule;

''(2) When a final rule is published in the Federal Register, the agency shall explain—

''(A) how any collection of information contained in the final rule responds to the comments, if any, filed by the Director or the public; or

''(B) the reasons such comments were rejected.

''(3) If the Director has received notice and failed to comment on an agency rule within 60 days after the notice of proposed rulemaking, the Director may not disapprove any collection of information specifically contained in an agency rule.

''(4) No provision in this section shall be construed to prevent the Director, in the Director's discretion—

''(A) from disapproving any collection of information which was not specifically required by an agency rule;

''(B) from disapproving any collection of information contained in an agency rule, if the agency failed to comply with the requirements of paragraph (1) of this subsection;

''(C) from disapproving any collection of information contained in a final agency rule, if the Director finds within 60 days after the publication of the final rule that the agency's response to the Director's comments filed under paragraph (2) of this subsection was unreasonable; or

''(D) from disapproving any collection of information contained in a final rule, if—

''(i) the Director determines that the agency has substantially modified in the final rule the collection of information contained in the proposed rule; and

''(ii) the agency has not given the Director the information required under paragraph (1) with respect to the modified collection of information, at least 60 days before the issuance of the final rule.

''(5) This subsection shall apply only when an agency publishes a notice of proposed rulemaking and requests public comments.

''(6) The decision by the Director to approve or not act upon a collection of information contained in an agency rule shall not be subject to judicial review.

''(e)(1) Any decision by the Director under subsection (c), (d), (h), or (j) to disapprove a collection of information, or to instruct the agency to make substantive or material change to a collection of information, shall be publicly available and include an explanation of the reasons for such decision.

''(2) Any written communication between the Office of the Director, the Administrator of the Office of Information and Regulatory Affairs, or any employee of the Office of Information and Regulatory Affairs and an agency or person not employed by the Federal Government concerning a proposed collection of information shall be made available to the public.

''(3) This subsection shall not require the disclosure of—

''(A) any information which is protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be kept secret in the interest of national defense or foreign policy; or

''(B) any communication relating to a collection of information which has not been approved under this chapter, the disclosure of which could lead to retaliation or discrimination against the communicator.

''(f)(1) An independent regulatory agency which is administered by 2 or more members of a commission, board, or similar body, may by majority vote void—

''(A) any disapproval by the Director, in whole or in part, of a proposed collection of information of that agency; or

''(B) an exercise of authority under subsection (d) of section 3507 concerning that agency.

''(2) The agency shall certify each vote to void such disapproval or exercise to the Director, and explain the reasons for such vote. The Director shall without further delay assign a control number to such collection of information, and such vote to void the disapproval or exercise shall be valid for a period of 3 years.

''(g) The Director may not approve a collection of information for a period in excess of 3 years.

''(h)(1) If an agency decides to seek extension of the Director's approval granted for a currently approved collection of information, the agency shall—

''(A) conduct the review established under section 3506(c), including the seeking of comment from the public on the continued need for, and burden imposed by the collection of information; and

''(B) after having made a reasonable effort to seek public comment, but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved collection of information, submit the collection of information for review and approval under this section, which shall include an explanation of how the agency has used the information that it has collected.

''(2) If under the provisions of this section, the Director disapproves a collection of information contained in an existing rule, or recommends or instructs the agency to make a substantive or material change to a collection of information contained in an existing rule, the Director shall—

''(A) publish an explanation thereof in the Federal Register; and

''(B) instruct the agency to undertake a rulemaking within a reasonable time limited to consideration of changes to the collection of information contained in the rule and thereafter to submit the collection of information for approval or disapproval under this chapter.

''(3) An agency may not make a substantive or material modification to a collection of information after such collection has been approved by the Director, unless the modification has been submitted to the Director for review and approval under this chapter.

''(i)(1) If the Director finds that a senior official of an agency designated under section 3506(a) is sufficiently independent of program responsibility to evaluate fairly whether proposed collections of information should be approved and has sufficient resources to carry out this responsibility effectively, the Director may, by rule in accordance with the notice and comment provisions of chapter 5 of title 5, United States Code, delegate to such official the authority to approve proposed collections of information in specific program areas, for specific purposes, or for all agency purposes.

''(2) A delegation by the Director under this section shall not preclude the Director from reviewing individual collections of information if the Director determines that circumstances warrant such a review. The Director shall retain authority to revoke such delegations, both in general and with regard to any specific matter. In acting for the Director, any official to whom approval authority has been delegated under this section shall comply fully with the rules and regulations promulgated by the Director.

''(j)(1) The agency head may request the Director to authorize a collection of information, if an agency head determines that—

''(A) a collection of information—

''(i) is needed prior to the expiration of time periods established under this chapter; and

''(ii) is essential to the mission of the agency; and

''(B) the agency cannot reasonably comply with the provisions of this chapter because—

''(i) public harm is reasonably likely to result if normal clearance procedures are followed;

''(ii) an unanticipated event has occurred; or

''(iii) the use of normal clearance procedures is reasonably likely to prevent or disrupt the collection of information or is reasonably likely to cause a statutory or court ordered deadline to be missed.

''(2) The Director shall approve or disapprove any such authorization request within the time requested by the agency head and, if approved, shall assign the collection of information a control number. Any collection of information conducted under this subsection may be conducted without compliance with the provisions of this chapter for a maximum of 90 days after the date on which the Director received the request to authorize such collection.

''§ 3508. Determination of necessity for information; hearing

''Before approving a proposed collection of information, the Director shall determine whether the collection of information by the agency is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility. Before making a determination the Director may give the agency and other interested persons an opportunity to be heard or to submit statements in writing. To the extent that the Director determines that the collection of information by an agency is unnecessary for the proper performance of the functions of the agency, for any reason, the agency may not engage in the collection of information.

''§ 3509. Designation of central collection agency

''The Director may designate a central collection agency to obtain information for two or more agencies if the Director determines that the needs of such agencies for information will be adequately served by a single collection agency, and such sharing of data is not inconsistent with applicable law. In such cases the Director shall prescribe (with reference to the collection of information) the duties and functions of the collection agency so designated and of the agencies for which it is to act as agent (including reimbursement for costs). While the designation is in effect, an agency covered by the designation may not obtain for itself information for the agency which is the duty of the collection agency to obtain. The Director may modify the designation from time to time as circumstances require. The authority to designate under this section is subject to the provisions of section 3507(f) of this chapter.

''§ 3510. Cooperation of agencies in making information available

''(a) The Director may direct an agency to make available to another agency, or an agency may make available to another agency, information obtained by a collection of information if the disclosure is not inconsistent with applicable law.

''(b)(1) If information obtained by an agency is released by that agency to another agency, all the provisions of law (including penalties which relate to the unlawful disclosure of information) apply to the officers and employees of the agency to which information is released to the same extent and in the same manner as the provisions apply to the officers and employees of the agency which originally obtained the information.

''(2) The officers and employees of the agency to which the information is released, in addition, shall be subject to the same provisions of law, including penalties, relating to the unlawful disclosure of information as if the information had been collected directly by that agency.

''§ 3511. Establishment and operation of Government Information Locator Service

''(a) In order to assist agencies and the public in locating information and to promote information sharing and equitable access by the public, the Director shall—

''(1) cause to be established and maintained a distributed agency-based electronic Government Information Locator Service (hereafter in this section referred to as the 'Service'), which shall identify the major information systems, holdings, and dissemination products of each agency;

''(2) require each agency to establish and maintain an agency information locator service as a component of, and to support the establishment and operation of the Service;

''(3) in cooperation with the Archivist of the United States, the Administrator of General Services, the Public Printer, and the Librarian of Congress, establish an interagency committee to advise the Secretary of Commerce on the development of technical standards for the Service to ensure compatibility, promote information sharing, and uniform access by the public;

''(4) consider public access and other user needs in the establishment and operation of the Service;

''(5) ensure the security and integrity of the Service, including measures to ensure that only information which is intended to be disclosed to the public is disclosed through the Service; and

''(6) periodically review the development and effectiveness of the Service and make recommendations for improvement, including other mechanisms for improving public access to Federal agency public information.

''(b) This section shall not apply to operational files as defined by the Central Intelligence Agency Information Act (50 U.S.C. 431 et seq.).

''§ 3512. Public protection

''Notwithstanding any other provision of law, no person shall be subject to any penalty for failing to maintain, provide, or disclose information to or for any agency or person if the collection of information subject to this chapter—

''(1) does not display a valid control number assigned by the Director; or

''(2) fails to state that the person who is to respond to the collection of information is not required to comply unless such collection displays a valid control number.

''§ 3513. Director review of agency activities; reporting; agency response

''(a) In consultation with the Administrator of General Services, the Archivist of the United States, the Director of the National Institute of Standards and Technology, and the Director of the Office of Personnel Management, the Director shall periodically review selected agency information resources management activities to ascertain the efficiency and effectiveness of such activities to improve agency performance and the accomplishment of agency missions.

''(b) Each agency having an activity reviewed under subsection (a) shall, within 60 days after receipt of a report on the review, provide a written plan to the Director describing steps (including milestones) to—

''(1) be taken to address information resources management problems identified in the report; and

''(2) improve agency performance and the accomplishment of agency missions.

''§ 3514. Responsiveness to Congress

''(a)(1) The Director shall—

''(A) keep the Congress and congressional committees fully and currently informed of the major activities under this chapter; and

''(B) submit a report on such activities to the President of the Senate and the Speaker of the House of Representatives annually and at such other times as the Director determines necessary.

''(2) The Director shall include in any such report a description of the extent to which agencies have—

''(A) reduced information collection burdens on the public, including—

''(i) a summary of accomplishments and planned initiatives to reduce collection of information burdens;

''(ii) a list of all violations of this chapter and of any rules, guidelines, policies, and procedures issued pursuant to this chapter; and

''(iii) a list of any increase in the collection of information burden, including the authority for each such collection;

''(B) improved the quality and utility of statistical information;

''(C) improved public access to Government information; and

''(D) improved program performance and the accomplishment of agency missions through information resources management.

''(b) The preparation of any report required by this section shall be based on performance

results reported by the agencies and shall not increase the collection of information burden on persons outside the Federal Government.

"§ 3515. Administrative powers

''Upon the request of the Director, each agency (other than an independent regulatory agency) shall, to the extent practicable, make its services, personnel, and facilities available to the Director for the performance of functions under this chapter.

"§ 3516. Rules and regulations

''The Director shall promulgate rules, regulations, or procedures necessary to exercise the authority provided by this chapter.

"§ 3517. Consultation with other agencies and the public

''(a) In developing information resources management policies, plans, rules, regulations, procedures, and guidelines and in reviewing collections of information, the Director shall provide interested agencies and persons early and meaningful opportunity to comment.

''(b) Any person may request the Director to review any collection of information conducted by or for an agency to determine, if, under this chapter, a person shall maintain, provide, or disclose the information to or for the agency. Unless the request is frivolous, the Director shall, in coordination with the agency responsible for the collection of information—

''(1) respond to the request within 60 days after receiving the request, unless such period is extended by the Director to a specified date and the person making the request is given notice of such extension; and

''(2) take appropriate remedial action, if necessary.

"§ 3518. Effect on existing laws and regulations

''(a) Except as otherwise provided in this chapter, the authority of an agency under any other law to prescribe policies, rules, regulations, and procedures for Federal information resources management activities is subject to the authority of the Director under this chapter.

''(b) Nothing in this chapter shall be deemed to affect or reduce the authority of the Secretary of Commerce or the Director of the Office of Management and Budget pursuant to Reorganization Plan No. 1 of 1977 (as amended) and Executive order, relating to telecommunications and information policy, procurement and management of telecommunications and information systems, spectrum use, and related matters.

''(c)(1) Except as provided in paragraph (2), this chapter shall not apply to the collection of information—

''(A) during the conduct of a Federal criminal investigation or prosecution, or during the disposition of a particular criminal matter;

''(B) during the conduct of—

''(i) a civil action to which the United States or any official or agency thereof is a party; or

''(ii) an administrative action or investigation involving an agency against specific individuals or entities;

''(C) by compulsory process pursuant to the Antitrust Civil Process Act and section 13 of the Federal Trade Commission Improvements Act of 1980; or

''(D) during the conduct of intelligence activities as defined in section 3.4(e) of Executive Order No. 12333, issued December 4, 1981, or successor orders, or during the conduct of cryptologic activities that are communications security activities.

''(2) This chapter applies to the collection of information during the conduct of general investigations (other than information collected in an antitrust investigation to the extent provided in subparagraph (C) of paragraph (1)) undertaken with reference to a category of individuals or entities such as a class of licensees or an entire industry.

''(d) Nothing in this chapter shall be interpreted as increasing or decreasing the authority conferred by Public Law 89–306 on the Administrator of the General Services Administration, the Secretary of Commerce, or the Director of the Office of Management and Budget.

''(e) Nothing in this chapter shall be interpreted as increasing or decreasing the authority of the President, the Office of Management and Budget or the Director thereof, under the laws of the United States, with respect to the substantive policies and programs of departments, agencies and offices, including the substantive authority of any Federal agency to enforce the civil rights laws.

"§ 3519. Access to information

''Under the conditions and procedures prescribed in section 716 of title 31, the Director and personnel in the Office of Information and Regulatory Affairs shall furnish such information as the Comptroller General may require for the discharge of the responsibilities of the Comptroller General. For the purpose of obtaining such information, the Comptroller General or representatives thereof shall have access to all books, documents, papers and records, regardless of form or format, of the Office.

"§ 3520. Authorization of appropriations

''(a) Subject to subsection (b), there are authorized to be appropriated to the Office of Information and Regulatory Affairs to carry out the provisions of this chapter, and for no other purpose, $8,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, and 2000.

''(b)(1) No funds may be appropriated pursuant to subsection (a) unless such funds are appropriated in an appropriation Act (or continuing resolution) which separately and expressly states the amount appropriated pursuant to subsection (a) of this section.

''(2) No funds are authorized to be appropriated to the Office of Information and Regulatory Affairs, or to any other officer or administrative unit of the Office of Management and Budget, to carry out the provisions of this chapter, or to carry out any function under this chapter, for any fiscal year pursuant to any provision of law other than subsection (a) of this section.''.

SEC. 103. PAPERWORK BURDEN REDUCTION INITIATIVE REGARDING THE QUARTERLY FINANCIAL REPORT PROGRAM AT THE BUREAU OF THE CENSUS.

(a) PAPERWORK BURDEN REDUCTION INITIATIVE REQUIRED.—As described in subsection (b), the Bureau of the Census within the Department of Commerce shall undertake a demonstration program to reduce the burden imposed on firms, especially small businesses, required to participate in the survey used to prepare the publication entitled ''Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations''.

(b) BURDEN REDUCTION INITIATIVES TO BE INCLUDED IN THE DEMONSTRATION PROGRAM.—The demonstration program required by subsection (a) shall include the following paperwork burden reduction initiatives:

(1) FURNISHING ASSISTANCE TO SMALL BUSINESS CONCERNS.—

(A) The Bureau of the Census shall furnish advice and similar assistance to ease the burden of a small business concern which is attempting to compile and furnish the business information required of firms participating in the survey.

(B) To facilitate the provision of the assistance described in subparagraph (A), a toll-free telephone number shall be established by the Bureau of the Census.

(2) VOLUNTARY PARTICIPATION BY CERTAIN BUSINESS CONCERNS.—

(A) A business concern may decline to participate in the survey, if the firm has—

(i) participated in the survey during the period of the demonstration program described under subsection (c) or has participated in the survey during any of the 24 calendar quarters previous to such period; and

(ii) assets of $50,000,000 or less at the time of being selected to participate in the survey for a subsequent time.

(B) A business concern may decline to participate in the survey, if the firm—

(i) has assets of greater than $50,000,000 but less than $100,000,000 at the time of selection; and

(ii) participated in the survey during the 8 calendar quarters immediately preceding the firm's selection to participate in the survey for an additional 8 calendar quarters.

(3) EXPANDED USE OF SAMPLING TECHNIQUES.—The Bureau of the Census shall use statistical sampling techniques to select firms having assets of $100,000,000 or less to participate in the survey.

(4) ADDITIONAL BURDEN REDUCTION TECHNIQUES.—The Director of the Bureau of the Budget may undertake such additional paperwork burden reduction initiatives with respect to the conduct of the survey as may be deemed appropriate by such officer.

(c) DURATION OF THE DEMONSTRATION PROGRAM.—The demonstration program required by subsection (a) shall commence on October 1, 1995, and terminate on the later of—

(1) September 30, 1998; or

(2) the date in the Act of Congress providing for authorization of appropriations for section 91 of title 13, United States Code, first enacted following the date of the enactment of this Act, that is September 30, of the last fiscal year providing such an authorization under such Act of Congress.

(d) DEFINITIONS.—For purposes of this section:

(1) The term ''burden'' shall have the meaning given that term by section 3502(2) of title 44, United States Code.

(2) The term ''collection of information'' shall have the meaning given that term by section 3502(3) of title 44, United States Code.

(3) The term ''small business concern'' means a business concern that meets the requirements of section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and the regulations promulgated pursuant thereto.

(4) The term ''survey'' means the collection of information by the Bureau of the Census at the Department of Commerce pursuant to section 91 of title 13, United States Code, for the purpose of preparing the publication entitled ''Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations''.

SEC. 104. OREGON OPTION PROPOSAL.

(a) FINDINGS.—The Senate finds that—

(1) Federal, State and local governments are dealing with increasingly complex problems which require the delivery of many kinds of social services at all levels of government;

(2) historically, Federal programs have addressed the Nation's problems by providing categorical assistance with detailed requirements relating to the use of funds which are often delivered by State and local governments;

(3) although the current approach is one method of service delivery, a number of problems exist in the current intergovernmental structure that impede effective delivery of vital services by State and local governments;

(4) it is more important than ever to provide programs that respond flexibly to the

needs of the Nation's States and communities, reduce the barriers between programs that impede Federal, State and local governments' ability to effectively deliver services, encourage the Nation's Federal, State and local governments to be innovative in creating programs that meet the unique needs of the people in their communities while continuing to address national goals, and improve the accountability of all levels of government by better measuring government performance and better meeting the needs of service recipients;

(5) the State and local governments of Oregon have begun a pilot project, called the Oregon Option, that will utilize strategic planning and performance-based management that may provide new models for intergovernmental social service delivery;

(6) the Oregon Option is a prototype of a new intergovernmental relations system, and it has the potential to completely transform the relationships among Federal, State and local governments by creating a system of intergovernmental service delivery and funding that is based on measurable performance, customer satisfaction, prevention, flexibility, and service integration; and

(7) the Oregon Option has the potential to dramatically improve the quality of Federal, State and local services to Oregonians.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Oregon Option project has the potential to improve intergovernmental service delivery by shifting accountability from compliance to performance results and that the Federal Government should continue in its partnership with the State and local governments of Oregon to fully implement the Oregon Option.

SEC. 105. TERMINATION OF REPORTING REQUIREMENTS.

(a) TERMINATION.—

(1) IN GENERAL.—Subject to the provisions of paragraph (2), each provision of law requiring the submittal to Congress (or any committee of the Congress) of any annual, semiannual or other regular periodic reports specified on the list described under subsection (c) shall cease to be effective, with respect to that requirement, 5 years after the date of the enactment of this Act.

(2) EXCEPTION.—The provisions of paragraph (1) shall not apply to any report required under—

(A) the Inspector General Act of 1978 (5 U.S.C. App.; Public Law 95–452); or

(B) the Chief Financial Officers Act of 1990 (Public Law 101–576).

(b) IDENTIFICATION OF WASTEFUL REPORTS.—The President shall include in the first annual budget submitted pursuant to section 1105 of title 31, United States Code, after the date of enactment of this Act a list of reports that the President has determined are unnecessary or wasteful and the reasons for such determination.

(c) LIST OF REPORTS.—The list referred to under subsection (a) includes only the annual, semiannual, or other regular periodic reports on the list prepared by the Clerk of the House of Representatives for the first session of the One Hundred Third Congress under Clause 2 of Rule III of the Rules of the House of Representatives.

SEC. 106. EFFECTIVE DATE.

The provisions of this title and the amendments made by this title shall take effect on June 30, 1995.

TITLE II—FEDERAL REPORT ELIMINATION AND MODIFICATION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Federal Report Elimination and Modification Act of 1995''.

SEC. 202. TABLE OF CONTENTS.

The table of contents for this title is as follows:

Subtitle I—Departments

CHAPTER 1—DEPARTMENT OF AGRICULTURE

SEC. 1011. REPORTS ELIMINATED.

(a) REPORT ON MONITORING AND EVALUATION.—Section 1246 of the Food Security Act of 1985 (16 U.S.C. 3846) is repealed.

(b) REPORT ON RETURN ON ASSETS.—Section 2512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421b) is amended—

(1) in subsection (a), by striking ''(a) IMPROVING'' and all that follows through ''FORECASTS.—''; and

(2) by striking subsection (b).

(c) REPORT ON FARM VALUE OF AGRICULTURAL PRODUCTS.—Section 2513 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421c) is repealed.

(d) REPORT ON ORIGIN OF EXPORTS OF PEANUTS.—Section 1558 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 958) is repealed.

(e) REPORT ON REPORTING OF IMPORTING FEES.—Section 407 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736a) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (h) as subsections (b) through (g), respectively.

(f) REPORT ON AGRICULTURAL INFORMATION EXCHANGE WITH IRELAND.—Section 1420 of

the Food Security Act of 1985 (Public Law 99–198; 99 Stat. 1551) is amended—

(1) in subsection (a), by striking ''(a)''; and

(2) by striking subsection (b).

(g) REPORT ON POTATO INSPECTION.—Section 1704 of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 499n note) is amended by striking the second sentence.

(h) REPORT ON TRANSPORTATION OF FERTILIZER AND AGRICULTURAL CHEMICALS.—Section 2517 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 104 Stat. 4077) is repealed.

(i) REPORT ON UNIFORM END-USE VALUE TESTS.—Section 307 of the Futures Trading Act of 1986 (Public Law 99–641; 7 U.S.C. 76 note) is amended by striking subsection (c).

(j) REPORT ON PROJECT AREAS WITH HIGH FOOD STAMP PAYMENT ERROR RATES.—Section 16(i) of the Food Stamp Act of 1977 (7 U.S.C. 2025(i)) is amended by striking paragraph (3).

(k) REPORT ON EFFECT OF EFAP DISPLACEMENT ON COMMERCIAL SALES.—Section 203C(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking the last sentence.

(l) REPORT ON WIC EXPENDITURES AND PARTICIPATION LEVELS.—Section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)) is amended—

(1) by striking paragraphs (8) and (9); and

(2) by redesignating paragraphs (10) and (11) as paragraphs (8) and (9), respectively.

(m) REPORT ON WIC MIGRANT SERVICES.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsection (j).

(n) REPORT ON DEMONSTRATIONS INVOLVING INNOVATIVE HOUSING UNITS.—Section 506(b) of the Housing Act of 1949 (42 U.S.C. 1476(b)) is amended by striking the last sentence.

(o) REPORT ON ANNUAL UPWARD MOBILITY PROGRAM ACTIVITY.—Section 2(a)(6)(A) of the Act of June 20, 1936 (20 U.S.C. 107a(a)(6)(A)), is amended by striking ''including upward mobility'' and inserting ''excluding upward mobility''.

(p) REPORT ON LAND EXCHANGES IN COLUMBIA RIVER GORGE NATIONAL SCENIC AREA.—Section 9(d)(3) of the Columbia River Gorge National Scenic Area Act (16 U.S.C. 544g(d)(3)) is amended by striking the second sentence.

(q) REPORT ON INCOME AND EXPENDITURES OF CERTAIN LAND ACQUISITIONS.—Section 2(e) of Public Law 96–586 (94 Stat. 3382) is amended by striking the second sentence.

(r) REPORT ON SPECIAL AREA DESIGNATIONS.—Section 1506 of the Agriculture and Food Act of 1981 (16 U.S.C. 3415) is repealed.

(s) REPORT ON EVALUATION OF SPECIAL AREA DESIGNATIONS.—Section 1510 of the Agriculture and Food Act of 1981 (16 U.S.C. 3419) is repealed.

(t) REPORT ON AGRICULTURAL PRACTICES AND WATER RESOURCES DATA BASE DEVELOPMENT.—Section 1485 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5505) is amended—

(1) in subsection (a), by striking ''(a) REPOSITORY.—''; and

(2) by striking subsection (b).

(u) REPORT ON PLANT GENOME MAPPING.—Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

(v) REPORT ON APPRAISAL OF PROPOSED BUDGET FOR FOOD AND AGRICULTURAL SCIENCES.—Section 1408(g) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(g)) is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

(w) REPORT ON ECONOMIC IMPACT OF ANIMAL DAMAGE ON AQUACULTURE INDUSTRY.—Section 1475(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(e)) is amended—

(1) in paragraph (1), by striking ''(1)''; and

(2) by striking paragraph (2).

(x) REPORT ON AWARDS MADE BY THE NATIONAL RESEARCH INITIATIVE AND SPECIAL GRANTS.—Section 2 of the Act of August 4, 1965 (7 U.S.C. 450i), is amended—

(1) by striking subsection (l); and

(2) by redesignating subsection (m) as subsection (l).

(y) REPORT ON PAYMENTS MADE UNDER RESEARCH FACILITIES ACT.—Section 8 of the Research Facilities Act (7 U.S.C. 390i) is repealed.

(z) REPORT ON FINANCIAL AUDIT REVIEWS OF STATES WITH HIGH FOOD STAMP PARTICIPATION.—The first sentence of section 11(l) of the Food Stamp Act of 1977 (7 U.S.C. 2020(l)) is amended by striking '', and shall, upon completion of the audit, provide a report to Congress of its findings and recommendations within one hundred and eighty days''.

(aa) REPORT ON RURAL TELEPHONE BANK.—Section 408(b)(3) of the Rural Electrification Act of 1936 (7 U.S.C. 948(b)(3)) is amended by striking out subparagraph (I) and redesignating subparagraph (J) as subparagraph (I).

SEC. 1012. REPORTS MODIFIED.

(a) REPORT ON ANIMAL WELFARE ENFORCEMENT.—The first sentence of section 25 of the Animal Welfare Act (7 U.S.C. 2155) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(5) the information and recommendations described in section 11 of the Horse Protection Act of 1970 (15 U.S.C. 1830).''.

(b) REPORT ON HORSE PROTECTION ENFORCEMENT.—Section 11 of the Horse Protection Act of 1970 (15 U.S.C. 1830) is amended by striking ''On or before the expiration of thirty calendar months following the date of enactment of this Act, and every twelve calendar months thereafter, the Secretary shall submit to the Congress a report upon'' and inserting the following: ''As part of the report submitted by the Secretary under section 25 of the Animal Welfare Act (7 U.S.C. 2155), the Secretary shall include information on''.

(c) REPORT ON AGRICULTURAL QUARANTINE INSPECTION FUND.—The Secretary of Agriculture shall not be required to submit a report to the appropriate committees of Congress on the status of the Agricultural Quarantine Inspection fund more frequently than annually.

(d) REPORT ON ESTIMATED EXPENDITURES UNDER FOOD STAMP PROGRAM.—The third sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended—

(1) by striking ''by the fifteenth day of each month'' and inserting ''for each quarter or other appropriate period''; and

(2) by striking ''the second preceding month's expenditure'' and inserting ''the expenditure for the quarter or other period''.

(e) REPORT ON COMMODITY DISTRIBUTION.—Section 3(a)(3)(D) of the Commodity Distribution Reform Act and WIC Amendments of 1987 (Public Law 100–237; 7 U.S.C. 612c note) is amended by striking ''annually'' and inserting ''biennially''.

(f) REPORT ON PRIORITIES FOR RESEARCH, EXTENSION, AND TEACHING.—Section 1407(f)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(f)(1)) is amended—

(1) in the paragraph heading, by striking ''ANNUAL REPORT'' and inserting ''REPORT''; and

(2) by striking ''Not later than June 30 of each year'' and inserting ''At such times as the Joint Council determines appropriate''.

(g) 5-YEAR PLAN FOR FOOD AND AGRICULTURAL SCIENCES.—Section 1407(f)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(f)(2)) is amended by striking the second sentence.

(h) REPORT ON EXAMINATION OF FEDERALLY SUPPORTED AGRICULTURAL RESEARCH AND EXTENSION PROGRAMS.—Section 1408(g)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(g)(1)) is amended by inserting ''may provide'' before ''a written report''.

(i) REPORT ON EFFECTS OF FOREIGN OWNERSHIP OF AGRICULTURAL LAND.—Section 5(b) of the Agricultural Foreign Investment Disclosure Act of 1978 (7 U.S.C. 3504(b)) is amended to read as follows:

''(b) An analysis and determination shall be made, and a report on the Secretary's findings and conclusions regarding such analysis and determination under subsection (a) shall be transmitted within 90 days after the end of—

''(1) the calendar year in which the Federal Report Elimination and Modification Act of 1995 is enacted; and

''(2) the calendar year which occurs every ten years thereafter.''.

CHAPTER 2—DEPARTMENT OF COMMERCE

SEC. 1021. REPORTS ELIMINATED.

(a) REPORT ON VOTING REGISTRATION.—Section 207 of the Voting Rights Act of 1965 (42 U.S.C. 1973aa–5) is repealed.

(b) REPORT ON ESTIMATE OF SPECIAL AGRICULTURAL WORKERS.—Section 210A(b)(3) of the Immigration and Nationality Act (8 U.S.C. 1161(b)(3)) is repealed.

(c) REPORT ON LONG RANGE PLAN FOR PUBLIC BROADCASTING.—Section 393A(b) of the Communications Act of 1934 (47 U.S.C. 393a(b)) is repealed.

(d) REPORT ON STATUS, ACTIVITIES, AND EFFECTIVENESS OF UNITED STATES COMMERCIAL CENTERS IN ASIA, LATIN AMERICA, AND AFRICA AND PROGRAM RECOMMENDATIONS.—Section 401(j) of the Jobs Through Exports Act of 1992 (15 U.S.C. 4723a(j)) is repealed.

(e) REPORT ON KUWAIT RECONSTRUCTION CONTRACTS.—Section 606(f) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 is repealed.

(f) REPORT ON UNITED STATES-CANADA FREE TRADE AGREEMENT.—Section 409(a)(3)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (19 U.S.C. 2112 note) is amended to read as follows:

''(3) The United States members of the working group established under article 1907 of the Agreement shall consult regularly with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and advisory committees established under section 135 of the Trade Act of 1974 regarding—

''(A) the issues being considered by the working group; and

''(B) as appropriate, the objectives and strategy of the United States in the negotiations.''.

(g) REPORT ON ESTABLISHMENT OF AMERICAN BUSINESS CENTERS AND ON ACTIVITIES OF THE INDEPENDENT STATES BUSINESS AND AGRICULTURE ADVISORY COUNCIL.—Section 305 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5825) is repealed.

(h) REPORT ON FISHERMAN'S CONTINGENCY FUND REPORT.—Section 406 of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1846) is repealed.

(i) REPORT ON USER FEES ON SHIPPERS.—Section 208 of the Water Resources Development Act of 1986 (33 U.S.C. 2236) is amended by—

(1) striking subsection (b); and

(2) redesignating subsections (c), (d), (e), and (f) as subsections (b), (c), (d), and (e), respectively.

SEC. 1022. REPORTS MODIFIED.

(a) REPORT ON FEDERAL TRADE PROMOTION STRATEGIC PLAN.—Section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f) is amended to read as follows:

''(f) REPORT TO THE CONGRESS.—The chairperson of the TPCC shall prepare and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Foreign Affairs of the House of Representatives, not later than September 30, 1995, and annually thereafter, a report describing—

''(1) the strategic plan developed by the TPCC pursuant to subsection (c), the implementation of such plan, and any revisions thereto; and

''(2) the implementation of sections 303 and 304 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5823 and 5824) concerning funding for export promotion activities and the interagency working groups on energy of the TPCC.''.

(b) REPORT ON EXPORT POLICY.—Section 2314(b)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4729(b)(1)) is amended—

(1) in subparagraph (E) by striking out ''and'' after the semicolon;

(2) in subparagraph (F) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new subparagraphs:

''(G) the status, activities, and effectiveness of the United States commercial centers established under section 401 of the Jobs Through Exports Act of 1992 (15 U.S.C. 4723a);

''(H) the implementation of sections 301 and 302 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5821 and 5822) concerning American Business Centers and the Independent States Business and Agriculture Advisory Council;

''(I) the programs of other industrialized nations to assist their companies with their efforts to transact business in the independent states of the former Soviet Union; and

''(J) the trading practices of other Organization for Economic Cooperation and Development nations, as well as the pricing practices of transitional economies in the independent states, that may disadvantage United States companies.''.

CHAPTER 3—DEPARTMENT OF DEFENSE

SEC. 1031. REPORTS ELIMINATED.

(a) REPORT ON SEMATECH.—Section 274 of The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1071) is amended—

(1) in section 6 by striking out the item relating to section 274; and

(2) by striking out section 274.

(b) REPORT ON REVIEW OF DOCUMENTATION IN SUPPORT OF WAIVERS FOR PEOPLE ENGAGED IN ACQUISITION ACTIVITIES.—

(1) IN GENERAL.—Section 1208 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 1701 note) is repealed.

(2) CLERICAL AMENDMENT TO TABLE OF CONTENTS.—Section 2(b) of such Act is amended by striking out the item relating to section 1208.

CHAPTER 4—DEPARTMENT OF EDUCATION

SEC. 1041. REPORTS ELIMINATED.

(a) REPORT ON PERSONNEL REDUCTION AND ANNUAL LIMITATIONS.—Subsection (a) of section 403 of the Department of Education Organization Act (20 U.S.C. 3463(a)) is amended—

(1) in paragraph (2), by striking all beginning with ''and shall,'' through the end thereof and inserting a period; and

(2) by redesignating paragraph (3) as paragraph (2).

(b) REPORT ON PROJECTS FUNDED BY THE FUND FOR THE IMPROVEMENT AND REFORM OF SCHOOLS AND TEACHING.—Section 3232 of the Fund for the Improvement and Reform of Schools and Teaching Act (20 U.S.C. 4832) is amended—

(1) in the section heading, by striking ''**AND REPORTING**'';

(2) in subsection (a), by striking ''(a) EXEMPLARY PROJECTS.—''; and

(3) by striking subsections (b) and (c).

(c) REPORT ON THE SUCCESS OF FIRST ASSISTED PROGRAMS IN IMPROVING EDUCATION.—Section 6215 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4832 note) is amended—

(1) by amending the section heading to read as follows:

''**SEC. 6215. EXEMPLARY PROJECTS.**'';

(2) in subsection (a), by striking ''(a) EXEMPLARY PROJECTS.—''; and

(3) by striking subsections (b) and (c).

(d) REPORT ON SUPPORTED EMPLOYMENT ACTIVITIES.—Subsection (c) of section 311 of the Rehabilitation Act of 1973 (20 U.S.C. 777a(c) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(e) REPORT ON THE CLIENT ASSISTANCE PROGRAM.—Subsection (g) of section 112 of the Rehabilitation Act of 1973 (20 U.S.C. 732(g)) is amended—

(1) by striking paragraphs (4) and (5); and

(2) in paragraph (6), by striking ''such report or for any other'' and inserting ''any''.

(f) REPORT ON THE SUMMARY OF LOCAL EVALUATIONS OF COMMUNITY EDUCATION EMPLOYMENT CENTERS.—Section 370 of the Carl D. Perkins Vocational and Applied Technology Act (20 U.S.C. 2396h) is amended—

(1) in the section heading, by striking ''**AND REPORT**'';

(2) in subsection (a), by striking ''(a) LOCAL EVALUATION.—''; and

(3) by striking subsection (b).

(g) REPORT ON THE ADMINISTRATION OF THE VOCATIONAL EDUCATION ACT OF 1917.—Section 18 of the Vocational Education Act of 1917 (20 U.S.C. 28) is repealed.

(h) REPORT BY THE INTERDEPARTMENTAL TASK FORCE ON COORDINATING VOCATIONAL EDUCATION AND RELATED PROGRAMS.—Subsection (d) of section 4 of the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 (20 U.S.C. 2303(d)) is repealed.

(i) REPORT ON THE EVALUATION OF THE GATEWAY GRANTS PROGRAM.—Subparagraph (B) of section 322(a)(3) of the Adult Education Act (20 U.S.C. 1203a(a)(3)(B)) is amended by striking ''and report the results of such evaluation to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate''.

(j) REPORT ON THE BILINGUAL VOCATIONAL TRAINING PROGRAM.—Paragraph (3) of section 441(e) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2441(e)(3)) is amended by striking the last sentence thereof.

(k) REPORT ON ADVISORY COUNCILS.—Section 448 of the General Education Provisions Act (20 U.S.C. 1233g) is repealed.

SEC. 1042. REPORTS MODIFIED.

(a) REPORT ON THE CONDITION OF BILINGUAL EDUCATION IN THE NATION.—Section 6213 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 3303 note) is amended—

(1) in the section heading, by striking ''**REPORT ON**'' and inserting ''**INFORMATION REGARDING**''; and

(2) by striking the matter preceding paragraph (1) and inserting ''The Secretary shall collect data for program management and accountability purposes regarding—''.

(b) REPORT TO CONGRESS ON THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Subsection (b) of section 724 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11434(b)) is amended by striking paragraph (4) and the first paragraph (5) and inserting the following:

''(4) The Secretary shall prepare and submit a report to the appropriate committees of the Congress at the end of every other fiscal year. Such report shall—

''(A) evaluate the programs and activities assisted under this part; and

''(B) contain the information received from the States pursuant to section 722(d)(3).''.

(c) REPORT TO GIVE NOTICE TO CONGRESS.—Subsection (d) of section 482 of the Higher Education Act of 1965 (20 U.S.C. 1089(d)) is amended—

(1) in the first sentence by striking ''the items specified in the calendar have been completed and provide all relevant forms, rules, and instructions with such notice'' and inserting ''a deadline included in the calendar described in subsection (a) is not met''; and

(2) by striking the second sentence.

(d) ANNUAL REPORT ON ACTIVITIES UNDER THE REHABILITATION ACT OF 1973.—Section 13 of the Rehabilitation Act of 1973 (20 U.S.C. 712) is amended by striking ''twenty'' and inserting ''eighty''.

(e) REPORT TO THE CONGRESS REGARDING REHABILITATION TRAINING PROGRAMS.—The second sentence of section 302(c) of the Rehabilitation Act of 1973 (20 U.S.C. 774(c)) is amended by striking ''simultaneously with the budget submission for the succeeding fiscal year for the Rehabilitation Services Administration'' and inserting ''by September 30 of each fiscal year''.

(f) REPORT PREPARED BY THE DEPARTMENT OF THE INTERIOR ON INDIAN CHILDREN AND THE BILINGUAL EDUCATION ACT.—

(1) REPEAL.—Subsection (c) of section 7022 of the Bilingual Education Act (20 U.S.C. 3292) is repealed.

(2) ANNUAL REPORT.—Paragraph (3) of section 7051(b)(3) of the Bilingual Education Act (20 U.S.C. 3331(b)(3)) is amended—

(A) in subparagraph (D), by striking ''and'' after the semicolon;

(B) in subparagraph (E), by striking the period and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(F) the needs of the Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those tribes and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq.); and

''(G) the extent to which the needs described in subparagraph (F) are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.''.

(g) ANNUAL EVALUATION REPORTS.—Section 417 of the General Education Provisions Act (20 U.S.C. 1226c) is amended—

(1) in the section heading, by striking ''ANNUAL'' and inserting ''BIENNIAL''; and

(2) in subsection (a)—

(A) by striking ''December'' and inserting ''March'';

(B) by striking ''each year,'' and inserting ''every other year''; and

(C) by striking ''an annual'' and inserting ''a biennial'';

(3) in subparagraph (B), by striking ''previous fiscal year'' and inserting ''2 preceding fiscal years''; and

(4) in subparagraph (C), by striking ''previous fiscal year'' and inserting ''2 preceding fiscal years''.

(h) ANNUAL AUDIT OF STUDENT LOAN INSURANCE FUND.—Section 432(b) of the Higher Education Act of 1965 (20 U.S.C. 1082(b)) is amended to read as follows:

''(b) FINANCIAL OPERATIONS RESPONSIBILITIES.—The Secretary shall, with respect to the financial operations arising by reason of this part prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31, United States Code. The transactions of the Secretary, including the settlement of insurance claims and of claims for payments pursuant to section 1078 of this title, and transactions related thereto and vouchers approved by the Secretary in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.''.

CHAPTER 5—DEPARTMENT OF ENERGY

SEC. 1051. REPORTS ELIMINATED.

(a) REPORTS ON PERFORMANCE AND DISPOSAL OF ALTERNATIVE FUELED HEAVY DUTY VEHICLES.—Paragraphs (3) and (4) of section 400AA(b) of the Energy Policy and Conservation Act (42 U.S.C. 6374(b)(3), 6374(b)(4)) are repealed.

(b) REPORT ON WIND ENERGY SYSTEMS.—Section 9(a)(3) of the Wind Energy Systems Act of 1980 (42 U.S.C. 9208(a)(3)) is repealed.

(c) REPORT ON COMPREHENSIVE PROGRAM MANAGEMENT PLAN FOR OCEAN THERMAL ENERGY CONVERSION.—Section 3(d) of the Ocean Thermal Energy Conversion Research, Development, and Demonstration Act (42 U.S.C. 9002(d)) is repealed.

(d) REPORTS ON SUBSEABED DISPOSAL OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—Subsections (a) and (b)(5) of section 224 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10204(a), 10204(b)(5)) are repealed.

(e) REPORT ON FUEL USE ACT.—Sections 711(c)(2) and 806 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421(c)(2), 8482) are repealed.

(f) REPORT ON TEST PROGRAM OF STORAGE OF REFINED PETROLEUM PRODUCTS WITHIN THE STRATEGIC PETROLEUM RESERVE.—Section 160(g)(7) of the Energy Policy and Conservation Act (42 U.S.C. 6240(g)(7)) is repealed.

(g) REPORT ON NAVAL PETROLEUM AND OIL SHALE RESERVES PRODUCTION.—Section 7434 of title 10, United States Code, is repealed.

(h) REPORT ON EFFECTS OF PRESIDENTIAL MESSAGE ESTABLISHING A NUCLEAR NONPROLIFERATION POLICY ON NUCLEAR RESEARCH AND DEVELOPMENT COOPERATIVE AGREEMENTS.—Section 203 of the Department of Energy Act of 1978—Civilian Applications (22 U.S.C. 2429 note) is repealed.

(i) REPORT ON WRITTEN AGREEMENTS REGARDING NUCLEAR WASTE REPOSITORY SITES.—Section 117(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10137(c)) is amended by striking the following: ''If such written agreement is not completed prior to the expiration of such period, the Secretary shall report to the Congress in writing not later than 30 days after the expiration of such period on the status of negotiations to develop such agreement and the reasons why such agreement has not been completed. Prior to submission of such report to the Congress, the Secretary shall transmit such report to the Governor of such State or the governing body of such affected Indian tribe, as the case may be, for their review and comments. Such comments shall be included in such report prior to submission to the Congress.''.

(j) QUARTERLY REPORT ON STRATEGIC PETROLEUM RESERVES.—Section 165(b) of the Energy Policy and Conservation Act (42 U.S.C. 6245(b)) is repealed.

(k) REPORT ON THE DEPARTMENT OF ENERGY.—The Federal Energy Administration Act of 1974 (15 U.S.C. 790d), is amended by striking out section 55.

SEC. 1052. REPORTS MODIFIED.

(a) REPORTS ON PROCESS-ORIENTED INDUSTRIAL ENERGY EFFICIENCY AND INDUSTRIAL INSULATION AUDIT GUIDELINES.—

(1) Section 132(d) of the Energy Policy Act of 1992 (42 U.S.C. 6349(d)) is amended—

(A) in the language preceding paragraph (1), by striking ''Not later than 2 years after October 24, 1992, and annually thereafter'' and inserting ''Not later than October 24, 1995, and biennially thereafter'';

(B) in paragraph (4), by striking ''and'' at the end;

(C) in paragraph (5), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following new paragraph:

''(6) the information required under section 133(c).''.

(2) Section 133(c) of the Energy Policy Act of 1992 (42 U.S.C. 6350(c)) is amended—

(A) by striking, ''October 24, 1992'' and inserting ''October 24, 1995''; and

(B) by inserting ''as part of the report required under section 132(d),'' after ''and biennially thereafter,''.

(b) REPORT ON AGENCY REQUESTS FOR WAIVER FROM FEDERAL ENERGY MANAGEMENT REQUIREMENTS.—Section 543(b)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8253(b)(2)) is amended—

(1) by inserting '', as part of the report required under section 548(b),'' after ''the Secretary shall''; and

(2) by striking ''promptly''.

(c) REPORT ON THE PROGRESS, STATUS, ACTIVITIES, AND RESULTS OF PROGRAMS REGARDING THE PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.—Section 161(d) of the Energy Policy Act of 1992 (42 U.S.C. 8262g(d)) is amended by striking ''of each year thereafter,''; and inserting ''thereafter as part of the report required under section 548(b) of the National Energy Conservation Policy Act,''.

(d) REPORT ON THE FEDERAL GOVERNMENT ENERGY MANAGEMENT PROGRAM.—Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''and'' after the semicolon;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

''(B) the information required under section 543(b)(2); and'';

(2) in paragraph (2), by striking ''and'' after the semicolon;

(3) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following new paragraph:

''(4) the information required under section 161(d) of the Energy Policy Act of 1992.''.

(e) REPORT ON ALTERNATIVE FUEL USE BY SELECTED FEDERAL VEHICLES.—Section 400AA(b)(1)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6374(b)(1)(B)) is amended by striking ''and annually thereafter''.

(f) REPORT ON THE OPERATION OF STATE ENERGY CONSERVATION PLANS.—Section 365(c) of the Energy Policy and Conservation Act (42 U.S.C. 6325(c)) is amended by striking ''report annually'' and inserting '', as part of the report required under section 657 of the Department of Energy Organization Act, report''.

(g) REPORT ON THE DEPARTMENT OF ENERGY.—Section 657 of the Department of Energy Organization Act (42 U.S.C. 7267) is amended by inserting after ''section 15 of the Federal Energy Administration Act of 1974,'' the following: ''section 365(c) of the Energy Policy and Conservation Act, section 304(c) of the Nuclear Waste Policy Act of 1982,''.

(h) REPORT ON COST-EFFECTIVE WAYS TO INCREASE HYDROPOWER PRODUCTION AT FEDERAL WATER FACILITIES.—Section 2404 of the Energy Policy Act of 1992 (16 U.S.C. 797 note) is amended—

(1) in subsection (a), by striking ''The Secretary, in consultation with the Secretary of the Interior and the Secretary of the Army,'' and inserting ''The Secretary of the Interior and the Secretary of the Army, in consultation with the Secretary,''; and

(2) in subsection (b), by striking ''the Secretary'' and inserting ''the Secretary of the Interior, or the Secretary of the Army,''.

(i) REPORT ON PROGRESS MEETING FUSION ENERGY PROGRAM OBJECTIVES.—Section 2114(c)(5) of the Energy Policy Act of 1992 (42 U.S.C. 13474(c)(5)) is amended by striking out the first sentence and inserting in lieu thereof ''The President shall include in the budget submitted to the Congress each year under section 1105 of title 31, United States Code, a report prepared by the Secretary describing the progress made in meeting the program objectives, milestones, and schedules established in the management plan.''.

(j) REPORT ON HIGH-PERFORMANCE COMPUTING ACTIVITIES.—Section 203(d) of the High-Performance Computing Act of 1991 (15 U.S.C. 5523(d)) is amended to read as follows:

''(d) REPORTS.—Not later than 1 year after the date of enactment of this subsection, and thereafter as part of the report required under section 101(a)(3)(A), the Secretary of Energy shall report on activities taken to carry out this Act.''.

(k) REPORT ON NATIONAL HIGH-PERFORMANCE COMPUTING PROGRAM.—Section 101(a)(4) of the High-Performance Computing Act of 1991 (15 U.S.C. 5511(a)(4)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following new subparagraph:

''(E) include the report of the Secretary of Energy required by section 203(d); and''.

(l) REPORT ON NUCLEAR WASTE DISPOSAL PROGRAM.—Section 304(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10224(d)) is amended to read as follows:

''(d) AUDIT BY GAO.—If requested by either House of the Congress (or any committee thereof) or if considered necessary by the Comptroller General, the General Accounting Office shall conduct an audit of the Office, in accord 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 a report on the results of each audit conducted under this section.''.

CHAPTER 6—DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 1061. REPORTS ELIMINATED.

(a) REPORT ON THE EFFECTS OF TOXIC SUBSTANCES.—Subsection (c) of section 27 of the Toxic Substance Control Act (15 U.S.C. 2626(c)) is repealed.

(b) REPORT ON COMPLIANCE WITH THE CONSUMER-PATIENT RADIATION HEALTH AND SAFETY ACT.—Subsection (d) of section 981 of the Consumer-Patient Radiation Health and Safety Act of 1981 (42 U.S.C. 10006(d)) is repealed.

(c) REPORT ON EVALUATION OF TITLE VIII PROGRAMS.—Section 859 of the Public Health Service Act (42 U.S.C. 298b–6) is repealed.

(d) REPORT ON MODEL SYSTEM FOR PAYMENT FOR OUTPATIENT HOSPITAL SERVICES.—Paragraph (6) of section 1135(d) of the Social Security Act (42 U.S.C. 1320b–5(d)(6)) is repealed.

(e) REPORT ON MEDICARE TREATMENT OF UNCOMPENSATED CARE.—Paragraph (2) of section 603(a) of the Social Security Amendments of 1983 (42 U.S.C. 1395ww note) is repealed.

(f) REPORT ON PROGRAM TO ASSIST HOMELESS INDIVIDUALS.—Subsection (d) of section 9117 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 1383 note) is repealed.

SEC. 1062. REPORTS MODIFIED.

(a) REPORT OF THE SURGEON GENERAL.—Section 239 of the Public Health Service Act (42 U.S.C. 238h) is amended to read as follows:

''BIANNUAL REPORT

''SEC. 239. The Surgeon General shall transmit to the Secretary, for submission to the Congress, on January 1, 1995, and on January 1, every 2 years thereafter, a full report of the administration of the functions of the Service under this Act, including a detailed statement of receipts and disbursements.''.

(b) REPORT ON HEALTH SERVICE RESEARCH ACTIVITIES.—Subsection (b) of section 494A of the Public Health Service Act (42 U.S.C. 289c–1(b)) is amended by striking ''September 30, 1993, and annually thereafter'' and inserting ''December 30, 1993, and each December 30 thereafter''.

(c) REPORT ON FAMILY PLANNING.—Section 1009(a) of the Public Health Service Act (42 U.S.C. 300a–7(a)) is amended by striking ''each fiscal year'' and inserting ''fiscal year 1995, and each second fiscal year thereafter,''.

(d) REPORT ON THE STATUS OF HEALTH INFORMATION AND HEALTH PROMOTION.—Section 1705(a) of the Public Health Service Act (42 U.S.C. 300u–4) is amended in the first sentence by striking out ''annually'' and inserting in lieu thereof ''biannually''.

CHAPTER 7—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 1071. REPORTS ELIMINATED.

(a) REPORTS ON PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(f) of the United States Housing Act of 1937 (42 U.S.C. 1437s(f)) is repealed.

(b) INTERIM REPORT ON PUBLIC HOUSING MIXED INCOME NEW COMMUNITIES STRATEGY DEMONSTRATION.—Section 522(k)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is repealed.

(c) BIENNIAL REPORT ON INTERSTATE LAND SALES REGISTRATION PROGRAM.—Section 1421 of the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1719a) is repealed.

(d) QUARTERLY REPORT ON ACTIVITIES UNDER THE FAIR HOUSING INITIATIVES PROGRAM.—Section 561(e)(2) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a(e)(2)) is repealed.

(e) COLLECTION OF AND ANNUAL REPORT ON RACIAL AND ETHNIC DATA.—Section 562(b) of the Housing and Community Development Act of 1987 (42 U.S.C. 3608a(b)) is repealed.

SEC. 1072. REPORTS MODIFIED.

(a) REPORT ON HOMEOWNERSHIP OF MULTIFAMILY UNITS PROGRAM.—Section 431 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12880) is amended—

(1) in the section heading, by striking ''**ANNUAL**''; and

(2) by striking ''The Secretary shall annually'' and inserting ''The Secretary shall no later than December 31, 1995,''.

(b) TRIENNIAL AUDIT OF TRANSACTIONS OF NATIONAL HOMEOWNERSHIP FOUNDATION.—Section 107(g)(1) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701y(g)(1)) is amended by striking the last sentence.

(c) REPORT ON LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM.—Section 2605(h) of the Low-Income Home Energy Assistance Act of 1981 (Public Law 97–35; 42 U.S.C. 8624(h)), is amended by striking out ''(but not less frequently than every three years),''.

CHAPTER 8—DEPARTMENT OF THE INTERIOR

SEC. 1081. REPORTS ELIMINATED.

(a) REPORT ON AUDITS IN FEDERAL ROYALTY MANAGEMENT SYSTEM.—Section 17(j) of the Mineral Leasing Act (30 U.S.C. 226(j)) is amended by striking the last sentence.

(b) REPORT ON DOMESTIC MINING, MINERALS, AND MINERAL RECLAMATION INDUSTRIES.—Section 2 of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a) is amended by striking the last sentence.

(c) REPORT ON PHASE I OF THE HIGH PLAINS STATES GROUNDWATER DEMONSTRATION PROJECT.—Section 3(d) of the High Plains States Groundwater Demonstration Program Act of 1983 (43 U.S.C. 390g–1(d)) is repealed.

(d) REPORT ON RECLAMATION REFORM ACT COMPLIANCE.—Section 224(g) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(g)) is amended by striking the last 2 sentences.

(e) REPORT ON GEOLOGICAL SURVEYS CONDUCTED OUTSIDE THE DOMAIN OF THE UNITED STATES.—Section 2 of Public Law 87–626 (43 U.S.C. 31(c)) is repealed.

(f) REPORT ON RECREATION USE FEES.—Section 4(h) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(h)) is repealed.

(g) REPORT ON FEDERAL SURPLUS REAL PROPERTY PUBLIC BENEFIT DISCOUNT PROGRAM FOR PARKS AND RECREATION.—Section 203(o)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)(1)) is amended by striking ''subsection (k) of this section and''.

SEC. 1082. REPORTS MODIFIED.

(a) REPORT ON LEVELS OF THE OGALLALA AQUIFER.—Title III of the Water Resources Research Act of 1984 (42 U.S.C. 10301 note) is amended—

(1) in section 306, by striking ''annually'' and inserting ''biennially''; and

(2) in section 308, by striking ''intervals of one year'' and inserting ''intervals of 2 years''.

(b) REPORT ON EFFECTS OF OUTER CONTINENTAL SHELF LEASING ACTIVITIES ON HUMAN, MARINE, AND COASTAL ENVIRONMENTS.—Section 20(e) of the Outer Continental Shelf Lands Act (43 U.S.C. 1346(e)) is amended by striking ''each fiscal year'' and inserting ''every 3 fiscal years''.

CHAPTER 9—DEPARTMENT OF JUSTICE

SEC. 1091. REPORTS ELIMINATED.

(a) REPORT ON CRIME AND CRIME PREVENTION.—(1) Section 3126 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 206 of title 18, United States Code, is amended by striking out the item relating to section 3126.

(b) REPORT ON DRUG INTERDICTION TASK FORCE.—Section 3301(a)(1)(C) of the National Drug Interdiction Act of 1986 (21 U.S.C. 801 note; Public Law 99–570; 100 Stat. 3207–98) is repealed.

(c) REPORT ON EQUAL ACCESS TO JUSTICE.—Section 2412(d)(5) of title 28, United States Code, is repealed.

(d) REPORT ON FEDERAL OFFENDER CHARACTERISTICS.—Section 3624(f)(6) of title 18, United States Code, is repealed.

(e) REPORT ON COSTS OF DEATH PENALTY.—The Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4395; 21 U.S.C. 848 note) is amended by striking out section 7002.

(f) MINERAL LANDS LEASING ACT.—Section 8B of the Mineral Lands Leasing Act (30 U.S.C. 208–2) is repealed.

(g) SMALL BUSINESS ACT.—Subsection (c) of section 10 of the Small Business Act (15 U.S.C. 639(c)) is repealed.

(h) ENERGY POLICY AND CONSERVATION ACT.—Section 252(i) of the Energy Policy Conservation Act (42 U.S.C. 6272(i)) is amended by striking '', at least once every 6 months, a report'' and inserting '', at such intervals as are appropriate based on significant developments and issues, reports''.

(i) REPORT ON FORFEITURE FUND.—Section 524(c) of title 28, United States Code, is amended—

(1) by striking out paragraph (7); and

(2) by redesignating paragraphs (8) through (12) as paragraphs (7) through (11), respectively.

CHAPTER 10—DEPARTMENT OF LABOR

SEC. 1101. REPORTS ELIMINATED.

Section 408(d) of the Veterans Education and Employment Amendments of 1989 (38 U.S.C. 4100 note) is repealed.

SEC. 1102. REPORTS MODIFIED.

(a) REPORT ON THE ACTIVITIES CONDUCTED UNDER THE FAIR LABOR STANDARDS ACT OF 1938.—Section 4(d)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(d)(1)) is amended—

(1) by striking ''annually'' and inserting ''biannually''; and

(2) by striking ''preceding year'' and inserting ''preceding two years''.

(b) ANNUAL REPORT OF THE OFFICE OF WORKERS' COMPENSATION.—

(1) REPORT ON THE ADMINISTRATION OF THE LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT.—Section 42 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 942) is amended—

(A) by striking ''beginning of each'' and all that follows through ''Amendments of 1984'' and inserting ''end of each fiscal year''; and

(B) by adding the following new sentence at the end: ''Such report shall include the annual reports required under section 426(b) of the Black Lung Benefits Act (30 U.S.C. 936(b)) and section 8194 of title 5, United States Code, and shall be identified as the Annual Report of the Office of Workers' Compensation Programs.''.

(2) REPORT ON THE ADMINISTRATION OF THE BLACK LUNG BENEFITS PROGRAM.—Section 426(b) of the ''Black Lung Benefits Act (30 U.S.C. 936(b)) is amended—

(A) by striking ''Within'' and all that follows through ''Congress the'' and inserting ''At the end of each fiscal year, the''; and

(B) by adding the following new sentence at the end: ''Each such report shall be prepared and submitted to Congress in accordance with the requirement with respect to submission under section 42 of the Longshore Harbor Workers' Compensation Act (33 U.S.C. 942).''.

(3) REPORT ON THE ADMINISTRATION OF THE FEDERAL EMPLOYEES' COMPENSATION ACT.—(A) Subchapter I of chapter 81 of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§ 8152. Annual report

''The Secretary of Labor shall, at the end of each fiscal year, prepare a report with respect to the administration of this chapter. Such report shall be submitted to Congress in accordance with the requirement with respect to submission under section 42 of the Longshore Harbor Workers' Compensation Act (33 U.S.C. 942).''.

(B) The table of sections for chapter 81 of title 5, United States Code, is amended by inserting after the item relating to section 8151 the following:

''8152. Annual report.''.

(c) ANNUAL REPORT ON THE DEPARTMENT OF LABOR.—Section 9 of an Act entitled ''An Act to create a Department of Labor'', approved March 4, 1913 (29 U.S.C. 560) is amended by striking ''make a report'' and all that follows through ''the department'' and inserting ''prepare and submit to Congress the financial statements of the Department that have been audited''.

CHAPTER 11—DEPARTMENT OF STATE

SEC. 1111. REPORTS ELIMINATED.

Section 8 of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2606) is amended by striking subsection (b), and redesignating subsection (c) as subsection (b).

CHAPTER 12—DEPARTMENT OF TRANSPORTATION

SEC. 1121. REPORTS ELIMINATED.

(a) REPORT ON DEEPWATER PORT ACT OF 1974.—Section 20 of the Deepwater Port Act of 1974 (33 U.S.C. 1519) is repealed.

(b) REPORT ON COAST GUARD LOGISTICS CAPABILITIES CRITICAL TO MISSION PERFORMANCE.—Sections 5(a)(2) and 5(b) of the Coast Guard Authorization Act of 1988 (10 U.S.C. 2304 note) are repealed.

(c) REPORT ON MARINE PLASTIC POLLUTION RESEARCH AND CONTROL ACT OF 1987.—Section 2201(a) of the Marine Plastic Pollution Research and Control Act of 1987 (33 U.S.C. 1902 note) is amended by striking ''biennially'' and inserting ''triennially''.

(d) REPORT ON APPLIED RESEARCH AND TECHNOLOGY PROGRAM.—Section 307(e)(11) of title 23, United States Code, is repealed.

(e) REPORTS ON HIGHWAY SAFETY IMPROVEMENT PROGRAMS.—

(1) REPORT ON RAILWAY-HIGHWAY CROSSINGS PROGRAM.—Section 130(g) of title 23, United States Code, is amended by striking the last 3 sentences.

(2) REPORT ON HAZARD ELIMINATION PROGRAM.—Section 152(g) of title 23, United States Code, is amended by striking the last 3 sentences.

(f) REPORT ON HIGHWAY SAFETY PERFORMANCE—FATAL AND INJURY ACCIDENT RATES ON PUBLIC ROADS IN THE UNITED STATES.—Section 207 of the Highway Safety Act of 1982 (23 U.S.C. 401 note) is repealed.

(g) REPORT ON HIGHWAY SAFETY PROGRAM STANDARDS.—Section 402(a) of title 23, United States Code, is amended by striking the fifth sentence.

(h) REPORT ON RAILROAD-HIGHWAY DEMONSTRATION PROJECTS.—Section 163(o) of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is repealed.

(i) REPORT ON UNIFORM RELOCATION ACT AMENDMENTS OF 1987.—Section 103(b)(2) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4604(b)(2)) is repealed.

(j) REPORT ON FEDERAL RAILROAD SAFETY ACT OF 1970.—Section 211 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440) is repealed.

(k) REPORT ON RAILROAD FINANCIAL ASSISTANCE.—Section 308(d) of title 49, United States Code, is repealed.

(l) REPORT ON USE OF ADVANCED TECHNOLOGY BY THE AUTOMOBILE INDUSTRY.—Section 305 of the Automotive Propulsion Research and Development Act of 1978 (15 U.S.C. 2704) is amended by striking the last sentence.

(m) REPORT ON OBLIGATIONS.—Section 4(b) of the Federal Transit Act (49 U.S.C. App. 1603(b)) is repealed.

(n) REPORT ON SUSPENDED LIGHT RAIL SYSTEM TECHNOLOGY PILOT PROJECT.—Section 26(c)(11) of the Federal Transit Act (49 U.S.C. App. 1622(c)(11)) is repealed.

(o) REPORT ON SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION.—Section 10(a) of the Act of May 13, 1954 (68 Stat. 96, chapter 201; 33 U.S.C. 989(a)) is repealed.

(p) REPORTS ON PIPELINES ON FEDERAL LANDS.—Section 28(w)(4) of the Mineral Leasing Act (30 U.S.C. 185(w)(4)) is repealed.

(q) REPORTS ON PIPELINE SAFETY.—

(1) REPORT ON NATURAL GAS PIPELINE SAFETY ACT OF 1968.—Section 16(a) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1683(a)) is amended in the first sentence by striking ''of each year'' and inserting ''of each odd-numbered year''.

(2) REPORT ON HAZARDOUS LIQUID PIPELINE SAFETY ACT OF 1979.—Section 213 of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2012) is amended in the first sentence by striking ''of each year'' and inserting ''of each odd-numbered year''.

SEC. 1122. REPORTS MODIFIED.

(a) REPORT ON MAJOR ACQUISITION PROJECTS.—Section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1993 (Public Law 102–338; 106 Stat. 1551) is amended—

(1) by striking ''quarter of any fiscal year beginning after December 31, 1992, unless the Commandant of the Coast Guard first submits a quarterly report'' and inserting ''half of any fiscal year beginning after December 31, 1995, unless the Commandant of the Coast Guard first submits a semiannual report''; and

(2) by striking ''quarter.'' and inserting ''half-fiscal year.''.

(b) REPORT ON OIL SPILL LIABILITY TRUST FUND.—The quarterly report regarding the Oil Spill Liability Trust Fund required to be submitted to the House and Senate Committees on Appropriations under House Report 101–892, accompanying the appropriations for the Coast Guard in the Department of Transportation and Related Agencies Appropriations Act, 1991, shall be submitted not later than 30 days after the end of the fiscal year in which this Act is enacted and annually thereafter.

(c) REPORT ON JOINT FEDERAL AND STATE MOTOR FUEL TAX COMPLIANCE PROJECT.—Section 1040(d)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note) is amended by striking ''September 30 and''.

(d) REPORT ON PUBLIC TRANSPORTATION.—Section 308(e)(1) of title 49, United States Code, is amended by striking ''January of each even-numbered year'' and inserting ''March 1995, March 1996, and March of each odd-numbered year thereafter''.

(e) REPORT ON NATION'S HIGHWAYS AND BRIDGES.—Section 307(h) of title 23, United States Code, is amended by striking ''January 1983, and in January of every second year thereafter'' and inserting ''March 1995, March 1996, and March of each odd-numbered year thereafter''.

CHAPTER 13—DEPARTMENT OF THE TREASURY

SEC. 1131. REPORTS ELIMINATED.

(a) REPORT ON THE OPERATION AND STATUS OF STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND.—Paragraph (8) of section 14001(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (31 U.S.C. 6701 note) is repealed.

(b) REPORT ON THE ANTIRECESSION PROVISIONS OF THE PUBLIC WORKS EMPLOYMENT ACT OF 1976.—Section 213 of the Public Works Employment Act of 1976 (42 U.S.C. 6733) is repealed.

(c) REPORT ON THE ASBESTOS TRUST FUND.—Paragraph (2) of section 5(c) of the Asbestos Hazard Emergency Response Act of 1986 (20 U.S.C. 4022(c)) is repealed.

SEC. 1132. REPORTS MODIFIED.

(a) REPORT ON THE WORLD CUP USA 1994 COMMEMORATIVE COIN ACT.—Subsection (g) of section 205 of the World Cup USA 1994 Commemorative Coin Act (31 U.S.C. 5112 note) is amended by striking ''month'' and inserting ''calendar quarter''.

(b) REPORTS ON VARIOUS FUNDS.—Subsection (b) of section 321 of title 31, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (5),

(2) by striking the period at the end of paragraph (6) and inserting ''; and'', and

(3) by adding after paragraph (6) the following new paragraph:

''(7) notwithstanding any other provision of law, fulfill any requirement to issue a report on the financial condition of any fund on the books of the Treasury by including the required information in a consolidated report, except that information with respect to a specific fund shall be separately reported if the Secretary determines that the consolidation of such information would result in an unwarranted delay in the availability of such information.''.

(c) REPORT ON THE JAMES MADISON-BILL OF RIGHTS COMMEMORATIVE COIN ACT.—Subsection (c) of section 506 of the James Madison-Bill of Rights Commemorative Coin Act (31 U.S.C. 5112 note) is amended by striking out ''month'' and inserting in lieu thereof ''calendar quarter''.

CHAPTER 14—DEPARTMENT OF VETERANS AFFAIRS

SEC. 1141. REPORTS ELIMINATED.

(a) REPORT ON FURNISHING CONTRACT CARE SERVICES.—Section 1703(c) of title 38, United States Code, is repealed.

(b) REPORT ON ADEQUACY OF RATES FOR STATE HOME CARE.—Section 1741 of such title is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) REPORT ON LOANS TO PURCHASE MANUFACTURED HOMES.—Section 3712 of such title is amended—

(1) by striking out subsection (l); and

(2) by redesignating subsection (m) as subsection (l).

(d) REPORT ON LEVEL OF TREATMENT CAPACITY.—Section 8110(a)(3) of such title is amended—

(1) in subparagraph (A)—

(A) by striking out ''(A)''; and

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(2) by striking out subparagraph (B).

(e) REPORT ON COMPLIANCE WITH FUNDED PERSONNEL CODING.—

(1) REPEAL OF REPORT REQUIREMENT.—Section 8110(a)(4) of title 38, United States Code, is amended by striking out subparagraph (C).

(2) CONFORMING AMENDMENTS.—Section 8110(a)(4) of title 38, United States Code, is amended by—

(A) redesignating subparagraph (C) as subparagraph (D);

(B) in subparagraph (A), by striking out ''subparagraph (D)'' and inserting in lieu thereof ''subparagraph (C)''; and

(C) in subparagraph (B), by striking out ''subparagraph (D)'' and inserting in lieu thereof ''subparagraph (C)''.

Subtitle II—Independent Agencies

CHAPTER 1—ACTION

SEC. 2011. REPORTS ELIMINATED.

Section 226 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5026) is amended—

(1) by striking subsection (b); and

(2) in subsection (a)—

(A) in paragraph (2), by striking ''(2)'' and inserting ''(b)''; and

(B) in paragraph (1)—

(i) by striking ''(1)(A)'' and inserting ''(1)''; and

(ii) in subparagraph (B)—

(I) by striking ''(B)'' and inserting ''(2)''; and

(II) by striking ''subparagraph (A)'' and inserting ''paragraph (1)''.

CHAPTER 2—ENVIRONMENTAL PROTECTION AGENCY

SEC. 2021. REPORTS ELIMINATED.

(a) REPORT ON ALLOCATION OF WATER.—Section 102 of the Federal Water Pollution Control Act (33 U.S.C. 1252) is amended by striking subsection (d).

(b) REPORT ON VARIANCE REQUESTS.—Section 301(n) of the Federal Water Pollution Control Act (33 U.S.C. 1311(n)) is amended by striking paragraph (8).

(c) REPORT ON IMPLEMENTATION OF CLEAN LAKES PROJECTS.—Section 314(d) of the Federal Water Pollution Control Act (33 U.S.C. 1324(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(d) REPORT ON USE OF MUNICIPAL SECONDARY EFFLUENT AND SLUDGE.—Section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375) (as amended by subsection (g)) is further amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(e) REPORT ON CERTAIN WATER QUALITY STANDARDS AND PERMITS.—Section 404 of the Water Quality Act of 1987 (Public Law 100–4; 33 U.S.C. 1375 note) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(f) REPORT ON CLASS V WELLS.—Section 1426 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–5) is amended—

(1) in subsection (a), by striking ''(a) MONITORING METHODS.—''; and

(2) by striking subsection (b).

(g) REPORT ON SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM.—Section 1427 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–6) is amended—

(1) by striking subsection (l); and

(2) by redesignating subsections (m) and (n) as subsections (l) and (m), respectively.

(h) REPORT ON SUPPLY OF SAFE DRINKING WATER.—Section 1442 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–6) is amended—

(1) by striking subsection (c);

(2) by redesignating subsection (d) as subsection (c); and

(3) by redesignating subsections (f) and (g) as subsections (d) and (e), respectively.

(i) REPORT ON NONNUCLEAR ENERGY AND TECHNOLOGIES.—Section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5910) is repealed.

(j) REPORT ON EMISSIONS AT COAL-BURNING POWERPLANTS.—

(1) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8455) is repealed.

(2) The table of contents in section 101(b) of such Act (42 U.S.C. prec. 8301) is amended by striking the item relating to section 745.

(k) 5-YEAR PLAN FOR ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—

(1) Section 5 of the Environmental Research, Development, and Demonstration Authorization Act of 1976 (42 U.S.C. 4361) is repealed.

(2) Section 4 of the Environmental Research, Development, and Demonstration Authorization Act of 1978 (42 U.S.C. 4361a) is repealed.

(3) Section 8 of such Act (42 U.S.C. 4365) is amended—

(A) by striking subsection (c); and

(B) by redesignating subsections (d) through (i) as subsections (c) through (h), respectively.

(l) PLAN ON ASSISTANCE TO STATES FOR RADON PROGRAMS.—Section 305 of the Toxic Substances Control Act (15 U.S.C. 2665) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

CHAPTER 3—EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SEC. 2031. REPORTS MODIFIED.

Section 705(k)(2)(C) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4(k)(2)(C)) is amended—

(1) in the matter preceding clause (i), by striking ''including'' and inserting ''including information, presented in the aggregate, relating to'';

(2) in clause (i), by striking ''the identity of each person or entity'' and inserting ''the number of persons and entities'';

(3) in clause (ii), by striking ''such person or entity'' and inserting ''such persons and entities''; and

(4) in clause (iii)—

(A) by striking ''fee'' and inserting ''fees''; and

(B) by striking ''such person or entity'' and inserting ''such persons and entities''.

CHAPTER 4—FEDERAL AVIATION ADMINISTRATION

SEC. 2041. REPORTS ELIMINATED.

Section 7207(c)(4) of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4428; 49 U.S.C. App. 1354 note) is amended—

(1) by striking out ''GAO''; and

(2) by striking out ''the Comptroller General'' and inserting in lieu thereof ''the Department of Transportation Inspector General''.

CHAPTER 5—FEDERAL COMMUNICATIONS COMMISSION

SEC. 2051. REPORTS ELIMINATED.

(a) REPORT TO THE CONGRESS UNDER THE COMMUNICATIONS SATELLITE ACT OF 1962.—Section 404(c) of the Communications Satellite Act of 1962 (47 U.S.C. 744(c)) is repealed.

(b) REIMBURSEMENT FOR AMATEUR EXAMINATION EXPENSES.—Section 4(f)(4)(J) of the Communications Act of 1934 (47 U.S.C. 154(f)(4)(J)) is amended by striking out the last sentence.

CHAPTER 6—FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 2061. REPORTS ELIMINATED.

Section 102(b)(1) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242; 105 Stat. 2237; 12 U.S.C. 1825 note) is amended to read as follows:

''(1) QUARTERLY REPORTING.—Not later than 90 days after the end of any calendar quarter in which the Federal Deposit Insurance Corporation (hereafter in this section referred to as the 'Corporation') has any obligations pursuant to section 14 of the Federal Deposit Insurance Act outstanding, the Comptroller General of the United States shall submit a report on the Corporation's compliance at the end of that quarter with section 15(c) of the Federal Deposit Insurance Act to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives. Such a report shall be included in the Comptroller General's audit report for that year, as required by section 17 of the Federal Deposit Insurance Act.''.

CHAPTER 7—FEDERAL EMERGENCY MANAGEMENT AGENCY

SEC. 2071. REPORTS ELIMINATED.

Section 201(h) of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2281(h)) is amended by striking the second proviso.

CHAPTER 8—FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

SEC. 2081. REPORTS ELIMINATED.

Section 9503 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

''(c) The requirements of this section are satisfied with respect to the Thrift Savings Plan described under subchapter III of chapter 84 of title 5, by preparation and transmission of the report described under section 8439(b) of such title.''.

CHAPTER 9—GENERAL SERVICES ADMINISTRATION

SEC. 2091. REPORTS ELIMINATED.

(a) REPORT ON PROPERTIES CONVEYED FOR HISTORIC MONUMENTS AND CORRECTIONAL FACILITIES.—Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended—

(1) by striking out paragraph (1);

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(3) in paragraph (2) (as so redesignated) by striking out ''paragraph (2)'' and inserting in lieu thereof ''paragraph (3)''.

(b) REPORT ON PROPOSED SALE OF SURPLUS REAL PROPERTY AND REPORT ON NEGOTIATED SALES.—Section 203(e)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(e)(6)) is repealed.

(c) REPORT ON PROPERTIES CONVEYED FOR WILDLIFE CONSERVATION.—Section 3 of the Act entitled ''An Act authorizing the transfer of certain real property for wildlife, or other purposes.'', approved May 19, 1948 (16 U.S.C. 667d; 62 Stat. 241) is amended by striking out ''and shall be included in the annual budget transmitted to the Congress''.

CHAPTER 10—INTERSTATE COMMERCE COMMISSION

SEC. 2101. REPORTS ELIMINATED.

Section 10327(k) of title 49, United States Code, is amended to read as follows:

''(k) If an extension granted under subsection (j) is not sufficient to allow for completion of necessary proceedings, the Commission may grant a further extension in an extraordinary situation if a majority of the Commissioners agree to the further extension by public vote.''.

CHAPTER 11—LEGAL SERVICES CORPORATION

SEC. 2111. REPORTS MODIFIED.

Section 1009(c)(2) of the Legal Services Corporation Act (42 U.S.C. 2996h(c)(2)) is amended by striking out ''The'' and inserting in lieu thereof ''Upon request, the''.

CHAPTER 12—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 2121. REPORTS ELIMINATED.

Section 21(g) of the Small Business Act (15 U.S.C. 648(g)) is amended to read as follows:

''(g) NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AND INDUSTRIAL APPLICATION

Centers.—The National Aeronautics and Space Administration and industrial application centers supported by the National Aeronautics and Space Administration are authorized and directed to cooperate with small business development centers participating in the program.''.

CHAPTER 13—NATIONAL COUNCIL ON DISABILITY

SEC. 2131. REPORTS ELIMINATED.

Section 401(a) of the Rehabilitation Act of 1973 (29 U.S.C. 781(a)) is amended—

(1) by striking paragraph (9); and

(2) by redesignating paragraphs (10) and (11) as paragraphs (9) and (10), respectively.

CHAPTER 14—NATIONAL SCIENCE FOUNDATION

SEC. 2141. REPORTS ELIMINATED.

(a) STRATEGIC PLAN FOR SCIENCE AND ENGINEERING EDUCATION.—Section 107 of the Education for Economic Security Act (20 U.S.C. 3917) is repealed.

(b) BUDGET ESTIMATE.—Section 14 of the National Science Foundation Act of 1950 (42 U.S.C. 1873) is amended by striking subsection (j).

CHAPTER 15—NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 2151. REPORTS MODIFIED.

Section 305 of the Independent Safety Board Act of 1974 (49 U.S.C. 1904) is amended—

(1) in paragraph (2) by adding ''and'' after the semicolon;

(2) in paragraph (3) by striking out ''; and'' and inserting in lieu thereof a period; and

(3) by striking out paragraph (4).

CHAPTER 16—NEIGHBORHOOD REINVESTMENT CORPORATION

SEC. 2161. REPORTS ELIMINATED.

Section 607(c) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8106(c)) is amended by striking the second sentence.

CHAPTER 17—NUCLEAR REGULATORY COMMISSION

SEC. 2171. REPORTS MODIFIED.

Section 208 of the Energy Reorganization Act of 1974 (42 U.S.C. 5848) is amended by striking ''each quarter a report listing for that period'' and inserting ''an annual report listing for the previous fiscal year''.

CHAPTER 18—OFFICE OF PERSONNEL MANAGEMENT

SEC. 2181. REPORTS ELIMINATED.

(a) REPORT ON CAREER RESERVED POSITIONS.—(1) Section 3135 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 31 of title 5, United States Code, is amended by striking out the item relating to section 3135.

(b) REPORT ON PERFORMANCE AWARDS.—Section 4314(d)(3) of title 5, United States Code, is repealed.

(c) REPORT ON TRAINING PROGRAMS.—(1) Section 4113 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 41 of title 5, United States Code, is amended by striking out the item relating to section 4113.

(d) REPORT ON PREVAILING RATE SYSTEM.—Section 5347 of title 5, United States Code, is amended by striking out the fourth and fifth sentences.

(e) REPORT ON ACTIVITIES OF THE MERIT SYSTEMS PROTECTION BOARD AND THE OFFICE OF PERSONNEL MANAGEMENT.—Section 2304 of title 5, United States Code, is amended—

(1) in subsection (a) by striking out ''(a)''; and

(2) by striking subsection (b).

SEC. 2182. REPORTS MODIFIED.

(a) REPORT ON SENIOR EXECUTIVE SERVICE POSITIONS.—Section 3135(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out '', and the projected number of Senior Executive Service positions to be authorized for the next 2 fiscal years, in the aggregate and by agency'';

(2) by striking out paragraphs (3) and (8); and

(3) by redesignating paragraphs (4), (5), (6), (7), (9), and (10) as paragraphs (3), (4), (5), (6), (7), and (8), respectively.

(b) REPORT ON DISTRICT OF COLUMBIA RETIREMENT FUND.—Section 145 of the District of Columbia Retirement Reform Act (Public Law 96–122; 93 Stat. 882) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking out ''(1)'';

(ii) by striking out ''and the Comptroller General shall each'' and inserting in lieu thereof ''shall''; and

(iii) by striking out ''each''; and

(B) by striking out paragraph (2); and

(2) in subsection (d), by striking out ''the Comptroller General and'' each place it appears.

(c) REPORT ON REVOLVING FUND.—Section 1304(e)(6) of title 5, United States Code, is amended by striking out ''at least once every three years''.

CHAPTER 19—OFFICE OF THRIFT SUPERVISION

SEC. 2191. REPORTS MODIFIED.

Section 18(c)(6)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1438(c)(6)(B)) is amended—

(1) by striking out ''annually'';

(2) by striking out ''audit, settlement,'' and inserting in lieu thereof ''settlement''; and

(3) by striking out '', and the first audit'' and all that follows through ''enacted''.

CHAPTER 20—PANAMA CANAL COMMISSION

SEC. 2201. REPORTS ELIMINATED.

(a) REPORTS ON PANAMA CANAL.—Section 1312 of the Panama Canal Act of 1979 (Public Law 96–70; 22 U.S.C. 3722) is repealed.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended by striking out the item relating to section 1312.

CHAPTER 21—POSTAL SERVICE

SEC. 2211. REPORTS MODIFIED.

(a) REPORT ON CONSUMER EDUCATION PROGRAMS.—Section 4(b) of the mail Order Consumer Protection Amendments of 1983 (39 U.S.C. 3001 note; Public Law 98–186; 97 Stat. 1318) is amended to read as follows:

''(b) A summary of the activities carried out under subsection (a) shall be included in the first semiannual report submitted each year as required under section 5 of the Inspector General Act of 1978 (5 U.S.C. App.).''.

(b) REPORT ON INVESTIGATIVE ACTIVITIES.—Section 3013 of title 39, United States Code, is amended in the last sentence by striking out ''the Board shall transmit such report to the Congress'' and inserting in lieu thereof ''the information in such report shall be included in the next semiannual report required under section 5 of the Inspector General Act of 1978 (5 U.S.C. App.)''.

CHAPTER 22—RAILROAD RETIREMENT BOARD

SEC. 2221. REPORTS MODIFIED.

Section 502 of the Railroad Retirement Solvency Act of 1983 (45 U.S.C. 231f–1) is amended by striking ''On or before July 1, 1985, and each calendar year thereafter'' and inserting ''As part of the annual report required under section 22(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231u(a))''.

CHAPTER 23—THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD

SEC. 2231. REPORTS MODIFIED.

Section 21A(k)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(k)(9)) is amended by striking out ''the end of each calendar quarter'' and inserting in lieu thereof ''June 30 and December 31 of each calendar year''.

CHAPTER 24—UNITED STATES INFORMATION AGENCY

SEC. 2241. REPORTS ELIMINATED.

Notwithstanding section 601(c)(4) of the Foreign Service Act of 1980 (22 U.S.C. 4001(c)(4)), the reports otherwise required under such section shall not cover the activities of the United States Information Agency.

Subtitle III—Reports by All Departments and Agencies

SEC. 3001. REPORTS ELIMINATED.

(a) REPORT ON PART-TIME EMPLOYMENT.—(1) Section 3407 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 34 of title 5, United States Code, is amended by striking out the item relating to section 3407.

(b) BUDGET INFORMATION ON CONSULTING SERVICES.—(1) Section 1114 of title 31, United States Code, is repealed.

(2) The table of sections for chapter 11 of title 31, United States Code, is amended by striking out the item relating to section 1114.

(c) SEMIANNUAL REPORT ON LOBBYING.—Section 1352 of title 31, United States Code, is amended by—

(1) striking out subsection (d); and

(2) redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

(d) REPORTS ON PROGRAM FRAUD AND CIVIL REMEDIES.—(1) Section 3810 of title 31, United States Code, is repealed.

(2) The table of sections for chapter 38 of title 31, United States Code, is amended by striking out the item relating to section 3810.

(e) REPORT ON RIGHT TO FINANCIAL PRIVACY ACT.—Section 1121 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421) is repealed.

(f) REPORT ON FOREIGN LOAN RISKS.—Section 913(d) of the International Lending Supervision Act of 1983 (12 U.S.C. 3912(d)) is repealed.

(g) REPORT ON PLANS TO CONVERT TO THE METRIC SYSTEM.—Section 12 of the Metric Conversion Act of 1975 (15 U.S.C. 205j–1) is repealed.

(h) REPORT ON TECHNOLOGY UTILIZATION AND INTELLECTUAL PROPERTY RIGHTS.—Section 11(f) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(f)) is repealed.

(i) REPORT ON EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE.—Section 4(a) of the Act entitled ''An Act to authorize the making, amendment, and modification of contracts to facilitate the national defense'', approved August 28, 1958 (50 U.S.C. 1434(a)), is amended by striking out ''all such actions taken'' and inserting in lieu thereof ''if any such action has been taken''.

(j) REPORTS ON DETAILING EMPLOYEES.—Section 619 of the Treasury, Postal Service, and General Government Appropriations Act, 1993 (Public Law 102–393; 106 Stat. 1769), is repealed.

SEC. 3002. REPORTS MODIFIED.

Section 552b(j) of title 5, United States Code, is amended to read as follows:

''(j) Each agency subject to the requirements of this section shall annually report to the Congress regarding the following:

''(1) The changes in the policies and procedures of the agency under this section that have occurred during the preceding 1-year period.

''(2) A tabulation of the number of meetings held, the exemptions applied to close meetings, and the days of public notice provided to close meetings.

''(3) A brief description of litigation or formal complaints concerning the implementation of this section by the agency.

''(4) A brief explanation of any changes in law that have affected the responsibilities of the agency under this section.''.

Subtitle IV—Effective Date

SEC. 4001. EFFECTIVE DATE.

Except as otherwise provided in this title, the provisions of this title and amendments made by this title shall take effect on the date of the enactment of this Act.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

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

BALANCED BUDGET AMENDMENT

Mr. FORD. Mr. President, in the 21 years I have served in this body, I have never seen the level of partisanship that we are seeing on the balanced budget amendment. So maybe I should not have been shocked last Friday to see my colleague from Mississippi, Senator LOTT, blatantly misrepresent my words of 1994. Clearly, his only purpose was to further divide the American public and to tarnish the reputation of Senators who have only sought to pass the best amendment possible.

Senator LOTT quoted me as saying, Mr. President, and I will quote it verbatim from the RECORD; this is what Senator LOTT said I said:

I hear so much about ''if 40-some-odd Governors can operate a balanced budget, why can't the Federal Government.''

* * * I operated under it.

When I said ''I,'' Mr. President, as Governor:

It worked.

* * * I think implementation of this amendment will work. I think we can make it work.

* * * I do not understand why it takes a brain surgeon to understand how you operate a budget the way the States do.

* * * this is an opportunity to pass a balanced budget amendment that will work and will give us a financially sound future, not only for ourselves but for our children and our grandchildren.

End of the quote that Senator LOTT put in the RECORD.

To that I say, Mr. President, read the full statement, and the fallacy will become clear.

I ask unanimous consent that both of my floor statements from last year be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Feb. 25, 1994]

Mr. FORD. Mr. President, I thank the Senator from Nevada for allowing me this time.

I support a balanced budget amendment and always have. The borrow and spend policies of the past must not continue. We all know that. The ability to expand our economy and provide job opportunities for this and future generations, much less provide for a nation that can function beyond simply servicing its debt, absolutely depends upon bringing the deficit under control. I think that my friend from Illinois would agree with this sentiment and I agree in principle with his amendment. I think that the Senator has done the Nation a great service by his tireless work on behalf of this serious matter. However, there is room for improvement in most things including, the original language of Senate Joint Resolution 41.

It is the job and the responsibility of the Congress to control the spending of our Nation. Unfortunately, we have abandoned this role, to a large degree, by running large budget deficits during normal times. By normal times I mean not during war, or recessions. This practice is not only fiscally irresponsible, but with the huge debt we are now passing along to our children, it has become morally irresponsible as well. We as a congress and, being the representatives of the people, as a nation must begin to regain control of our spending policies. We need something that forces us to do this. An amendment to the Constitution would do just that. While one law can be changed by passing another law, this legislation would make fiscal discipline mandatory.

However, the Congress must not pass the buck once again by relinquishing control of the budget all together. Congressional control must be maintained and our amendment does just that. Deficit spending by itself is not the problem. The problem is chronic deficit spending in good times not just bad ones. Furthermore, we are not borrowing at the present time to rebuild infrastructure by building roads, airports, or an information super highway. Nor have we been borrowing for the last 30 years to bring a faltering economy out of recession or prepare for war. We have had the need from time to time during that period and during these periods, borrowing represents sound fiscal policy. During times of war or economic downturn, these policies help the economy and help our Nation as a whole. But this is not what we have been doing at all. What we have been doing is borrowing to pay the interest on previous debt.

Let me put this in terms that every American can understand. When a company decides to expand or buy more efficient equipment, it generally borrows the money, knowing that this investment will more than pay for itself in the future. The profit earned is used first to pay off the loan and the extra is kept as income. The key word in all of this is invest. Investment as our President has been saying for some time is good, it provides benefits in years to come. We invest a great deal of money on the Federal level, upwards of $200 billion. This money is well spent and will pay dividends to our children and their children. When we build a highway, it increases economic efficiency and activity, real dividends that pay off in real jobs and increased incomes. Congress should not cut off its nose to spite its face. Our amendment protects this vital investment portion of spending. It keeps responsibility with the Congress and gives us the flexibility that we need during hard times and the discipline we need during the good ones to manage the budget in a responsible manner.

Let me get back to my example of a business borrowing to expand or upgrade its facilities. Bad fiscal policy is when all of the profits earned from the improvements are frittered away on other expenses, and the loan is never repaid. When this happens, the situation goes downhill fast. If the belt is not tightened and the loan is not paid off, the company, no matter what, will go bankrupt. It can borrow more money for a time but eventually it must pay off its loans or the banks will eventually turn that company down. We are a nation that is getting perilously close to that last loan. We are borrowing not to invest for growth, but instead simply and irresponsibly to pay off interest on past loans. All the while our debt continues to mount and we have nothing to show for it. This is the type of behavior that must be stopped and our amendment is the prescription for this sickness. It stops the bad borrowing but keeps the Congress in control of investing in our Nation's future.

Our Founding Fathers placed the country's purse strings under the explicit control of the Congress. Our amendment keeps the control here. The judicial branch of Government has no business deciding on what program should be cut or what revenue should be raised. That is our responsibility. Our amendment keeps that responsibility right where it belongs. I won't talk on this point too long because, I think there is complete agreement among us on this point. However, I cannot stress enough that we in the Congress must make the hard choices, and if we do not our amendment calls for an internal solution. Should this happen, this legislation calls for uniform cuts; with everyone and every program paying equally. That is fair and just and it would be a congressional action.

Let me speak on another matter of grave concern to many of our citizens. That is the sanctity of the Social Security system. Many years ago, our Nation made a pact with its people to help them in retirement, whether that be in old age or by disability. Our amendment respects that agreement, in fact it reinforces it, makes it stronger, safer and more secure. This amendment has a lot to do with responsible action and nowhere is that needed more than on dealing with Social Security. It is exempt from our amendment, thus securing and fortifying its position as a separate trust fund. Neither receipts nor outlays will be counted as part of the budget under this provision. As my friend, and colleague from North Dakota [Mr. Dorgan] has pointed out, ''the Social Security system is not causing the deficit.'' Its revenues and surpluses should not be used to mask the deficit nor should its outlays be counted as part of expenditures. Our proposal protects the sanctity of this most vital program.

In closing, I would like to stress just how strongly I favor a balanced budget amendment, but it must be the right amendment and our amendment is it. I have supported and continue to support my colleague from Illinois in his efforts to control Federal spending, however, our proposed changes make this a more honest and more workable amendment. Surpluses in trust funds whether it be for airports, Social Security or highways, will not be used to mask the true size of the deficit. And, equally important, it will allow Congress to maintain the flexibility

needed during wars or recessions while protecting our capital investments and curtailing our practice of borrowing to pay interest on past loans.

Mr. President, I do not think anyone in this body with certainty can tell us what will happen in the future if we have a balanced budget amendment to our Constitution. I do not think we can say with certainty. And so with uncertainty, we get all the horror stories. And all the horror stories if this does not pass; something is going to happen. If it does pass, some other things are going to happen.

The implementing legislation that is required, if and when a balanced budget amendment passes, will give us some idea and eliminate some of the uncertainties, but that will be the legislative branch prerogative to pass the implementing legislation. So I wish to kind of put a little oil on the water if I can as to all the uncertainties we have been hearing about in the last few days.

We also hear the horror stories that if the Simon amendment passes, the courts will become the legislative body. Well, we scurried around and I guess now you have the Danforth amendment included in the Simon amendment, because the horror story was that the courts would then become the legislative body of this land. They would tell us what new taxes to impose and what programs to cut or what all new taxes and no programs cut or programs cut and no new taxes. So under the Simon original amendment the courts would have had jurisdiction over the legislative body. So we scurry around and find an amendment that will basically eliminate it. Not good enough. Not good enough because the Reid amendment says only the legislative body.

Well, then we hear we have no way to say to those of us who will make a vote, have discipline because the courts will not. So whichever way you go, you can find somebody on the other side.

It reminds me when I was president of a civic organization, and we had a question that was bothersome to me. I turned to the legal counsel for the civic organization, and I said, ''Which way should we go on this?'' He said, ''Mr. President, go either way and we will make a heck of a case out of it.'' And so that is what I think we find here. Go either way and we will make a case on it.

We eliminate the worry of the courts telling the legislative body that is elected by the people what to do and what not to do, and that was our idea which was finally accepted by the so-called Simon amendment.

In 1983, the Social Security Program was in horrible shape. Everyone in this body understands that we were in real trouble with Social Security. But we all came together in a bipartisan way and corrected the problem with Social Security in outyears. Now they say the only way that you can save Social Security is a balanced budget.

Well, we are still collecting out of my check every month, and I suggest my distinguished colleague from Illinois is having his taken out every month. I do not know what that has to do with a balanced budget except if it is out there you can use it to help balance the budget.

So what the Reid amendment says is that after we have gone through the 1983 labor to fix the Social Security question, we have included in this amendment that we would not touch Social Security. On this floor you hear it. ''Don't touch Social Security.'' Now we are trying to say a balanced budget saves it. That is the only way because they do not have this exclusion in this amendment. In the cloakrooms you hear talk, ''We have to save Social Security.'' And over the lunch table we hear it, ''We should not destroy Social Security.'' So the Reid amendment or resolution has taken care of that problem.

Do you know something, Mr. President? You can sympathize with me over this a little bit. I have heard for days now, and really for years: If 40-some-odd Governors can operate under a balanced budget, why cannot Federal Government? Well, Mr. President, I had the privilege, as you did, given me by the people of my State to serve as Governor. I even had the line-item veto. And the Kentucky Constitution states that the Governor—nobody else—the Governor must reduce expenditures if it is determined that the State would have a shortfall. But if you want to raise taxes, you have to call a special session for the purpose of raising taxes.

Now we hear that we do not want to operate like Governors. We just want to use them as operating under a balanced budget. We are going to give you an opportunity to say that you do not want to operate like Governors. You just want to use them as an image out there that operates under a balanced budget because Governors must operate under a balanced budget. Then we think that is good. But we do not want the Federal Government to do that.

Let us follow the State procedure, if it works. And it is simple. I operated, as I said earlier, under this procedure. We had an operating account and a capital account. I never vetoed a budget. I never exercised the line-item veto in 4 years. And I left $300 million in surplus. Pretty good, I thought, a lot better than we are doing here. We had the operating account and we had the bond issue. We have T bills here. Whatever the legislative process is, after the amendment is approved or disapproved, if it is, right now they are a little bit light. They call our amendment light. But they are light in votes, and they are struggling now to try to figure out a way to get some more. They are condemning our proposal because it has, in my opinion, more common sense in it than theirs.

So we had our operating account. We had our bond issue. We had the payments to be made out of the operating account. We paid it. We had a balanced budget. We had a surplus. Our estimates were pretty good.

If we had not gotten the agreement, as we now have, to vote next Tuesday at 3 o'clock, and then 4 hours later on the second amendment, we would have had the opportunity to vote on each one of those amendments to the Simon amendment, because many in this Chamber felt the Simon amendment did not include the exclusion of the courts. That is one. Social Security is another. You would have the operating and capital construction accounts to vote on up or down. And we would have had to vote on each one of those separately. We would delay moving towards a balanced budget, and the delays would have been, I think, helpful to those that oppose a balanced budget.

Mr. President, I interrupted the distinguished Senator from Illinois [Mr. Simon], awhile ago when he was reading from the newspaper that this amendment is just a stalking horse to give cover to those who want to vote for a constitutional amendment that probably will not pass, and then that gives them a reason to vote against Senator SIMON.

Let me clear everybody's mind. I am for a balanced budget amendment. And I intend to vote for a balanced budget amendment, and maybe two before next week is over. But some ideas around here might just be worth looking at for a moment. There might be a moment. If you look into the future and how we are going to operate, this may be a pretty decent idea to try.

I hear that, ''Oh, well, if we are going to vote for this, we will not have to do anything for 7 years.'' I thought we were under a budget constraint now. I thought we had caps on our budget now. I thought this was the third straight year of deficit decline, unprecedented in the last 31 years since Harry Truman. I thought we would have to continue to do that even though we required 2001 to have the budget balanced or begin that process.

I think this is a way we can do this to accommodate most people, rather than take the position that it is this way or nothing. I come from the State of Henry Clay. Henry Clay was a great compromiser. Henry Clay described compromise as ''negotiating hurt''—negotiating hurt. You had to give up something most of the time that you really did not want to, and it hurt to give it up. But for the sake of progress, for the sake of bringing a consensus together, compromise is a pretty good thing.

So, we offer to the colleagues in the Senate the ability to say, we are not going to disturb Social Security. I do not care what you say about a balanced budget as long as you take it out of your paycheck and put it into a Social Security account. That is where it belongs.

We talk about capital construction of the highways. We are taxing now and not spending it. We are not spending it. We have billions; a $15-, $17-, $18-billion surplus in the highway account. We are not spending it.

Talk about airports capital construction; 10 percent of every ticket that is purchased goes into the airport improvement trust fund. There is $7, $8 billion in there not building airports. What is a balanced budget going to do for that? We are already charging the tax.

We can have our operating account. We can have our capital account. Some say that we ought to balance the Federal budget like we do our house account or our budget at home. We have an operating account at home. That operating account is the amount of income we have. We buy a car.

We can buy a car, maybe not a luxury car, but one within our means and what we can pay for. We decide we want to buy a house, and it may not be a mansion, but it is what we can pay for. What we should have in an operating account is our income. We make those payments on those capital investments that we have, and we keep our operating account balanced. I do not see anything wrong with it. If Governors operate that way—and some are beating their chests saying if Governors can do it, we can do it—here is how Governors do it. I operated under it. I understand it. I had a veto of the budget; I had the line-item veto; all of those, when I was Governor. We operated out of an operating account and out of a capital account. It was in the budget. We made our payments and we had a surplus.

I do not understand why that is not at least tickling the interest of some folks. But we are rigid right now. ''It is ours or nothing.'' Well, you may just get nothing, with a capital ''N.'' And you are light right now on votes. If you are light on votes, why not look at something that will be workable, because you will get some votes for this one. With the others, you might just pass this amendment. But the way you are going now, you are light by several votes.

My colleague keeps talking about taxes. I do not know that this brings new taxes. That one does. That is all I have heard is ''the courts imposing taxes.'' Yes; we will have to pay taxes. For the Simons resolution, the report was $570 in new taxes per individual in my State. If you want it, I will get it and give it to you. Everybody quotes the paper around here. I will give you an article out of the paper. They do not necessarily have to be true, but we sure do quote them. So all of this propaganda is being put out.

So I hope that those who are so rigidly stuck to one amendment could at least give this one a little read; look at it a little bit. We take care of depression; we take care of war; we take care of those things. I think it is important that we have the opportunity to put something in place. If you are going to tinker with the Constitution now, give the Constitution something that will work. Give it something that you think would have a chance of working. And then the implementing legislation will set up the procedure whereby we use the operating account, and what is the capital construction, and how do we pay for it? Do we use T-bills for capital and pay the bills off?

We heard the Senator from Illinois say that it was Albert Gore, Sr. that said pay as you go and put on new taxes, and President Eisenhower was saying let us bond it and pay the bonds off. That was a difference of opinion then. So we taxed the payoff; rather than having an operating fund to pay off capital construction, pay off the bond issue.

So I hope that we will give this very serious consideration. I will have other things to say before the vote comes next Tuesday, and I welcome any cosponsors. We have had many come to us this morning to talk about it. We have picked up a good many votes today. We are further away from passing this amendment than Senator Simon is, but if we combined our efforts, we would pass it.

You say I am a stalking-horse? No; I am not a stalking-horse. You say I am trying to give people cover. No; they are not getting cover from this one. We have a legitimate proposal to be given to the colleagues in the U.S. Senate, that they can go back home and say: I voted for a Constitutional amendment to balance the budget that is doable.

The other one is, you either eliminate or increase taxes, or both. I do not think this one puts you in the posture of raising taxes. That is a great, great difference, in my opinion. I have been listening very carefully as to raising taxes and how much new tax it is going to cost to pay for the Simon resolution, and I think it is time we take a step back and look at an opportunity now to have a balanced budget amendment. I do not have the words to get you out on the edge of the seat or the ability to say, boy, that is it. I just do not have that ability.

I do believe sincerely that we have an amendment that is important, an amendment that should be considered, and maybe, just maybe, we can put our two groups together and say that we have a resolution here that could be doable; it is workable, and we could vote for a balanced budget, and the future of Senator Simon's unborn grandchildren will be saved.

I yield the floor.

[From the Congressional Record, Mar. 1, 1994]

The PRESIDING OFFICER. The Senator from Kentucky [Mr. FORD] is recognized for 10 minutes.

Mr. FORD. Mr. President, I have but a few minutes to speak this morning on behalf of the Reid-Ford-Feinstein balanced budget amendment. So I will concentrate my remarks this morning on trust.

The public trusts the Congress to keep the Nation's finances in order. Nowhere is that agreement and that trust more evident or more important than in governing the Social Security trust fund.

In the debate over our amendment and the Simon amendment, honesty and protection of the trust fund have played a very big role. Right now, surpluses in the trust funds are being used to hide the true amount of the deficit. The biggest example of this is in Social Security, but it is by no means alone in this distinction.

During the 1980's, we allowed the Federal trust funds to run up huge surpluses. We would collect a gasoline tax to fund highway construction but then not spend it all on highways, thus creating an accounting surplus. The problem is, we did spend money elsewhere creating masked deficit and budgetary illusions.

The Simon amendment will allow us to continue to do this. I have a speech in my folder that I made back in October of 1987 that addressed this very issue. This particular speech dealt with the Aviation trust fund. At the time, it represented a $6 billion surplus.

Mr. President, I say to my colleagues that that is only peanuts when compared to Social Security. According to OMB, from 1985, when the Social Security System started to run a surplus, to 1993, it singlehandedly covered up $366 billion in Government red ink. Social Security covered up $366 billion in Government red ink.

If you think that is bad, wait until we look to the future. From 1994 through the year 2001, the date that Senator Simon's amendment would likely take effect, CBO projects another $703 billion in budgetary chicanery, for a grand total of $1.69 trillion worth of deception.

When compared with that, the deficit hidden by the other trust funds are small potatoes—only another $35 to $40 billion. Pretty soon though, as we have heard in the past, it adds up to real money. We pat ourselves on the back and claim to cut spending and do what is right for our electorate, all the while our Social Security trust fund is full of IOU's.

Well, I, and those who support our amendment, mean to do something about that. Our amendment respects the pact our Nation made with its people many years ago. It reinforces it, makes it stronger, safer, and more secure. Social Security is exempt from our amendment, thus securing and fortifying its position as a separate trust fund. If you do not believe me, just listen to the Gray Panthers, and they will tell you themselves. I have here three letters to that effect. AARP, the National Alliance for Senior Citizens, and the National Committee to Preserve Social Security and Medicare, all endorse Social Security's treatment under this amendment.

Other trust funds will be treated honestly as well. They will be considered as a part of the capital budget that invests in infrastructure and development. Building highways and airports pays dividends in the future through higher productivity and job opportunity and growth. Social Security and these other trust funds did not cause the deficit, and under our amendment they will not be used to hide the deficit either. This is honest budgeting and a workable balanced budget amendment.

Mr. President, time is short and a vote on the Reid-Ford-Feinstein balanced budget amendment is near. Unfortunately, I fear that it is not near passage but defeat. Standing beside that defeat will be a good faith effort of those who are truly concerned about the world that we leave for future generations. Standing beside that defeat will be the last attempt of this Congress to face reality and tackle an ever-crippling debt and deficit problem. Standing beside that defeat will be faith in Government. I support the efforts of my friend and colleague from Illinois to take on this persistent fiscal dishonesty, but his version of the amendment will go down to defeat as well.

The Reid-Ford-Feinstein amendment is the only amendment that could stand the chance of final passage. We all know that. Yet standing by the defeat of yet another balanced budget will be my colleagues from the other side of the aisle. Instead of getting what they could, they will go home proud of taking the supposed moral high ground. If that is what they want, they can have it. What I want and what 70 percent of our Nation's people want is a sound financial future. What they will get is more of the same under the Simon amendment, for standing tall at the end of the day will be disenchantment, dishonesty, and fiscal irresponsibility.

I hear so much about ''if 40-some-odd Governors can operate a balanced budget, why can't the Federal Government.''

Well, I give them an opportunity. I operated under it. It worked. We had a huge surplus when I left the Governor's office. We had an operating account. We had a capital account.

They say operate like you do at home. At home you have income, your salary. That is your operating account. You buy a car within your means. You pay that out of your operating account. You buy a home. You pay that out of your operating account. But your operating account is always balanced. And we have a time period in which to pay it off.

They say, ''Oh, we will never implement that legislation.'' How do you know we will not? I have seen some amazing things come out of this Chamber. I have seen people work and do the right thing.

I think implementation of this amendment will work. I think we can make it work. But on the other hand, if we want an issue, fine. Stay with Senator Simon and Senator Hatch. Stay with them and then have an issue when you go home.

But do you want a balanced budget amendment? There are enough votes with those who are supporting that amendment that we can get one.

Oh, I hear all this, ''The House is going to make us do it.'' I have never seen us make the House do anything. I have never seen the House make us do anything. So when they pass their balanced budget amendment, what is it going to do? It is going to die between here and there. That is what is going to happen to it. It is going to die between here and there.

''Oh, we will be forced into it.'' Nope. The House will not do that to us. We will not do it to the House. So if you want a balanced budget amendment operated like Nebraska was operated, like Kentucky was operated, I will guarantee you that we can do the right thing.

That is what it is all about here today, to do the right thing. We have an operating budget. We are going to pay this in 10 years. The slice is in here. We have IOU's in the Social Security. We are going to buy it. It is in operating. We buy it, pay it off. So Social Security is sound. I do not understand why it takes a brain surgeon to understand how you operate a budget the way the States do.

And so, Mr. President, I would hope that we would reconsider between now and 3 o'clock this afternoon that this is an opportunity to pass a balanced budget amendment that will work and will give us a financially sound future, not only for ourselves but for our children and our grandchildren.

I hear my distinguished friend say he is going to do it for his unborn grandchildren. I have five. The Senator is no ''Lone Ranger.'' I am just as worried about my grandchildren as he is. And I think I have a pretty good idea. I have had to work under it. I had to operate it. I understand how it works. There are few in this Chamber who do. You will find that most of those will vote for this amendment because it works.

Do it like the Governors do; pass the Reid amendment. Do it like you do at home and operate your own budget; pass the Reid amendment. It is just that simple, Mr. President.

I do not know how much time I have remaining, but I will reserve it.

Mr. FORD. Mr. President, because of the way that the quotes were lifted from my speeches, this action can only be viewed as intentional. Senator LOTT falsely states that I was talking about the balanced budget amendment that had been introduced by his side of the aisle when, in fact, I was speaking about my own substitute amendment, with other Senators here, one that, among other things, excluded Social Security. This action can only be viewed as irresponsible.

Further reading of my original quote clearly indicates I was advocating the same position a year ago that I advocated on the Senate floor last week and that I remain committed to today: Ensuring that Social Security is not used to balance the budget.

The truth of the matter is that this error has backfired. This attempt to discredit me and my intentions has instead shown from day 1 that I have had serious reservations about what could happen to Social Security. While I was voicing my concern about Social Security, my colleagues on the other side of the aisle were putting together proposals to carve up the Social Security trust fund.

Mr. President, I have papers right here, drafted in the form of a bill, which show the amount of Social Security moneys that would be used from the trust fund. That was offered to me as an alternate proposal. They were going to use the Social Security trust fund. This one is for 10 years.

Generally, something like this might be passed off as an isolated incident. But, unfortunately, this appears to be one segment of a large Republican National Committee strategy, and I submit further proof of the scurrilous activities RNC releases that commit the same wrongs.

Mr. President, I submit those for the record and ask unanimous consent they be printed in the RECORD.

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

[RNC News Release, Washington, DC, Mar. 2, 1995]

STATEMENT BY RNC CHAIRMAN HALEY BARBOUR FOLLOWING THE SENATE BALANCED BUDGET AMENDMENT VOTE

By blocking passage of the balanced budget amendment, Bill Clinton and the Democrats who voted against it in the Senate today made the difference between Republican leadership and Democrat retrenchment more crystal clear than ever. While Republicans are keeping our promise to end business-as-usual in Washington, Clinton and his Clinton Corps in the Senate banded together in a blatant exercise of politics-as-usual.

Tom Daschle, Jeff Bingaman, Dianne Feinstein, Wendell Ford, Byron Dorgan, and Fritz Hollings have become apprentices in The Clinton School, where the fine art of saying one thing, but doing another is taught. They told the people of their states they were for a balanced budget amendment. They voted for a balanced budget amendment in the past, some of them more than once. But when Clinton and the Democrats needed them, they switched their votes and defeated the balanced budget amendment. They put party above the interests of the children of their state.

Their hypocrisy extends even to the excuses they're scrambling for. The six Democrats who today defeated the balanced budget amendment are trying to use Social Security as a cover for their flip-flop, but in 1993 the same six voted to cut Social Security income by raising taxes on beneficiaries. They voted for a virtually identical balanced budget amendment last year without any mention of Social Security. The fig leaf they're trying to hide behind wouldn't hide a gnat.

Clinton, the liberal Democrats in the Senate and the big-spending special interests might have succeeded in stopping passage of the balanced budget amendment today, but the voters will have the last word.

HALEY'S COMMENT BY REPUBLICAN NATIONAL COMMITTEE CHAIRMAN HALEY BARBOUR

A lot of Americans are very mad tonight . . . very mad at Bill Clinton and the Democrats in Congress who defeated the balanced budget amendment by a single vote this afternoon.

According to a CBS/New York Times poll, 79% of Americans support passage of the balanced budget amendment, and no wonder. The budget has been balanced only one year since 1960. Under Bill Clinton's new budget the deficit goes up, and it stays at the $200 billion level for the rest of the century. In 2002, the year this amendment would have required a balanced budget, Clinton's budget deficit will be $320 billion.

The voters know the only way to stop the spending spree is through the constitutional discipline of this amendment. The big-spending liberals know that too, so they joined Bill Clinton in pulling out all stops to kill the amendment.

In the end, the left focused on six Democrat senators, who had voted for the virtually identical amendment just last year. Clinton and company needed all six. If any one voted for the amendment, it would pass.

Last year Fritz Hollings of South Carolina said on the Senate floor, in support of the balanced budget amendment, ''No more weaseling, no more excuses, just make the hard choices and balance the budget.'' Today Hollings weaseled; he voted no.

Wendell Ford of Kentucky voted for the amendment in 1986 and 1994, when he said we needed a constitutional amendment to regain control of spending. In his speech in support of the constitutional amendment, he referred to Congress as representatives of the people. Today Ford decided he'd be a representative of the Democrat Party instead. So he turned his back on the people of Kentucky, and voted no.

Tonight you've seen the Daschle, Dorgan and Feinstein campaign ads, extolling their support of the balanced budget amendment.

No wonder people are cynical. Voters have grown accustomed to Bill Clinton promising one thing but doing just the opposite; saying what you want to hear during the election, but never intending to do it. Now we've learned this tactic is contagious in the Democrat Party. All six of these senators—Dorgan, Daschle, Hollings, Feinstein, Ford and Bingaman voted no today, despite what they had said in the past. They formed the hypocritical Clinton Corps, who told their constituents they're for the balanced budget amendment but voted against it today.

It is not lost on the voters that at the same time Republicans are keeping our word by fulfilling the mandate given us by the American people last November, it was Democrats, breaking their promises, that caused the balanced budget amendment to lose today.

But today won't be the last day. Senator Bob Dole has said he will bring it up to vote on again. Between now and then I hope you and every other outraged American let these senators hear from you.

THE DEFEAT OF THE BALANCED BUDGET AMENDMENT: HYPOCRISY ON THE RECORD

In 1992, Byron Dorgan (D-N.D.) ran a campaign ad touting his support for a balanced budget amendment. In the ad, he looks at the camera (as the state's voters) squarely in the eye and says: ''This country's in deep trouble. Everybody knows that. The question is, what can we do about it. Well, we can fight to change things. I'm convinced we can put this country back on track, but to do it, we've got to put an end to these crippling budget deficits. So here's what I'm fighting to do.'' He then unveils the ''Dorgan Plan'' and describes its final, critical component: ''I'm working for a constitutional amendment that forces a balanced budget.'' He even voted for the balanced budget amendment—with no strings attached—in the 1994 campaign year, saying ''I am convinced that it is the right thing to do and the necessary thing to do.'' (Congressional Record, March 1, 1994)

Tom Daschle (D-S.D.), who voted for the balanced budget amendment—no strings attached—last year, had made his support of the balanced budget amendment a central issue in his campaign in 1986, airing an ad showing red ink pouring over the Constitution as the announcer reads: ''The national debt. America is awash in red ink. But in 1979, Tom Daschle saw the damage these deficits could do to our country. His first official act was to sponsor a constitutional amendment to balance the budget. For seven years, Tom Daschle has battled party leaders and special interests to cut waste and close loopholes.'' Apparently, he just wasn't up to the battle anymore this year, when he caved to President Clinton.

Dianne Feinstein (D-Calif.) saw fit last year—when she was up for reelection—to support the balanced budget amendment, no strings attached. She, too, put her support for the amendment on public display in a campaign ad, which touts her ''courageous votes for the balanced budget amendment'' as central to her fight to ''create jobs and get California's economy going again.'' The tag line of the ad says, ''She's our Senator, Dianne Feinstein.'' From her flip-flop today, it appears she's now Bill Clinton's Senator.

Wendell Ford (D-Ky.) voted for the balanced budget amendment both in 1986 and 1994. Last year he said, ''We as a Congress and, being the representatives of the people, as a nation must begin to regain control of our spending policies. We need something that forces us to do this. An amendment to the Constitution would do just that.'' (March 1, 1994) Today, as the third-ranking Democrat in the Senate, he sided with his party, taking the opposite position from a majority of the people of his state.

Ernest Hollings (D-S.C.) voted for the balanced budget amendment both in 1986 and 1994. When he voted for it last year, he said: ''By writing a balanced budget amendment into the basic law of the land, we will compel Washington to do its job. No more weaseling. No more excuses. Just make the hard choices and balance the budget. And do not be surprised when a balanced U.S. budget turns out to be the best economic growth program this country has ever seen.'' (Congressional Record, March 1, 1994)

Mr. FORD. I for one am fed up with this type of political mudslinging. It does a disservice to serious discussion

of the issue, and I hope that the American people are tired of it, too. I hope that this incident forces my colleague and his associates at the RNC to actually read the full text of my speeches and stop the blatant misrepresentation.

And Mr. President, from the National Journal's Congressional Daily, they have a quote on page 8 of March 2.

On Wednesday, Ford's Washington office received 407 phone calls supporting the balanced budget amendment and 765 opposing it, according to the office spokesman. The ratio has remained about the same throughout the week in the Washington and State offices, he said. In addition, Republican National Chairman Haley Barbour shrugged off a claim by FORD that RNC ads running in FORD's home State of Kentucky backfired and helped solidify FORD's position on the amendment.

And I quote Mr. Barbour. Mr. Barbour says, and I quote:

''I was born at night but not last night,'' Barbour said, adding that he does not believe ''any member of the United States Senate could vote against the wishes of his constituents merely because he got his feelings hurt by a TV ad.''

Now, Mr. President, I was born at night, but I was not born last night. What I said was when they started running the ads against me in Kentucky, it stirred up a hornet's nest. It caused other groups that were opposed to the amendment to gear up. They put on radio ads; they put on TV ads, and they stirred it up. If he had left it alone—that is what I am saying. He stirred up the activity himself, and it did not hurt my feelings. I am a grown man. I have been around a long time. Dad told me, in politics, when they tear the hide off of you, just remember it grows back and you are tougher.

You are looking at one tough son of a gun today, Mr. President. I just want people to understand, lest we forget, they put that out and misquoted us again. They misquoted us again. I think that the record ought to be made straight, and I have all the documentation necessary to prove that this statement of mine was lifted from the RECORD, not actually the statement I made. It was a statement I made as it related to a substitute amendment that we thought would be a better amendment that would work better for the American people and, yes, would help our children and our grandchildren.

And so, Mr. President, I make this statement just to defend myself because I do not want this statement to hang out there longer because it would, I think, be detrimental to what I hope my constituents understand and what I believe to be the facts.

Mr. DORGAN. Mr. President, I wonder if the Senator will yield 1 minute.

Mr. FORD. Mr. President, I yield to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I wanted to follow on those comments by saying that my experience with respect to information put in the CONGRESSIONAL RECORD about statements I made last year was similar to that of the Senator from Kentucky [Mr. FORD].

Other Senators have spoken on the floor of the Senate about our sincerity in working to protect Social Security. They were asking—about the Senator from Kentucky, my colleague from North Dakota, the Senator from California, myself and others—these other Senators were wondering where were we last year when we voted on the same identical balanced budget amendment? Senators were asking why we were not worried then. Why did we not, et cetera, et cetera.

And then they put parts of our statements in the RECORD. The problem is that what they put in was not all of the statements, but simply a couple of paragraphs.

Let me read, if I might, from last year's statement that I made on the floor of the Senate. Let us see whether the Senator who mentioned this statement might want to modify his remarks, because I think, if he had known all of what I had to say last year, he might have spoken differently last week. These are my words last year on the Senate floor. I said to Senator SIMON:

I would like to ask the Senator a question about the Social Security issue.

We are now, by design, running surpluses in the Social Security system in order to prepare for the time when we will need them, when the baby boomers retire. I do not want to be in a situation where we use those surpluses to balance the Federal budget. That would be dishonest.

If we did that, we would, in effect, steal money from a trust fund. We collect this money from the payroll taxes, out of workers' paychecks and businesses, and we assure them that this money will go into a trust fund. We promise people that it will be used only for trust fund purposes.

If we use that money to offset the operating budget deficits, we are misusing that money. We cannot allow that to happen.

That is me speaking last year, not this year.

Again, quoting myself, speaking last year.

The fact is we must not count the surplus between now and the year 2035. Between now and then we will have an enormous bubble of surplus * * *.

The reason we increased taxes on payrolls in this country is we decided we must force national savings to meet a need after the turn of the century. To fail to do so is irresponsible.

That is why I say to the Senator from Illinois (speaking to Senator Simon that day) that—whether it is under the current budget scheme in Congress without respect to this constitutional amendment, or whether it is with respect to a constitutional amendment—we must do the right thing with respect to the Social Security trust funds. The right thing is not to count them in the balanced budget computation.

That is the only way to achieve national forced savings that we promised the workers and businesses in this country we were going to achieve.

Now, I read that to say that is what I said in the Chamber last year, and yet Senators have come to the floor and wondered where I was last year. Senators said that we did not bring this up, that we did not talk about this. And they put in the RECORD part of the statement and left all of this out.

Now, I hope it is an accident because accidents happen. But maybe we can be accurate with each other about what we did or did not do and what we said or did not say. Maybe we can decide that we respect each other's views. We differ. We feel strongly about things on this floor, and we represent the people the best we can. But I think that we ought to understand that what we should give each other in this Chamber is not just the truth but the whole truth, the whole truth. We do not need to in any way—and I would never, and I will not impugn motives here—but I do not think we should ever intend, nor do I expect anyone would ever intend, to misrepresent.

So believing that to be the case, I hope others who will take the floor in the future will not ever again say this: Where were they last year? Why were they not making these kinds of representations last year?

I will not read this a second or third time, but anybody who heard what I just read could not fail to understand. If you heard, you cannot fail to understand I raised exactly the same points last year as I raised this year.

I hope I do not hear someone again make the mistake, and I assume it is a mistake, not to include those statements I made in the Chamber last year in representations that they bring to the floor this year.

All of us understand what a lot of this is. It is a lot of politics. That is fine. We operate in a political system. I am not defensive about it. I just believe that when we discuss things with each other, let us do it with all the facts, let us do it with the truth and the whole truth.

That is what I hope to do with all of my colleagues in this Chamber. That is what I hope they would do with me as well.

I appreciate the Senator from Kentucky yielding.

Mrs. FEINSTEIN. May I ask the Senator from Kentucky to yield for an additional statement?

Mr. FORD. Mr. President, the Senator can get the floor in her own right.

The PRESIDING OFFICER. The Senator from Kentucky does not have the floor.

Mr. FORD. The Senator can get it in her own right.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. May I speak as in morning business?

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

CORRECTING THE BALANCED BUDGET AMENDMENT DEBATE

Mrs. FEINSTEIN. Mr. President, I also would like to correct the record,

and so I rise today to set it straight. I am reacting to the fact again that the Senator from Mississippi submitted a portion of my floor statement from balanced budget debate last year and incorrectly described the context of my remarks, and I would like to put those remarks in context.

The Senator claims in the CONGRESSIONAL RECORD that the statement was made in response to the balanced budget amendment as submitted by Senators SIMON and HATCH. In fact, there were two proposals last year on the balanced budget amendment. The statement that is attributed to me was made in reaction and in support of the balanced budget amendment proposed by Senator REID, which would have protected the Social Security trust fund. I would like to put the statement submitted by the Senator from Mississippi in context by briefly reading a couple of paragraphs from my floor speech made on February 24, 1994.

I am here to speak on behalf of the Reid amendment. I believe it is improved over the Simon amendment. This amendment would protect Social Security. I do not believe that the trust fund should be used to balance the budget. It would allow the creation of a capital budget (that is this amendment), just as many cities and States do now. It would allow flexibility in times of recession. And it would keep the courts from mandating actions that are legislative prerogatives.

These changes make this amendment a much more workable balanced budget amendment.

There are many in this body who believe that amending the Constitution is very strong medicine, perhaps too strong. I have listened very carefully to those arguments. But I have come to the conclusion that without the strong medicine the patient is not going to heal.

People have said to me: You come from California and you supported an amendment for earthquake disaster relief that was off budget.

Yes, I did. Disaster relief for floods was off budget. Disaster relief for Hurricane Iniki was off budget. Disaster relief for Hurricane Andrew was off budget. So why should California be treated any differently? That is why we need an amendment to make everyone play by the same rules.

I think this is the heart of the matter. If people believe that under our present way of doing business we can balance this budget, then they should vote against a balanced budget amendment.

This is the part that I was quoted in.

If in their heart of hearts they believe we are not going to be able to balance the budget under the current process, then I believe they should support the balanced budget amendment. At least that is the conclusion to which I have come. Without a constitutional amendment, a balanced budget just is not going to be achieved.

That is the context of my remarks, out of which one paragraph was taken and attributed to my not being concerned about Social Security last year. I submit this as proof that I was concerned about Social Security last year. This year I presented a substitute amendment which was the balanced budget amendment with Social Security excluded, and it lost before this body.

If I might just quickly restate my views, because I believe it is important. Let me speak as someone who does believe in a balanced budget amendment. It may not be the same identical one you believe in, Mr. President, but then that is why we are legislators, to legislate, hear the ebb and flow of debate, make up our minds, and improve legislation. I quite genuinely believe, and I think the figures will corroborate, that we can take Social Security off budget, create a capital budget—as the city of which I was mayor does, as the State of California does, as more than 40 other States do—and actually, by so doing, have less trouble balancing the budget by the year 2002 than we would if the present balanced budget amendment passed.

Now, perhaps the Federal Government is so far removed from States or cities that they cannot countenance financing large items of capital like aircraft carriers, at $1 billion per, through a capital budget, but I think we can. I think there is room for people to have different views about a balanced budget amendment. And I hope that, as others state our views, that they would do so correctly.

I have heard many Members supporting a balanced budget amendment say—and heard one on tape just a half-hour ago—''We have no intentions of using Social Security to balance the budget.'' That is wrong. Social Security's revenues would be used in the balanced budget amendment recently voted on to balance the budget.

Why do I believe that Social Security is as important a contract with America as the revisionist Contract With America? The reason I believe it is because for years people have been paying FICA taxes with the assurance that those taxes are not used for budget purposes, they are used for their retirement. That is a contract with America. You pay 6.2 percent of your salary, your employer matches it, the Federal Government holds that and invests it in Treasury bills, and you get it back as you retire.

I believe that obligation ought to be kept intact. If we find we cannot keep the obligation intact because more people are retiring and not enough are earning, then the system needs adjustment. And I am the first one to say that. Or the money is not going to be there, do not make young working people with young families pay the FICA tax today. Do the honest thing and cancel the FICA tax.

So I think there are very major and legitimate public policy questions at play in this balanced budget amendment and I hope that the mentality that I have been surprised to see in the last week—which is almost the mentality that anyone who dares disagree with the great pundits and proponents of the balanced budget amendment is not quite as good an American and does not have the right to disagree—would cease. I think that makes a mockery out of the public policy debates of the No. 1 one public policy forum of the United States, the U.S. Senate.

I believe we have a right to listen to debate. I believe we have a right to try to forge a better amendment. And I think taking Social Security out of the balanced budget amendment does in fact make it a better amendment and there is a way to compensate for the loss and that is by doing something that most States and every big city in this Nation does, which is fund their major capital improvements through a capital budget.

Mr. President, I thank you for the opportunity and I yield the floor.

Mr. LOTT. Mr. President, last week, I inserted in the RECORD a list of quotations concerning the balanced budget amendment, from several of our colleagues who voted against the balanced budget amendment on March 2 of this year. Those quotes demonstrated their support for the balanced budget amendment in earlier years, especially in 1994, when there was little chance that it would actually pass.

Earlier this afternoon, our distinguished colleague from Kentucky, Senator FORD, suggested an error in the words attributed to him. As I understood him, he has not claimed that he never said the words I quoted him as saying. But rather, he said them in support of a substitute amendment to the balanced budget amendment, not in support of the original legislative language.

That substitute—a Reid-Ford-Feinstein amendment—had the effect of exempting Social Security from the constitutional strictures of the balanced budget amendment.

The Senator is correct in pointing that out. The words I quoted were spoken on March 1, 1994, in support of that substitute amendment, which, because of its Social Security exclusion, did differ from the balanced budget amendment the Senator voted against on March 2 of this year.

If I had been aware of that, I would have duly noted it in the material inserted in the RECORD, but not read. So I apologize to the Senator for that misimpression. But in the interest of fairness, I think we should lay out the whole story. As another of our colleagues said here this afternoon, we want, not just the truth but the whole truth.

And the whole truth is that, after our distinguished colleague from Kentucky spoke those quoted words in support of the Reid-Ford-Feinstein amendment, that amendment was rejected by the Senate by a vote of 22 to 78.

The next vote came 5 hours later. It was a vote on final passage of Senate Joint Resolution 41, the balanced budget amendment virtually identical to the one narrowly defeated by the Senate only last week. And on that vote, Senator FORD voted ''yea.''

Let me make that clear. Although the Senator's words I quoted were directed toward the Reid-Ford-Feinstein

substitute amendment, the Senator from Kentucky did indeed vote for the original balanced budget amendment last year which was basically identical to the one we voted on this year which he voted against.

Methinks, maybe, he protest too much.

I was raised to believe that actions speak louder than words. And the point of my remarks in the RECORD last week was that the actions of several of our colleagues with regard to the balanced budget amendment last year just do not compute, as Dr. Spock would say, with thier actions this year.

I do regret any inconvenience to the Senator caused by the publication of his quote from 1994. And I want to assure him that all future quotes will be triple-checked for their precise parliamentary context.

But at the same time, those of us who truly support a balanced budget amendment owe it to the public—to the taxpayers—to make clear why that amendment was defeated, at least temporarily, in this body last week.

It was defeated because several Senators who voted for its exact language 1 year ago found some reason, some excuse, to change their position 180 degrees this year.

Whatever their reasons for doing so, that abrupt change is what is at issue here. It is what the public is asking question about. And, in some cases, it may be difficult to explain.

One thing is for sure: No one can explain away that radical change in position regarding the balanced budget amendment by pointing to the Reid-Ford-Feinstein substitute of 1994. That substitute was indeed the subject of Senator FORD's remarks as I quoted them, but it ws the original, untouched, unamended, unaltered, authentic balanced budget amendment for which he voted on March 1, 1994.

And it was the same amendment, with only the beneficial addition of Senator NUNN's language concerning the federal judiciary, which he voted against on March 2, 1995.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak for not to exceed 10 minutes as in morning business.

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

THE BALANCED BUDGET AMENDMENT FIGHT

Mr. BYRD. Mr. President, the balanced budget amendment fight has ended for the moment, but some rather unattractive reverberations seem still to be echoing in this Chamber and around this city. Honorable men and women wrestled with their consciences and did the best that they could to reach the right decision on the balanced budget amendment to the Constitution. Thirty days of good solid debate in the best Senate tradition persuaded some that the amendment was the right thing and some that it was the wrong thing. That is exactly what the constitutional Framers intended when they set up the difficult amending process laid out in the Constitution. But the Framers probably did not foresee the aftermath of political guerilla-warfare tactics that is now in progress, nor would they have understood or appreciated this particular unfortunate turn of events.

Attack ads are already running in the States of certain Members who could not support the amendment this year because of its glaring deficiencies. Because of the thorough examination of the amendment on this floor and elsewhere, the constitutional amendment has been somewhat discredited. The idea has lost some support with the people and in its present form, it has lost the support of some Senators who had supported it in the past. There is nothing unusual about that. Proposals often fall out of favor when careful examination reveals their flaws. That is healthy. That is good for the Republic. That is representative democracy.

But, the ugliness which continues to pervade the air on the days after the amendment's defeat is unwarranted, unwise, and to be regretted.

Senators who have used their best judgment are under attack and in the most extreme of cases one Senator, it is rumored, has been threatened with his position on a Senate committee.

When Senators are asked to check their integrity at the door to continue in good standing their membership in any political party, something is very, very wrong. When a Senator has to subordinate his conscience and his dedication to the Constitution of the United States to any political party, then we have come to a very poor pass in this Senate and in this country. When Members of the Senate are subjected to hit-list tactics because of their position of conscience on an important constitutional amendment, somewhere, somebody's perception of the word ''Honorable'' is seriously off track. And when losing a fair fight prompts the loud public ''chewing of rags'' which we have seen since last Thursday evening, everybody loses, including the Nation.

I hope that the coming days will see a restoration of sanity and comity in this body. What we need to do now is to get on with the business of reducing the deficit, which is what the American people have really asked us to do. This Senate which so distinguished itself only last week with a wise and courageous decision on the balanced budget amendment, must cease the self-destructive and embarrassing threats and recriminations and once again distinguish itself by a serious attempt to do the people's business. That is what we are all elected and expected to do.

Mr. President, for the information of Senators, I ask unanimous consent to include in the RECORD at this point rule XXIV of the Standing Rules of the Senate entitled ''Appointment of Committees.''

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

RULE XXIV

APPOINTMENT OF COMMITTEES

1. In the appointment of the standing committees, or to fill vacancies thereon, the Senate, unless otherwise ordered, shall by resolution appoint the chairman of each such committee and the other members thereof. On demand of any Senator, a separate vote shall be had on the appointment of the chairman of any such committee and on the appointment of the other members thereof. Each such resolution shall be subject to amendment and to division of the question.

2. On demand of one-fifth of the Senators present, a quorum being present, any vote taken pursuant to paragraph 1 shall be by ballot.

3. Except as otherwise provided or unless otherwise ordered, all other committees, and the chairmen thereof, shall be appointed in the same manner as standing committees.

4. When a chairman of a committee shall resign or cease to serve on a committee, action by the Senate to fill the vacancy in such committee, unless specially otherwise ordered, shall be only to fill up the number of members of the committee, and the election of a new chairman.

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

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT OF 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consideration of H.R. 889 which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness for the Department of Defense for the fiscal year ending September 30, 1995 and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **[**That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide emergency supplemental appropriations for the Department of Defense to preserve and enhance military readiness for the fiscal year ending September 30, 1995, and for other purposes, namely:

[TITLE I

[EMERGENCY SUPPLEMENTAL APPROPRIATIONS

[DEPARTMENT OF DEFENSE—MILITARY

[MILITARY PERSONNEL

[MILITARY PERSONNEL, ARMY

[For an additional amount for ''Military Personnel, Army,'' $69,300,000: *Provided,* That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and

Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, NAVY

[For an additional amount for ''Military Personnel, Navy,'' $49,500,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, MARINE CORPS

[For an additional amount for ''Military Personnel, Marine Corps,'' $10,400,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, AIR FORCE

[For an additional amount for ''Military Personnel, Air Force,'' $71,700,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[RESERVE PERSONNEL, NAVY

[For an additional amount for ''Reserve Personnel, Navy,'' $4,600,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE

[OPERATION AND MAINTENANCE, ARMY

[For an additional amount for ''Operation and Maintenance, Army,'' $958,600,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, NAVY

[For an additional amount for ''Operation and Maintenance, Navy,'' $347,600,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, MARINE CORPS

[For an additional amount for ''Operation and Maintenance, Marine Corps,'' $38,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, AIR FORCE

[For an additional amount for ''Operation and Maintenance, Air Force,'' $888,700,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, DEFENSE-WIDE

[For an additional amount for ''Operation and Maintenance, Defense-Wide,'' $43,200,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, NAVY RESERVE

[For an additional amount for ''Operation and Maintenance, Navy Reserve,'' $6,400,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[PROCUREMENT

[OTHER PROCUREMENT, ARMY

[For an additional amount for ''Other Procurement, Army,'' $28,600,000, to remain available until September 30, 1997: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OTHER PROCUREMENT, AIR FORCE

[For an additional amount for ''Other Procurement, Air Force,'' $8,100,000, to remain available until September 30, 1997: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OTHER DEPARTMENT OF DEFENSE PROGRAMS

[DEFENSE HEALTH PROGRAM

[For an additional amount for ''Defense Health Program,'' $14,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[TITLE II

[RESCINDING CERTAIN BUDGET AUTHORITY

[DEPARTMENT OF DEFENSE—MILITARY

[OPERATION AND MAINTENANCE

[OPERATION AND MAINTENANCE, AIR FORCE

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–335, $15,000,000 are rescinded.

[OPERATION AND MAINTENANCE, DEFENSE-WIDE

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–335, $18,800,000 are rescinded.

[ENVIRONMENTAL RESTORATION, DEFENSE

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–335, $150,000,000 are rescinded.

[FORMER SOVIET UNION THREAT REDUCTION

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–335, $80,000,000 are rescinded.

[PROCUREMENT

[AIRCRAFT PROCUREMENT, AIR FORCE

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 103–139, $15,000,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–335, $71,400,000 are rescinded.

[MISSILE PROCUREMENT, AIR FORCE

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 102–396, $33,000,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–139, $86,200,000 are rescinded.

[NATIONAL GUARD AND RESERVE EQUIPMENT

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–335, $30,000,000 are rescinded.

[DEFENSE PRODUCTION ACT PURCHASES

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–139, $100,000,000 are rescinded.

[RESEARCH, DEVELOPMENT, TEST AND EVALUATION

[RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 103–139, $28,300,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–335, $19,700,000 are rescinded.

[RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 103–139, $1,200,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–335, $58,900,000 are rescinded.

[RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 103–139, $93,800,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–335, $75,800,000 are rescinded.

[RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

[(RESCISSIONS)

[Of the funds made available under this heading in Public Law 103–139, $77,000,000 are rescinded.

[Of the funds made available under this heading in Public Law 103–335, $491,600,000 are rescinded.

[RELATED AGENCIES

[NATIONAL SECURITY EDUCATION TRUST FUND

[(RESCISSION)

[Of the funds made available under this heading in Public Law 102–172, Public Law 103–50, Public Law 103–139, and Public Law 103–335, $161,287,000 are rescinded: *Provided*, That the balance of funds in the National Security Education Trust Fund (established pursuant to section 804 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1904)), other than such amount as is necessary for obligations made before the date of the enactment of this Act, is hereby reduced to zero: *Provided further*, That no outlay may be made from the Fund after the date of the enactment of this Act other than to liquidate an obligation made before such date and upon liquidation of all such obligations made before such date, the Fund shall be closed: *Provided further*, That no obligation may be made from the Fund after the date of the enactment of this Act.

[TITLE III

[ADDITIONAL EMERGENCY SUPPLEMENTAL APPROPRIATIONS TO FURTHER ENHANCE READINESS

[DEPARTMENT OF DEFENSE—MILITARY

[MILITARY PERSONNEL

[MILITARY PERSONNEL, ARMY

[For an additional amount for ''Military Personnel, Army,'' $75,500,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, NAVY

[For an additional amount for ''Military Personnel, Navy,'' $68,200,000: *Provided*, That

such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, MARINE CORPS

[For an additional amount for ''Military Personnel, Marine Corps,'' $3,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[MILITARY PERSONNEL, AIR FORCE

[For an additional amount for ''Military Personnel, Air Force,'' $70,400,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[RESERVE PERSONNEL, ARMY

[For an additional amount for ''Reserve Personnel, Army,'' $6,500,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[RESERVE PERSONNEL, NAVY

[For an additional amount for ''Reserve Personnel, Navy,'' $5,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[RESERVE PERSONNEL, MARINE CORPS

[For an additional amount for ''Reserve Personnel, Marine Corps,'' $1,300,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[RESERVE PERSONNEL, AIR FORCE

[For an additional amount for ''Reserve Personnel, Air Force,'' $2,800,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[NATIONAL GUARD PERSONNEL, ARMY

[For an additional amount for ''National Guard Personnel, Army,'' $11,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[NATIONAL GUARD PERSONNEL, AIR FORCE

[For an additional amount for ''National Guard Personnel, Air Force,'' $5,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE

[OPERATION AND MAINTENANCE, ARMY

[For an additional amount for ''Operation and Maintenance, Army,'' $133,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, NAVY

[For an additional amount for ''Operation and Maintenance, Navy,'' $107,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, MARINE CORPS

[For an additional amount for ''Operation and Maintenance, Marine Corps,'' $46,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, AIR FORCE

[For an additional amount for ''Operation and Maintenance, Air Force,'' $80,400,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, ARMY RESERVE

[For an additional amount for ''Operation and Maintenance, Army Reserve,'' $13,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, NAVY RESERVE

[For an additional amount for ''Operation and Maintenance, Navy Reserve,'' $18,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

[For an additional amount for ''Operation and Maintenance, Marine Corps Reserve,'' $1,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, AIR FORCE RESERVE

[For an additional amount for ''Operation and Maintenance, Air Force Reserve,'' $2,600,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

[For an additional amount for ''Operation and Maintenance, Army National Guard,'' $10,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

[For an additional amount for ''Operation and Maintenance, Air National Guard,'' $10,000,000: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[TITLE IV

[GENERAL PROVISIONS

[SEC. 401. 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. 402. Notwithstanding sections 607 and 630 of the Foreign Assistance Act of 1961 (22 U.S.C. 2357, 2390) and sections 2608 and 2350j of title 10, United States Code, all funds received by the United States as reimbursement for expenses for which funds are provided in this Act shall be deposited in the Treasury as miscellaneous receipts.]

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes, namely:

TITLE I

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $35,400,000.

MILITARY PERSONNEL, NAVY

For an additional amount for ''Military Personnel, Navy'', $49,500,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for ''Military Personnel, Marine Corps'', $10,400,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $37,400,000.

RESERVE PERSONNEL, NAVY

For an additional amount for ''Reserve Personnel, Navy'', $4,600,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $636,900,000.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for ''Operation and Maintenance, Navy'', $284,100,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for ''Operation and Maintenance, Marine Corps'', $27,700,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $785,800,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for ''Operation and Maintenance, Defense-Wide'', $43,200,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for ''Operation and Maintenance, Navy Reserve'', $6,400,000.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for ''Defense Health Program'', $14,000,000.

GENERAL PROVISIONS

SEC. 101. 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. 102. During the current fiscal year, appropriations available to the Department of Defense for the pay of civilian personnel may be used, without regard to the time limitations specified in section 5523(a) of title 5, United States Code, for payments under the provisions of section 5523 of title 5, United States Code, in the case of employees, or an employee's dependents or immediate family, evacuated from Guantanamo Bay, Cuba, pursuant to the August 26, 1994 order of the Secretary of Defense.

(INCLUDING TRANSFER OF FUNDS)

SEC. 103. In addition to amounts appropriated or otherwise made available by this Act, $28,297,000 is hereby appropriated to the Department of Defense and shall be available only for transfer to the United States Coast Guard to cover the incremental operating costs associated with Operations Able Manner, Able Vigil, Restore Democracy, and Support Democracy: Provided, That such amount shall remain available for obligation until September 30, 1996.

SEC. 104. (a) Section 8106A of the Department of Defense Appropriations Act, 1995 (Public Law 103–335), is amended by striking out the last proviso and inserting in lieu thereof the following: '': Provided further, That if, after September 30, 1994, a member of the Armed Forces (other than the Coast Guard) is approved for release from active duty or full-time National Guard duty and that person subsequently becomes employed in a position of civilian employment in the Department of Defense within 180 days after the release from active duty or full-time National Guard duty, then that person is not eligible for payments under a Special Separation Benefits program (under section 1174a of title 10, United States Code) or a Voluntary Separation Incentive program (under section 1175 of title 10, United States Code) by reason of the release from active duty or full-time National Guard duty, and the person shall reimburse the United States the total amount, if any, paid such person under the program before the employment begins''.

(b) Appropriations available to the Department of Defense for fiscal year 1995 may be obligated for making payments under sections 1174a and 1175 of title 10, United States Code.

(c) The amendment made by subsection (a) shall be effective as of September 30, 1994.

SEC. 105. Subsection 8054(g) of the Department of Defense Appropriations Act, 1995 (Public Law 103–335), is amended to read as follows: ''Notwithstanding any other provision of law, of the amounts available to the Department of Defense during fiscal year 1995, not more than $1,252,650,000 may be obligated for financing activities of defense FFRDCs: Provided, That, in addition to any other reductions required by this section, the total amount appropriated in title IV of this Act is hereby reduced by $200,000,000 to reflect the funding ceiling contained in this subsection and to reflect further reductions in amounts available to the Department of Defense to finance activities carried out by defense FFRDCs and other entities providing consulting services, studies and analyses, systems engineering and technical assistance, and technical, engineering and management support.''.

(RESCISSIONS)

SEC. 106. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

Operation and Maintenance, Navy, $16,300,000;

Operation and Maintenance, Air Force, $2,000,000;

Operation and Maintenance, Defense-Wide, $90,000,000;

Environmental Restoration, Defense, $300,000,000;

Aircraft Procurement, Army, 1995/1997, $77,611,000;

Procurement of Ammunition, Army, 1993/1995, $85,000,000;

Procurement of Ammunition, Army, 1995/1997, $89,320,000;

Other Procurement, Army, 1995/1997, $46,900,000;

Shipbuilding and Conversion, Navy, 1995/1999, $26,600,000;

Missile Procurement, Air Force, 1993/1995, $33,000,000;

Missile Procurement, Air Force, 1994/1996, $86,184,000;

Other Procurement, Air Force, 1995/1997, $6,100,000;

Procurement, Defense-Wide, 1995/1997, $65,000,000;

Defense Production Act, $100,000,000;

Research, Development, Test and Evaluation, Army, 1995/1996, $38,300,000;

Research, Development, Test and Evaluation, Navy, 1995/1996, $59,600,000;

Research, Development, Test and Evaluation, Air Force, 1994/1995, $81,100,000;

Research, Development, Test and Evaluation, Air Force, 1995/1996, $226,900,000;

Research, Development, Test and Evaluation, Defense-Wide, 1994/1995, $77,000,000;

Research, Development, Test and Evaluation, Defense-Wide, 1995/1996, $351,000,000.

(RESCISSION)

SEC. 107. Of the funds made available for the National Security Education Trust Fund in Public Law 102–172, $150,000,000 are rescinded: Provided, That the balance of funds in the National Security Education Trust Fund (established pursuant to section 804 of Public Law 102–183 (50 U.S.C. 1904)), other than such amounts as are necessary for liquidation of obligations made before the date of the enactment of this Act, is hereby reduced to $8,500,000: Provided further, That upon liquidation of all such obligations and the $8,500,000 in the preceding proviso, the Fund shall be closed.

(TRANSFER OF FUNDS)

SEC. 108. Section 8005 of the Department of Defense Appropriations Act, 1995 (Public Law 103–335; 108 Stat. 2617), is amended by striking out ''$2,000,000,000'' and inserting in lieu thereof ''$1,750,000,000''.

SEC. 109. REPORT ON COST AND SOURCE OF FUNDS FOR MILITARY ACTIVITIES IN HAITI.

(a) REQUIREMENT.—None of the funds appropriated by this Act or otherwise made available to the Department of Defense may be expended for operations or activities of the Armed Forces in and around Haiti sixty days after enactment of this Act, unless the President submits to Congress the report described in subsection (b).

(b) REPORT ELEMENTS.—The report referred to in subsection (a) shall include the following:

(1) A detailed description of the estimated cumulative incremental cost of all United States activities subsequent to September 30, 1993, in and around Haiti, including but not limited to—

(A) the cost of all deployments of United States Armed Forces and Coast Guard personnel, training, exercises, mobilization, and preparation activities, including the preparation of police and military units of the other nations of the multinational force involved in enforcement of sanctions, limits on migration, establishment and maintenance of migrant facilities at Guantanamo Bay and elsewhere, and all other activities relating to operations in and around Haiti; and

(B) the costs of all other activities relating to United States policy toward Haiti, including humanitarian and development assistance, reconstruction, balance of payments and economic support, assistance provided to reduce or eliminate all arrearages owed to International Financial Institutions, all rescheduling or forgiveness of United States bilateral and multilateral debt, aid and other financial assistance, all in-kind contributions, and all other costs to the United States Government.

(2) A detailed accounting of the source of funds obligated or expended to meet the costs described in paragraph (1), including—

(A) in the case of funds expended from the Department of Defense budget, a breakdown by military service or defense agency, line item, and program; and

(B) in the case of funds expended from the budgets of departments and agencies other than the Department of Defense, by department or agency and program.

[TITLE V]

TITLE II

RESCISSIONS

The following rescissions of budget authority are made, namely:

CHAPTER I

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, **[**$70,000,000**]** *$50,000,000* are rescinded.

DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

INDUSTRIAL TECHNOLOGY SERVICES

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317 for the Advanced Technology Program, $107,000,000 are rescinded.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $20,000,000 are rescinded.

CHAPTER II

ENERGY AND WATER DEVELOPMENT

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–316 and prior years' Energy and Water Development Appropriations Acts, $100,000,000 are rescinded.

CHAPTER III

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED AGENCIES

MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

(RESCISSION)

Of the funds made available under this heading in Public Law 103–306, $62,014,000 are rescinded.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

[ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–87 for support of an officer resettlement program in Russia as described in section 560(a)(5), $110,000,000 are rescinded.**]**

DEVELOPMENT FUND FOR AFRICA

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $110,000,000 are rescinded.

CHAPTER IV

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(RESCISSION)

Of the funds made available under this heading for obligation in fiscal year 1996, $50,000,000 are rescinded and of the funds made available under this heading for obligation in fiscal year 1997, $150,000,000 are rescinded: *Provided,* That funds made available

in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

CHAPTER V

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–333 for carrying out title II, part C of the Job Training Partnership Act, $200,000,000 are rescinded.

DEPARTMENT OF EDUCATION

[SCHOOL IMPROVEMENT PROGRAMS

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–333 for new education infrastructure improvement grants, $100,000,000 are rescinded.]

STUDENT FINANCIAL ASSISTANCE

(RESCISSION)

Of the funds made available under this heading in Public Law 103–112, $100,000,000 made available for title IV, part A, subpart 1 of the Higher Education Act are rescinded.

CHAPTER VI

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

Of the available balances under this heading that remain unobligated for the ''advanced automation system'', $35,000,000 are rescinded.

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSION)

Of the available contract authority balances under this heading in Public Law 97–424, $13,340,000 are rescinded; and of the available balances under this heading in Public Law 100–17, $120,000,000 are rescinded.

MISCELLANEOUS HIGHWAY DEMONSTRATION PROJECTS

(RESCISSION)

Of the available appropriated balances provided in Public Law 93–87; Public Law 98–8; Public Law 98–473; and Public Law 100–71, $12,004,450 are rescinded.

FEDERAL RAILROAD ADMINISTRATION

LOCAL RAIL FREIGHT ASSISTANCE

(RESCISSION)

Of the available balances under this heading, [$13,126,000] *$6,608,000* are rescinded.

[PENNSYLVANIA STATION REDEVELOPMENT PROJECT

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–331, $40,000,000 are rescinded.]

CHAPTER VII

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

[INDEPENDENT AGENCIES

[NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[NATIONAL AERONAUTICAL FACILITIES

[(RESCISSION)

[Of the funds made available under this heading in Public Law 103–327, for construction of wind tunnels, $400,000,000 are rescinded.]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(RESCISSION)

Of the funds made available under this heading in Public Law 103–327 and any unobligated balances from funds appropriated under this heading in prior years, $400,000,000 are rescinded from amounts available for the development or acquisition costs of public housing.

[This Act may be cited as the ''Emergency Supplemental Appropriations and Rescissions for the Department of Defense to Preserve and Enhance Military Readiness Act of 1995''.]

This Act may be cited as the ''Supplemental Appropriations and Rescissions Act, 1995''.

Mr. BYRD. 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. HATFIELD. 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. HATFIELD. Mr. President, the Senate now turns to consideration of H.R. 889, making fiscal year 1995 supplemental appropriations for the Department of Defense, and rescinding appropriations for defense and nondefense programs. The Committee on Appropriations met last Thursday on this measure, and reported it with amendments by a unanimous vote of 28–0.

The bill recommended by the committee contains two titles. The first title provides a total of $1,935,400,000 in supplemental appropriations for the Department of Defense. These appropriations are recommended in response to a request from the President for $2,538,700,000 to replenish accounts depleted by unbudgeted operations in and around Haiti, Cuba, Bosnia, Rwanda, Somalia, Iraq, and Korea. Guided by the recommendations of our defense subcommittee, the committee proposes a reduction from the President's request for defense. We believe that we have addressed the immediate concerns of the Department of Defense regarding operational readiness, and are prepared to consider the other readiness issues raised by the Department in connection with the fiscal year 1996 defense appropriations bill.

The committee has also recommended rescissions in prior appropriations for defense in order to offset the additional spending recommended. The President requested appropriations with an emergency designation under the terms of the Budget Enforcement Act. With this designation, funds provided would have been in addition to those set by the domestic discretionary caps. The committee believes it is preferable to offset spending wherever and whenever possible, so that the deficit is not increased.

Senator STEVENS, the chairman of our Defense Appropriations Subcommittee, and the ranking Member of that committee, former chairman DANIEL INOUYE, will discuss the specifics of the supplemental appropriations and rescissions in title I as we proceed with the debate on this measure.

The second title of the bill as recommended would rescind a total of $1,535,966,450 in appropriations for nondefense programs. The other body recommended rescissions of slightly more than $1.4 billion in nondefense programs in order to partially offset the costs of their recommended supplementals for defense. Our committee fully offset defense supplementals with rescissions in lower priority defense programs. Our nondefense rescissions are solely intended to achieve reductions in Federal spending this fiscal year.

Mr. President, I believe, as we have researched this, that this is the first time in the history of the Appropriations Committee where a rescission package was identified as an offset and as a deduction from the current deficit. I think that is worthy to take note.

Mr. President, that summarizes the recommendations of the committee. They are discussed in greater detail in our report which is Senate report 104–12 which was received last Friday and available to all Members.

I am now prepared to yield the floor for any opening remarks that the ranking member, the former chairman of the Appropriations Committee, Senator BYRD, wishes to make. Then we will seek to adopt the committee amendments, and proceed with consideration of the bill and entertaining any amendments that Members may wish to offer at this time.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the chairman, Senator HATFIELD, for his statement which is complete and thorough enough in itself without any additional words on my part. But I do support the committee's recommendations on H.R. 889, as reported by Senator HATFIELD.

H.R. 889, as reported, contains recommendations totaling just over $1.9 billion to restore readiness funds to the Department of Defense. These funds were used for unforeseen international operations such as in Haiti, in the Middle East, Rwanda, Somalia, and Bosnia.

It is my understanding that the Department of Defense needs these funds by the end of March. The committee's recommended appropriations are approximately $600 million less than requested by the President and $1.2 billion below the House bill. Furthermore, and most importantly, the committee's recommendations include sufficient Department of Defense rescissions to fully offset both the budget authority and the outlays of these defense appropriations.

I compliment the distinguished chairman of the Defense Appropriations Subcommittee, Mr. STEVENS, and

the distinguished ranking member of the Defense Appropriations Subcommittee, Mr. INOUYE, for their able efforts in finding these offsets.

In addition, title II of the bill contains rescissions from a number of nondefense appropriations totaling over $1.5 billion in additional spending cuts.

I compliment the chairman of the committee, Mr. HATFIELD, who is a former chairman of the committee, former ranking member, and again chairman of the Appropriations Committee for his expeditious handling of this important measure, and I urge Senators on both sides to support the committee's recommendations.

I yield the floor.

Mr. HATFIELD. Mr. President, as we now proceed, I would seek unanimous consent that the committee amendments be considered, and agreed to, en bloc; that the bill, as amended, be considered as original text for the purpose of further amendment; and, that no points of order be waived thereon by reason of this agreement.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I believe a unanimous-consent request is pending. Is that the order of business?

The PRESIDING OFFICER. The Senator is correct.

Mr. BINGAMAN. Mr. President, I object.

Mr. HATFIELD. 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. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the first title to this supplemental appropriations bill addresses two components of our defense financing. First, it provides $1.96 billion to ensure military readiness through the remainder of this year. Second, it proposes $1.96 billion in rescissions to fully offset the new budget authority and outlays for 1995.

We received the administration's request and we scrubbed it a little bit, and we recommended that $600 million be deleted from the amounts proposed by the House in accordance with the request of the administration.

These come in three categories. The request proposed advance funding of reimbursements from Kuwait and the United Nations. In two instances, we spent defense money already appropriated for other purposes for the purpose of sending troops to Kuwait or to assist in support of the United Nations in peacekeeping activities. I believe we should rely on our allies and on the United Nations to fulfill their commitments, and that we need not put up taxpayers' money in advance of the receipt of the payment that they are already committed to pay to us.

The request proposed $70 million in military construction and facility upgrades at Guantanamo Bay naval station to support Cuban refugees now interned at that installation. Now, here again, Mr. President, together with some of our staff, I journeyed to Guantanamo Bay to look at the situation and I am convinced that the amounts that have been requested should await a total congressional assessment on the policy of the refugee internment camp at Guantanamo Bay. I believe that can be addressed in the 1996 defense and military construction bills. Those may not be decisions to be made in the appropriations process. They may be made by the Armed Services Committee in its deliberations and recommendations to the Senate and to the Congress as a whole.

Finally, several amounts were proposed that were not justified as emergencies or were unrelated to the contingency operations in Cuba, Haiti, Bosnia, and Kuwait. Many of those also can and should be addressed through the normal reprogramming process of the Department. We, as a nation, face a crisis in military readiness because the administration spent money on contingency operations in excess of amounts provided by Congress.

The 1995 defense appropriations bill included many increases in the budget for readiness, training, recruiting, and maintenance of facilities in military housing. These are the very priorities that were put at risk by the President's decision to engage in operations in Bosnia, Haiti, Kuwait, and Rwanda without approval and support of funding for those activities by the Congress. The President did not come to the Congress in advance of these deployments to seek funding or to propose offsets in existing authorizations.

Instead, money provided by the Congress for training, logistic support, and personnel, were diverted to these accounts. This practice is in stark contrast to how the Congress and the White House approached the Persian Gulf war. As we proceed through our review of the Department's 1996 budget, I believe we must address the fiscal controls that permitted the administration to delete vital readiness accounts early in the year without the explicit consent of the Congress.

As I said before, it is my understanding that that may come from the Armed Services Committee. I know that some of my colleagues, including my fellow Senator from Alaska and the distinguished chairman of the Foreign Relations Committee will offer amendments to tighten controls on DOD consultation with the Congress. Members of the committee discussed at length the issue of offsetting the new spending in this bill and the precedent set for emergencies.

While the military requirements are urgent, they can be met by reductions to programs that Congress might have reduced if we had known the cost of the contingency operations to begin with.

The current deficit crisis makes it necessary that the amounts in this bill be fully offset. That is the judgment of our committee. That presents the committee with only hard choices, especially when the choices have to be made this late in the year. That simply means that we would have a lot more flexibility in the beginning of the fiscal year to eliminate some accounts than we do now because many of the accounts have already been spent out to the point where it is not possible to include them in the readjustments made in this bill.

In general, the recommendations before the committee reflect cuts in programs where spending can be controlled. Many of the programs we seek to reduce have merit, Mr. President, great merit. We have provided funding for these programs in the past and even in this current fiscal year.

I want to tell the Senate that I am confident that Congress will revisit some of these in the 1996 bill. But at the present time we have no alternative to find some source to obtain the funds to put back into the training accounts so training can be continued. There is a timeframe involved. It must be done so the moneys are available no later than the end of April. We hope that they will be available by April 1.

We have made reductions to the TRP account, environmental and defense conversion accounts. These reflect the availability of funds, and they reflect to a certain extent a change of direction for the programs, but basically it is because that is where the money is that has not been expended in this fiscal year. To the extent that any funds remain available for the TRP in the future, I believe they must be specifically directed and identified military priorities.

The committee proposal strikes a fair balance to proceed to conference with the House, and I would urge Members of the Senate on both sides of the aisle and particularly on both sides of the TRP debate, to endorse the level that is in this bill because it is different from that in the House.

I believe I was the originator of the Defense Environmental Restoration Program but I viewed with increasing alarm the steady increase in spending in that program with little to show for it. Despite the progress in that fund, the Department of Defense still spends only about 50 percent of the amounts in the environmental restoration account for cleanup activities. Almost 50 percent now goes for studies, plans, and legal fees. In comparison, when we build new facilities, the cost for those is about 6 to 7 percent. Only 6 to 7 percent of the funding goes for design, planning and litigation in the planning and building of new facilities.

Now, our cut does not impact any funds provided to meet environmental hazards at bases identified for closure in the 1988, 1991, and 1993 BRAC rounds.

Those funds are appropriated separately in the military construction bill and were not addressed by this bill.

We do face another base closing round this year. I know that, recognizing that two Alaska bases are on the list to be closed: Adak naval station, and Fort Greely at Big Delta, AK. I am sensitive to the defense conversion and transition issues.

Amounts provided in recent bills have gone well beyond the original goals, however, of those programs as they were established when the defense drawdown defense following the gulf wars.

In particular, the cuts proposed by the committees address areas where the Congress has significantly earmarked funds for specific projects. While not canceling or terminating any one project, the Secretary will have to substantially scale back spending in this area. Again, that will have to be done because that is where the money is. If we have to find almost $2 billion in these accounts at this time, we have to find accounts where the remaining balance will justify taking some of the money out and still leaving the program operable for the remainder of the year. Spending to ease the impact of these defense cutbacks cannot come at the significant loss of immediate military readiness. However, I assure all interested Members that we want to work to ensure the highest priority programs continue to be adequately funded.

Most of the program reductions proposed in the rescission package that we present to the Senate reflect fact-of-life program changes. For instance, the Department terminated the TSSAM missile leaving funds that were appropriated for that project available for rescission. We intend to continue to work with the Air Force to determine what may be the best estimate of amounts available to cut in this area in the conference.

I also want to commend the efforts of Lt. Gen. Dick Hawley and Ms. Darlene Druyun for their efforts to expedite the termination process on the TSSAM missile system, and they are minimizing the cost of that termination to the taxpayers.

Congress also funded six new AH–64 Apache helicopters for 1995 to assure no break in production as we move to the Longbow version of that aircraft. However, new foreign sales have developed, and the Army has indicated that those funds we appropriated for 1995 are not required for new aircraft procurement this year. In conference, we intend to look at Army proposals to shift some of the funding in that account to accelerate the Longbow Program.

This committee also initiated the Arms Program to preserve the industrial base for ammunition production. The cut we have made reflects the amount to expire at the end of this year. The Army has not accounted in the 1996 budget for funds necessary to meet the ammunition stockpile and training requirements, and we will want to move some accounts around to assure we have the necessary amounts for the 1996 bill.

Finally, the committee has strongly supported the Department of Defense's efforts to procure unmanned aerial vehicles for battlefield surveillance and intelligence. The cut to this item reflects technical delays only in the program. I am personally, and I believe our committee is totally, committed to providing adequate funding for the program based on its readiness for production. When it is ready, we will provide a recommendation to the Senate that it be appropriately funded.

In closing, I know some of the Senate will disagree with some of these rescissions. The options for offsets at this stage are very limited. I urged the Department of Defense to submit this supplemental as early as last December, but because of other considerations, the White House chose to withhold it until February. That delayed our ability to respond to the needs, as I have said, because the spending of other accounts continued and we now have limited flexibility as to where to get moneys from commencing about the first of May. We are dealing with a period between May and September 30 now. We could have been dealing with the period January 1 to September 30 if we had the request early in the year.

Mr. President, the bottom line is we must get these funds to the military services as quickly as possible, as I said, by the end of this month if at all possible. That commitment must guide our work to complete this bill, I hope, today or early tomorrow at the latest.

There are a series of impacts. I asked the Chief of Naval Operations, Admiral Boorda, to tell us what might happen to the Navy, for instance, if we do not get this money to the Navy in time. He has told me if he does not have the money in time, he faces the option of deferring all maintenance on small naval craft and tugs for the Atlantic fleet.

He will have to reduce the maintenance on two aircraft carriers and will have to delay one submarine overhaul.

He may have to delay maintenance on naval facilities worldwide.

He has to stop flight training for two carrier air wings that are currently preparing for deployment. That is very dangerous, Mr. President. These people stay at home, fly a very low number of hours, and just before deployment they always get back and get their readiness up to very top performance. We have two aircraft carriers ready to go to sea. I talked about them this morning with some people in the Department. It makes no sense for us to delay aircraft carriers and not have our crews at the peak of their performance, as would be possible if these funds had not been diverted. They must be replaced as soon as possible.

In addition, there are some other things that are going to happen if these funds are delayed even longer than we currently anticipate they could be:

There are seven additional Atlantic fleet ship overhauls.

There is a proposal to stop Naval Reserve flying for C–9 and P–3 aircraft;

To stop flight training for carrier squadrons returning from deployment. There, again, after they come back, the long steam coming back, before they are allowed to take some time off they again go through and try to bring their readiness up to peak so, if they are called back, they can continue to be ready. They do not get the type of training on deployment that they can get here at home when we have the electronic ranges that can be used and the kind of training that can be obtained as they prepare for deployment or return from deployment.

Last but not least, we are down to the point where there will be no spare parts for the last 40 days of this year if these moneys are not put into the accounts and the spare parts made available.

I remember the days, Mr. President, when we had vessels in Norfolk and other ports that could not leave port because they did not have spare parts. That just cannot happen at a time like this when we have reduced our forces and we are trying to maintain the readiness of the smaller force that we have.

I certainly hope the Senate will listen to us and the Congress as a whole will act as rapidly as possible on this request for supplemental funds, to request those funds which were diverted from training accounts for the peacekeeping operations.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, may I begin by first commending my distinguished colleague from Oregon, the chairman of the full committee, Mr. HATFIELD, and my dear friend from Alaska, the chairman of the subcommittee, Senator STEVENS, for coming forth with this bill. Difficult decisions had to be made, and they made them. Difficult recommendations have to be made to the Senate, and these recommendations are now being presented.

Together they have crafted a bill which balances the needs of the Department of Defense and our committee's desire not to increase the deficit. As the Senator from Alaska indicated, this bill provides $1.9 billion in new appropriations requested by the Department of Defense to cover emergency expenses. However, it is some $600 million less than DOD wanted, but it provides a reasonable amount, considering the committee's goal of offsetting new appropriations with rescissions.

But, Mr. President, I think I must inform my colleagues that I am concerned with the guidelines that govern the committee's efforts with this DOD supplemental, and I hope it will not be

viewed as a precedent for future emergency supplementals.

The Budget Enforcement Act requires that, in general, discretionary spending must be constrained to stay within ceilings established in the budget resolution. However, Mr. President, this agreement allows these ceilings to be breached if the President and the Congress agree that these funds are needed to meet emergency requirements. The President submitted his request for DOD funds as an emergency and the House agreed.

The House recommended rescissions of $3.2 billion to offset the budget authority it added for DOD so as not to add to the long-term deficit.

The Senate Appropriations Committee-reported bill has gone one step further. This bill that we are discussing this moment has dispensed with the emergency designation for the DOD supplemental and, therefore, under Senate rules, the committee must offset both budget authority and outlays recommended in this bill.

With this action, I hope that the Senate is not charting a new and hazardous course.

The Defense Department does not budget for emergency expenses. On several occasions, the Congress has denied past administrations' requests to establish contingency accounts which could have been used for emergencies and crisis response. The Congress has recommended instead that DOD request supplementals to cover such emergency costs.

It has always been anticipated that for expenses necessary to cover emergencies, funds would be added to the current budget, not reallocated from existing resources. In this bill, we are requiring DOD to use its existing resources to cover costs of emergencies. This is contrary to the intent of the budget agreement, and I hope that we are not making a mistake.

I am told that the Secretary of Defense and the Chairman of the Joint Chiefs of Staff regard this recommendation with grave concern. I do not disagree with the specific rescission recommendations by the committee, though they were difficult to make, because I believe that under the circumstances, they are reasonable and they represent the best options for offsetting the budget authority and outlays contained in the supplemental.

However, by rescinding these funds today, there will be few resources available to cover the so-called must-pay bills which we know the Pentagon will face later this year. The Defense Department has already identified nearly $800 million in must-pay bills. It expects this total unfunded requirement to reach about $1 billion.

These must-pay bills are not considered emergencies under the terms of the budget agreement. Therefore, they will have to be paid from within available funding. And where is DOD to find these funds if Congress has already rescinded $1.9 billion?

Mr. President, I am of the impression that all of us in this body, Democrats and Republicans, are supportive of the need to maintain the readiness of our military forces. By requiring that these unforeseen emergency expenses must be offset, the committee is virtually guaranteeing that when shortfalls occur in other areas of DOD funding, they will have to be made up by cutting readiness spending.

Mr. President, I hope I am wrong, but this is a very serious matter. I am greatly concerned that in the future, the Chairman of the Joint Chiefs will object to the requests of our civilian leaders to use military forces overseas for crisis response and for emergencies because they believe it will be damaging to the overall readiness of the force. They may realize that if they must pay for these costs out of their own hide, they will have to cut readiness to do so.

So I hope that all of us will think hard and long about the decision we are about to make today. I will be supporting this measure, and I do so with a clear conscience, and I will be very proud and happy to say publicly that I rely upon the judgment, the good judgment of my two dear friends from Oregon and Alaska.

Mr. President, the chairman of this committee has drafted a good bill under the circumstances, and I look forward to working with him in conference on these issues.

Mr. President, the chairman of the subcommittee brought up a matter which is dear to the hearts of some of my colleagues on this side of the aisle, the so-called TRP. It should be noted that the House by its action took out $500 million, and though there are many in this body who support the House action, the chairman of the committee and the chairman of the subcommittee took a courageous stand to say we will cut only $200 million.

I know this is not the full amount, but I think under the circumstances it is an amount that we can live with, and so I hope that those who are considering proposing an amendment to restore the funds will think about this because I think the committee made the proper recommendation under the circumstances.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. SNOWE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Madam 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 South Carolina.

Mr. THURMOND. Madam President, as we debate the Defense supplemental appropriations bill, I want to ensure that my colleagues and the managers of the bill are aware of some of the underlying problems with the way this supplemental was crafted.

First let me say the supplemental is necessary, and I intend to support the bill. The bill is designed to replace critical readiness and training funds which the services had to spend in the first half of this fiscal year for humanitarian and other so-called peace operations. If we do not replace those funds, military readiness will continue to decline. Combat readiness has declined too far already. The Nation cannot afford to let it erode further. It angers me that the administration has allowed readiness to suffer at all. Under these circumstances, it would be irresponsible to require the military departments to further curtail training and maintenance, and cause more degradation in combat readiness.

While this supplemental is necessary, I was surprised to see that the Appropriations Committee chose to fully offset the costs of these peace operations, which were ill-conceived and not approved by the Congress, from within the fiscal year 1995 Defense budget. In others words, under this bill the Department of Defense must fund those operations totally within its existing budget.

I have said over and over that the defense budget has been cut too much, too fast. I have strongly supported an increase to the President's budget request to bring fiscal year 1996 defense funding level with fiscal year 1995, adjusted for inflation. This supplemental, in effect, reduces funds available for defense in fiscal year 1995 by requiring these externally imposed operations to be absorbed within the current defense budget.

This is a very complex and difficult issue. Fortunately the Appropriations Committee has offset these extra costs with programs which, for the most part, can be called nondefense items; or programs which the Defense Department could not execute in this fiscal year. By fully offsetting the supplemental appropriations, the deficit is not increased. In fact, title II actually reduces the deficit from domestic accounts.

I am a strong supporter of removing nondefense items from the defense budget, and have long been a supporter of a balanced budget and reducing the deficit. However, I am concerned at the precedent we may be setting by finding all the offsets in the current defense budget.

I do not support using our military forces as a global police force or social service agency, deploying them all over the world without the expressed approval of the Congress. We have reduced our Armed Forces and defense resources to dangerously low levels. Now it is questionable whether we can defend our vital interests in a conflict with one or more major regional powers. Consequently, I do not want the administration to regard approval of this supplemental appropriations bill as endorsement of their expanded peacekeeping activities abroad, nor of

their plan to pay for these excursions with current defense funds.

In closing, I reiterate my support for this Defense supplemental, but urge my friends on the Appropriations Committee to consider the method used in preparing this bill as a one time event, and not as a model for future supplemental appropriations for the Department of Defense.

I thank the Chair; I yield the floor.

AMENDMENT NO. 321

(Purpose: To express the sense of the Senate affirming the importance of, and the need for, cost-shared partnerships between the Department of Defense and the private sector to develop dual-use technologies)

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, to the first amendment of the committee, I send a second-degree 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 New Mexico [Mr. BINGAMAN], for himself, Mr. NUNN, and Mr. LIEBERMAN, proposes an amendment numbered 321:

At the end of the amendment add the following:

SEC. 110. It is the sense of the Senate that (1) cost-shared partnerships between the Department of Defense and the private sector to develop dual-use technologies (technologies that have applications both for defense and for commercial markets, such as computers, electronics, advanced materials, communications, and sensors) are increasingly important to ensure efficient use of defense procurement resources, and (2) such partnerships, including Sematech and the Technology Reinvestment Project, need to become the norm for conducting such applied research by the Department of Defense.

Mr. BINGAMAN. Madam President, let me very briefly describe the amendment and yield to my colleague, Senator NUNN, who wants to make a brief statement also. Then I will describe it in a little more depth for my colleagues.

This amendment expresses the sense of the Senate—and that is all it is, a sense-of-the-Senate amendment—that cost-shared partnerships to develop dual-use technologies are important and increasingly important to ensure the efficient use of our defense resources. It specifies that these partnerships, including the technology reinvestment project, need to become the norm for conducting much of our applied research in the Pentagon.

This language came out of the work of two different task forces, the Democratic task force back in 1992, which Senator PRYOR chaired, and the Republican task force which Senator Rudman chaired. Members of this body who were part of that Rudman task force include, of course, Senator STEVENS, Senator LUGAR, Senator COHEN, Senator HATCH, Senator DOMENICI, Senator MCCAIN, Senator LOTT, Senator WARNER, and there were others as well. Out of the work of the two task force groups we developed a bipartisan consensus which began during the Bush Presidency and has continued through the Clinton Presidency that this way of funding for defense purposes was an important effort to pursue.

I believe this amendment helps to reaffirm that principle, and for that reason I offer the amendment. As I pointed out, it is a sense of the Senate. It does not try to change the dollar figures as they come out of the supplemental agreement.

I want to compliment the Senator from Alaska and the Senator from Hawaii in the work they have done in the subcommittee to try to do what they could to ensure that this important program, the technology reinvestment project, continue, and also to find the funds necessary to meet the needs of our Department of Defense at this crucial time.

I will explain the amendment in some more detail in a moment. I would like at this point to yield the floor and allow the Senator from Georgia to go ahead and speak.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Madam President, I rise in support of the amendment offered by my colleague from New Mexico. I appreciate the pressures on the Appropriations Committee. The Senator from Hawaii and the Senator from Alaska have done a commendable job in trying to handle this supplemental under very difficult circumstances.

I share the sentiments expressed by the Senator from South Carolina about the overall supplemental. I hope it is viewed as a one-shot proposition, because if we are sending a signal to the Department of Defense that any time there is an emergency that comes up and they come over and request supplemental funds that they are going to have to have 100 percent offset, then we are going to change the nature of the responsiveness of the Department of Defense itself to the missions that may, indeed, be crucial to our Nation's security.

One mission comes to mind on a hopefully hypothetical basis, but it could become a reality. We may get into a situation, even in the next 30 or 45 days in Croatia, where the United Nations is ordered to get out of Croatia. There is no doubt that this evacuation could precipitate more fighting in Bosnia, and could even require rescue missions to get U.N. personnel who are in harm's way in Bosnia out of that war-stricken area.

And if the Department of Defense is told that anything they do in that kind of rescue mission with NATO and with the United Nations is going to have to be a 100 percent offset, and they are going to have to basically kill or substantially alter crucial defense programs in order to absorb that, then that is going to be a very strong signal that the United States is not going to be as involved as we have been in world affairs, including commitments to our allies and commitments that we have voted for at the U.N. Security Council.

So this complete offset sounds good in speeches but it has very serious implications for the Department of Defense. Make no mistake about it, this complete offset policy means the long-term readiness of the Department of Defense is going to go down. It does not mean that the immediate readiness is going down because that can be protected. But future readiness requires modernization, it requires research and development, and those are the programs being cut by this complete offset policy. So 5, 6, 7 years from now, people will have a very serious problem with readiness if we continue to declare there is no emergency even when our forces are responding to the unanticipated events that we all know will take place in the world from time to time.

I hope this is not viewed as precedent. As my friend, the chairman of the committee, the Senator from South Carolina, said: If this is a precedent, we are going to have some serious problems.

I know the Department of Defense worked with the Senator from Alaska and the Senator from Hawaii in identifying offsets. I know they are still concerned about certain programs, such as the program Senator BINGAMAN is discussing, the technology reinvestment program, which is one of the programs that is being severely impacted by this supplemental.

Also, environmental cleanup is being impacted severely under this bill. And that environmental cleanup is not only something that has to be done in base closures, but we have solemn commitments to Governors in a number of States that we are going to carry that out. And as we cut back on these environmental impact funds in the Department of Defense, make no mistake about it, there are going to be lawsuits involved, litigation involved, contractual obligations that are going to have to be breached. I do not say that all of that is going to flow from this bill. But it is going to flow if we continue to have to take these kinds of actions.

So I understand the Senator from Alaska has worked very hard on this, as has the Senator from Hawaii, who has put up a warning light about the direction that this bill takes us in. I hope that not only the Appropriations Committee—because they are carrying out, I have no doubt, the will of the majority here—but I hope the majority itself will think about the implications for defense. Because one of the things in the Contract With America, and in other commitments made by those on both sides in running for office, was a strong national defense and protecting readiness. The problem is, Madam President, readiness is being defined as just the next year or two, when readiness has to be defined over the next 5 to 10 years. And readiness, by that definition, includes research and development and includes procurement. And

without the kind of long-term commitment to research and development and to procurement, we simply will not have modern and ready forces 5 years from now or 10 years from now.

So I rise in support of the amendment offered by my colleague from New Mexico. I support the TRP Program as one of those crucial programs for future military readiness for several reasons. First, it is our bridge to the future for the technology needs of the Department of Defense. We all know how difficult it has become to fund the technology programs we know we will need for the forces that will be in the field 10 years from now and 15 years from now. We are having to depend more and more on research conducted by the civil sector of our economy.

For a long time the research and development flowed from defense to the civil sector. That is still true in some cases, but increasingly a larger and larger percent of our crucial defense technology is flowing from the civilian commercial sector to the Department of Defense. The Defense Department can no longer afford to be the leading edge of every technology. TRP gives us access to those dual-use research projects that will benefit both the defense and the commercial sectors.

Second, because the research is dual-use, it is cost shared. Industry is paying the bulk of the cost in most of the TRP projects. This means that for every dollar we put in the TRP program we get from $2 to $10 of research that helps our defense efforts from the private sector. So this is leveraged money. We get a lot more back from the private sector than the Federal dollars we put in.

Third, the TRP program is competitive. It is not in any way pork. It is based on merit and on competitive selection. The research goes to those institutions that propose the most important research projects and who propose the best cost-sharing arrangements. This is how we assure ourselves that the work is important. Industry would not put their money or time on the line if they did not think the research would pay off for them and for the Nation.

So I urge my colleagues to support the Bingaman amendment, which does not, as I understand it, shift funds but which expresses the strong sentiment of the Senate on these programs.

I urge my colleagues on the Appropriations Committee, Senator STEVENS and Senator INOUYE, to do the best they can in conference to hold the Senate mark and not to cut below the Senate mark, which is already going to take this program to a point of some jeopardy.

So I thank the Senator for his leadership. This has been a subject that he has led in the Senate Armed Services Committee and in the Senate and in the Congress. In my view, the Senator from New Mexico has done a great deal of meritorious work for our long-range national security by taking the lead on this program. So I thank him for his leadership, and I thank him for yielding.

Mr. BINGAMAN. Mr. President, I want to thank Senator NUNN of Georgia, the ranking Democrat on the Armed Services Committee, who was the chairman of the committee at the time that we began these programs several years ago while President Bush was in the White House.

Let me just go through a few statements to indicate the broad range of support for the general principle that I am talking about here.

First, let me cite from the report of the task force that former Senator Rudman chaired, a Senate Republican Task Force on Adjusting the Defense Base. The report was published in June 1992. It was a report which was well received. Senator PRYOR championed and chaired a similar group on the Democratic side. Let me just cite a few sentences from the report of the Rudman committee.

> The task force believes that increased funds should be devoted to the development of so-called dual-use technologies—that is, technologies that have application both for defense and commercial markets—by entering into partnerships with the private sector. Dual-use technologies will be increasingly important to ensure efficient use of defense procurement resources, and advances in this area will have the added benefit of strengthening the U.S. commercial sector. In order for these projects to be effective, there should be a requirement that half of the funding be provided by non-federal participants.

I also want to cite a statement issued by the White House in September 1992. This was, of course, while President Bush was in the White House. This was, I believe, a statement that that administration and that President felt strongly that these were worthwhile activities. On the 15th of September the statement was issued by the President's Press Office.

> The President today transmitted to the Congress budget amendments for the Department of Defense that would reallocate $250 million of the Department's fiscal year 1993 request to defense advanced technology programs. The reallocated funds would be used in the areas of communications, high performance computers, small satellites, sensors to identify environmental contamination and manufacturing technology. These areas are essential to national security, and also have dual-use civilian applications. The funds for these advanced technology programs would be reallocated from lower priority defense programs.

Madam President, the views that were expressed in 1992, both by the group of Senators who participated in the Rudman task force and by the White House under President Bush, were echoed very recently in a hearing we had before the Armed Services Committee where I asked, first, General Shalikashvili, Chairman of the Joint Chiefs of Staff, what his view was on the value of these types of programs and where they fit in the priorities of the administration today.

He said, and let me quote his response to my question.

> Senator BINGAMAN, I am first of all extraordinarily enthused about the possibilities that exist out there for us to take a major step forward and a major step forward in comparison to all of our potential adversaries in this area that you described, dominant battlefield awareness. Through our advances in microelectronics, satellite technology and what not, we have the ability to see and be aware of what is going on on the battlefield to a degree that will literally, I believe, revolutionize warfare. So this is not just making sure that we have the next best tank or the next best destroyer. This is an effort to really take a major step forward.
>
> Now, much of the technology for that, we believe, probably already exists out there in the commercial world, and certainly those companies like AT&T, and others that are working on projects, where these same pieces are necessary commercially, that we need to be aware of it, capture it, integrate it into the work that we do so that we not only capture the very best that is out there, but do not spend taxpayers' money trying to reinvent the wheel in our own laboratories.

Let me cite one other authority in this field, Madam President. This comes from sometime further back in our history. The year is 1946. We have a memo from the Chief of Staff of the Department of the War. He says in that memo. This is, of course, following the Second World War.

> The Armed Forces could not have won the war alone. Scientists and businessmen contributed techniques and weapons which enabled us to outwit and overwhelm the enemy. Their understanding of the army's needs made possible the highest degree of cooperation. This pattern of integration must be translated into a peacetime counterpart which will not merely familiarize the Army with the progress made in science and industry but draw into our planning for national security all the civilian resources which can contribute to the defense of the country.

That is a statement, of course, from General Eisenhower shortly after the Second World War. So the concept that we are arguing for here—integration of our military and commercial technology bases—the importance of this principle, I think has been recognized for a long time.

The superpower, in a defense sense, the superpower in the 21st century will be that nation that best leverages its national technology and industrial base to achieve critical defense goals. Dominant battlefield awareness is one of those recognized goals of our Defense Department today, and clearly emphasis on these dual-use technologies is important for us to achieve that dominant battlefield awareness. That is the view of General Shalikashvili.

DOD-industry partnerships have been successful. Our $700 million investment in SEMATECH over the past 8 years, which has been matched by industry, has been an enormously more productive investment than some of our earlier investments in defense-specific semiconductor research.

Secretary Perry also has come out very strongly in support of this. Let

me just cite a quotation from him before I conclude, Madam President, because he spoke well the other day about the importance of these programs. I asked him where these stood in his list of priorities, and he said, and I quote:

I consider it [the Technology Reinvestment Project] one of our highest priority programs. I hope I have the opportunity with the Congress to defend—to vigorously defend—the importance of this program. I think some of the moves to rescind it and criticize it are made from some confusion as to what the program is. It is being confused with some of the technology earmark programs which have been added by Congress in past years. I would remind all of this committee—

That was the Armed Services Committee.

that all TRP programs are competitive. Indeed, they are highly competitive. There are many—indeed, sometimes dozens of—companies submitting proposals on them. So we get the best out of many different proposals. And secondly, all of them are funded 50 percent by industry; at least 50 percent by industry. So they are very highly leveraged. We get quite a good benefit from this. We depend in the future on being able to integrate our defense technology base into the national technology base and this TRP program is an absolute key to doing that, and any individual TRP program is a good deal in and of itself.

Madam President, that sums up the case. I think the procedural situation we find ourselves in has been alluded to before. Let me just reiterate it. We have a proposal from the House of Representatives which would rescind the $502 million in the TRP; the entire amount.

The appropriators here on the Senate side have concluded that they have to, because of the other pressing needs of the Defense Department, rescind $200 million. Quite frankly, that is a very, very major cut in this program which I think will undoubtedly do damage to the program. But I am willing to defer to their judgment. I am willing to do as all of us will have to do in the coming months; that is, tighten our belts to deal with our budgetary problems. I am willing to take their commitment that they will go to conference and fight as best they can to maintain the Senate position and keep this program alive and healthy.

This is a very high priority for our Department of Defense. I believe it is a high bipartisan priority for many here in the Congress.

Madam President, before I conclude and sit down, let me just indicate, as cosponsors on the amendment that I have sent to the desk, I want to list Senators NUNN, LIEBERMAN, ROCKEFELLER, and BOB KERREY from Nebraska.

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

Mr. BINGAMAN. Madam President, I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Madam President, I wish to commend my distinguished colleague from New Mexico for his extraordinary leadership in guiding the TRP policy and program throughout all of these years.

I wish to, at this time, provide to my friend from New Mexico my personal assurance that everything possible will be done to maintain the Senate position on this matter. Thank you very much.

Mr. MCCAIN. Madam President, I do not intend to oppose what the managers seek. This is a voice vote on this amendment, primarily because it is a sense-of-the-Senate amendment.

I will have a lot of remarks to make about the TRP program and about where it should be in the priority list of the needs of the American defense establishment. My amendment that will be forthcoming will address the TRP. I will save my remarks for that eventuality, which I hope will take place as soon as this amendment is disposed of.

Let me just say that there are a lot of nice-to-have things that we should use our defense funds for. There are a lot of very necessary and vital things and missions and purposes that are not being fulfilled now. I do not rank TRP as one of those that is vital. I view it as one that is nice to have.

I have very serious question about the criteria that are used and, indeed, many of the funding of specific projects, which I will name when I get into my amendment.

With that, I yield the floor.

The PRESIDING OFFICER. Is there any further debate on the amendment?

Mr. STEVENS. Madam President, I want to set the stage for consideration of this amendment. The House proposed rescission of $502 million in what is known as this Technology Reinvestment Program [TRP]. TRP will be in conference, in other words.

Our committee responded to the Department of Defense's appeals to the Senate to support the TRP program. To date, the Department has received 3,000 proposals for TRP, and selected only 251 for funding. It is an extremely competitive process which has produced about an 8.5-percent success rate. That is unfortunate.

The Senate recommendation allows the Advanced Research Projects Agency [ARPA], the agency of the Defense Department that has jurisdiction over this program, to continue the ongoing TRP projects. We have provided enough funds to begin new projects and to continue, as I said, the ongoing projects. The new projects will focus on areas selected by the military services themselves.

This is a mandate promoted by our committee and approved by Congress. The Senate's proposed rescission will reinforce Congress' requirement that we mean to assure that defense needs are the dominant element in each TRP project and will eliminate funds for projects that do not have defense relevance.

Indeed, the Congress took specific legislative steps to ensure this greater service role in the TRP effort.

First, Congress mandated that the Assistant Secretaries for Research, Development, and Acquisition for each of the military services be made full members of the council which approves all TRP projects.

Second, the Congress directed that $75 million in fiscal year 1995 TRP funds were to be available only for projects selected in areas of interest designated exclusively by the military service acquisition executives.

Every TRP project includes at least 50 percent cost share from the teams performing the work. Thus, the Pentagon is able to get twice as much or more for each Federal dollar invested in these programs.

While a lower level of investment in TRP is in order as we search for funds necessary to restore the readiness, as I mentioned before, we do not believe we should terminate this program.

I also think it is noteworthy, Madam President, that the sense-of-the-Senate resolution here mentioned Sematech. Sematech is a consortium of major U.S. chip manufacturing firms. Sematech has achieved a number of things. However, the consortium has received substantial Federal funding for 3 years more than was originally planned.

Sematech demonstrates that we must set firm, clear objectives for these projects and limit the efforts to a definite, finite duration. These efforts cannot become entitlements which annually drain the DOD's limited budget dollars.

I do not want to leave the impression that these projects have not been successful. I have a list here of the projects which we feel do contribute to Department of Defense needs.

Mr. President, I ask unanimous consent that that list be printed in the RECORD at this point.

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

A LIST OF TRP PROJECTS WHICH CONTRIBUTE TO DOD NEEDS

Affordable Composites for Propulsion (Value—$25.0 million, Prime—Pratt & Whitney, West Palm Beach, Florida).

Precision Laser Machine (Value—$33.8 million, Prime—TRW, Redondo Beach, California).

Uncooled Low Cost Infrared (IR) Sensors Technology Reinvestment Alliance (ULTRA) (Value—$9.2 million, Prime—Inframetrics Inc., North Billerica, Massachusetts).

Trauma Care Information Management System (Value—$15.1 million, Prime—Rockwell International Corporation, Richardson, Texas).

Digital X-Ray system for Trauma and Battlefield Applications (Value—$6.1 million; Prime—General Electric Corporate Research & Development, Schenectady, New York).

Next Generation High Resolution & Color Thin Film Electroluminescence (TFEL) Displays (Value—$29.2 million, Prime—Planar Systems, Inc., Beaverton, Oregon).

Developing Speech Recognition for Future DSP's in Hand Held Computers (Value—$3.0 million; Prime—Dragon Systems, Inc., Newton, Massachusetts).

Development of Monolithic Motion-Detecting Components Made with MEMS Technology (Value—$7.6 million; Prime—Analog Devices, Inc., Wilmington, Massachusetts).

Wearable Computer Systems with Transparent, Headmounted Displays for Manufacturing, Maintenance, and Training Applications (Value—$5.1 million; Prime—Boeing Computer Services, Bellevue, Washington).

Object Technology for Rapid Software Development and Delivery (Value—$24.5 million; Prime—Anderson Consulting, Chicago, Illinois).

Portable Shipbuilding Robotics (Value—$12.5 million; Prime—CYBO Robots, Inc., Indianapolis, Indiana).

Mr. LAUTENBERG. Madam President, I rise today in support of the amendment offered by my colleague from New Mexico. I would also like to commend my colleague for his strong leadership on this issue.

At a time when we must be very prudent in allocating our resources, dual use defense programs, like TRP and Sematech can prove to be a good investment. These programs enable the Department of Defense to competitively leverage Federal dollars with private sector matching funds to better meet our defense—and domestic—needs.

If we are serious about balancing the budget and getting our fiscal house in order, then we are going to need to find additional savings in all areas of the Federal budget, including the defense budget. As the defense budget declines, it will become cost prohibitive for the Department of Defense to sustain a separate defense industrial base, which in many cases might very well be duplicative. Programs like TRP and Sematech capitalize on presently available new commercial technologies to meet military needs. In an era of limited resources, these programs enable us to make better use of the funds that are available.

The TRP has come under some scrutiny for ineffective management of late. And I would agree that, like most every other program in the Federal Government, TRP could be managed more efficiently. But that is not a reason to cut funding for what is on the whole a good program.

Dual-use programs, like TRP and Sematech, allow the Department of Defense to maximize its research and development dollars. For its part, the Department of Defense gets technologies which are critical to our Nation's military needs. While the companies, on the other hand, get technology which will enable them to compete more effectively in the global marketplace.

Mr. STEVENS. Madam President, if there is no further comment, I ask for a voice vote.

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

So the amendment (No. 321) was agreed to.

Mr. BINGAMAN. Madam President, I ask unanimous consent that Senator KENNEDY be added as a cosponsor of the previous amendment.

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

Mr. STEVENS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

PRIVILEGES OF THE FLOOR

Mr. STEVENS. Madam President, I ask unanimous consent that Mr. Joseph Fengler and Mr. Sujata Millick be permitted privileges of the floor during consideration of this bill.

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

AMENDMENT NO. 322

Mr. MCCAIN. Madam President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], proposes an amendment numbered 322.

Mr. MCCAIN. Madam 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 21, line 9, strike out ''$300,000,000'' and insert in lieu thereof ''$150,000,000''.

On page 22, line 15, strike out ''$351,000,000'' and insert in lieu thereof ''$653,000,000''.

Mr. MCCAIN. Madam President, this amendment would restore half, $150 million, of the committee-recommended cut in defense environmental restoration account, and the amendment would offset this spending with recision of an additional $302 million in the Technology Reinvestment Program known as TRP.

The net effect of the amendment is to reduce defense budget authority by $152 million and outlays by $110 million in fiscal year 1995, which could be credited to deficit reduction.

Madam President, first of all, in the past several years, as we all know, the Department of Defense has experienced significant increases in the cost of environmental cleanup, as have most public and private industries. All we have to do is look at the Superfund and know of the enormous challenges that face this country in the area of environmental cleanup.

Because of these costs, I think the reduction of $300 million in defense environmental restoration is too severe a reduction. In addition, my colleagues should be aware that the account which is being cut will be the source of funding to clean up at bases recommended for closure in the 1995 round, at least until the 1996 appropriation of BRAC cleanup is approved. Cutting this account could therefore have an effect on the cleanup of bases that are being closed.

Finally, Madam President, State and local governments have the ability under the law to enforce stricter standards for cleanup than Federal law requires. State and local governments also have the ability to levy fines and penalties against the Department of Defense if it fails to comply with these standards. If too much is cut from this account, then the Department of Defense may find itself using environmental restoration funds to pay fines and litigate court cases arising from noncompliance with State and local laws. That does not seem to be an efficient use of these limited dollars.

Madam President, the fact is that when we close a base or even if we have an open base and there is an environmental problem on those bases, I think our obligation is clear. Our obligation is clear that we clean up that base. Clearly, it is a very expensive proposition. And there is no doubt that if we cut these funds, somewhere there will be military installations that are environmentally unsafe.

I do not see how we get around that obligation. I do not see how we can just cut money for environmental cleanup and ignore the very severe situations that exist today. There is a base in my own home State. It will be many years before the environmental cleanup is completed. The estimate of the cost of that cleanup, by the way, has increased by a factor of 10 since the base was recommended to be closed just 3 years ago.

So, I do not really understand how we rationalize a reduction in environmental cleanup funds. I do not think my record indicates that I am some kind of a wild-eyed environmentalist, to say the least. But I do not see how we cannot fulfill the obligation that we have to the taxpayers of America, and that is to clean up defense installations which reside in their States and their communities that are in need of environmental cleanup.

Let me talk a little bit about the TRP, which is obviously a very attractive program to many. It is the Technology Reinvestment Program. First of all, the selection criteria which I quote from the ARPA program information package for the Technology Reinvestment Program for the 1995 competition states that the criteria should be for technology development competition only incorporating all statutory selection criteria for the three statutory programs under which the competition is being conducted. They should be defense relevant. Results of future commercialization of product or of the process are as follows: critical defense technology is preserved; a defense capability is more affordable; or—and I emphasize ''or''—a significant improvement in house safety or environment, especially in manufacturing, is accomplished.

Madam President, that ''or'' seems to be the operative clause here. Otherwise, I do not see how in the world we would approve of the San Francisco

Bay Area Rapid Transit Authority receiving $39 million for a 2-year effort to demonstrate a precision location system for trains in tunnels. I do not see how that is a critical defense technology being preserved or a defense capability being more affordable.

And, $6.9 million was awarded to a consortium of businesses and government entities based in the Southeastern United States to assist small businesses and in developing pollution prevention and environmentally safe industrial processes; $15.8 million was awarded to demonstrate the feasibility of establishing online linkage of medical data bases among medical centers in hospitals across the United States; $7.6 million was shelled out for a project designed to develop highly efficient power electronic building blocks to convert, control, and condition electricity to meet U.S. commercial electrical requirements.

Madam President, in my view, it would take a great leap of the imagination to view those as a critical defense technology being preserved or defense capability being more affordable. It probably meets a significant improvement in health safety or environment, or it could be construed as such.

The fact is that the TRP is probably a very nice thing to have. Last year, in the fiscal year 1995 National Defense Act, I sponsored legislation to require the GAO to independently assess the TRP awards in the context of the objectives specified in law.

Although the review is not yet complete, GAO's tentative findings show that TRP awards were generally not driven by the military criteria. In fact, GAO found that the panel members who reviewed proposals submitted to DOD for TRP awards were not even briefed on the legislative objectives of the program. Thus, a national security criteria was generally accorded lesser rank weight in the decisionmaking process. The final report of the GAO will be available in May.

We have already spent $1.4 billion for the TRP program in the past 3 years, in my view, with little to show for it in the way of militarily useful technologies. As a result, I think the action of the House Appropriations subcommittee recommended rescission of most of the 1995 funds for this program, in my view, should be the same.

Let me talk about priorities a second. This is $302 million that would be earmarked for this particular program, appropriated for this particular program.

Today on the front page of the Washington Post:

Fort Bragg, NC—After decades of neglect, U.S. military housing has so deteriorated that Pentagon leaders say it is discouraging soldiers from reenlisting and thereby handicapping the military's readiness.

Many barracks and family apartments, built soon after World War II, are cramped and suffer from peeling lead-based paint, hazardous asbestos, cracked foundations, corroded pipes or faulty heating and cooling systems.

More than half the family housing is rated inadequate, and Defense Secretary William J. Perry cites the poor condition of military housing as the number one complaint he hears from soldiers on visits to bases.

But at a time of shrinking budgets, Pentagon officials have come up with only some token extra millions of dollars to throw at a problem requiring billions—

I repeat—

requiring billions to fix.

Madam President, last year, the administration sent over a request that did not include the pay raise for the men and women in the military. There are hints we now have—the quaint phrase—''congressionally mandated pay raises.'' Congressionally mandated pay raises. That is interesting, because the fact is the pay raises for the men and women in the military to keep up with the cost-of-living should not be congressionally mandated. They should be requested by the administration, which I am happy to see that they are doing with this year's 1996 budget. But for 2 years, there was no request for pay raises for the military.

I do not know how we justify this kind of spending when we have inadequate housing, when we have men and women in the military who are spending incredible times away from home, when we are cutting back on flying hours, steaming hours and training hours, when any objective observer has agreed that we need to improve the readiness, and that readiness is beginning to suffer rather significantly, and yet we have already spent $1.4 billion, and are now spending an additional $150 million.

I also want to return for a minute to the issue of environmental cleanup. Unless a base is environmentally clean, or substantially so, a base cannot be turned over to the local authorities, or whoever is involved in the negotiations for the use of that base. We know what happens to the costs of environmental cleanup. And now for us to cut the funding for environmental cleanup, in my view, would be a very, very serious mistake.

I want to say that Sematech is a successful endeavor. Sematech, I believe, has been a wise investment of America's tax dollars, and I also think it is well to point out that 1996 will be the last year that Sematech requires Government appropriations, which is exactly the way it was designed and is exactly the way that these things should be accomplished.

But I suggest that in this era of very tough priorities—in testimony before the Senate Armed Services Committee this morning from the Secretary of the Navy and the Chief of Naval Operations also making clear that their priorities, if there was any additional money, would go to additional aircraft, additional ships, additional pay and benefits for the men and women in the military. Nowhere—nowhere—do I hear any member of the uniformed military even knows what TRP is much less believe that it is a national priority.

So, Madam President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, there is a great deal of what the Senator from Arizona said with which I agree, but I think that he has overlooked the task that we had. We had the task of finding almost $2 billion, and we are five-twelfths through the year in terms of the moneys with which we are dealing. As a practical matter, the largest account that is unspent is, in fact, that which is entitled ''environmental funding.''

It is a little bit more than $5.5 billion, and we are affecting by the recommendations we have made here less than 6 percent of the total funding for the environmental accounts. Other items that we are dealing with, particularly in terms of the TRP funds, represent a great deal more of the account.

Let me just say this: If I had a way now to put the money that is in either account into the military construction bill, I would do that. In the last year, at my request, we added—and that was one of those infamous congressional add-ons to the budget—$81 million for additional military housing. I wish we could get a greater interest in upgrading this housing, and I think that the story on the front page of the Post is very accurate.

But the problem really is that if we look at the environmental account, which we did in great detail, we are looking at a project where they still plan to spend $810 million in this fiscal year on studies of these environmental restoration sites. We have eliminated a substantial portion of those studies. That is what our cut does.

We have urged that the Department proceed now and not spend so much money studying these projects and instead do them. They are not that large and they mostly can be done without these enormous nationwide studies. They just seem to be enveloped in studies.

We will have reduced the budget request by $700 million through this rescission, and it is primarily aimed at that study account. If we look at this account, as I have said, DOD has spent almost 60 percent of all of the cleanup funds we have made available so far on studies. We think that at a time of emergencies such as this is, it is time to reallocate funds. Again, we are not increasing funds for either the TRP, that is the Technology Reinvestment Program, or the environmental restoration account. We are decreasing both. So we are talking about where to cut more.

If we look at the amount of money available, there is a great deal more money available in the environmental

restoration account, mainly because it is reserved for studies which can be conducted next year, if necessary. If they are necessary, we can appropriate money for them in 1996. But right now, there are other projects which are ongoing in the Technology Reinvestment Program. I already put the list in the RECORD.

There is an affordable composites for propulsion project in Florida.

There is a precision laser machine project in California, Redondo Beach.

There is an uncooled low-cost infrared sensor technology reinvestment program in Massachusetts.

There is a trauma care information management system in Richardson, TX.

There is a digital x-ray system for trauma and battlefield applications in Schenectady, NY.

There is a next generation high resolution thin film electroluminescent, what we call a TFEL display, again, with a military impact, in Beaverton, OR.

There is a speech recognition by digital signal processors for hand-held computers, again, defense impact in Newton, MA.

There is a monolithic motion detecting components technology with microelectrical mechanical systems, again it is in Massachusetts.

There is one in Bellevue, WA, wearable computer systems with a transparent head mounted display for, basically, computer services in aircraft.

They are all very high-tech and, as far as we can see, they ought to be continued. We have provided enough money so that we do not have to reduce any of the ongoing projects.

Unfortunately, the amendment of the Senator from Arizona will do that. It will reduce the funds that are available for ongoing projects. It will increase the reduction in the program of the technology reinvestment area, that I just mentioned, by $302 million.

It restores a portion of the money to the environmental restoration account, money that is really not needed this year. It is there. It is available. It has been appropriated. As a matter of fact, in recent years, there has been a substantial carryover in that account. I urge the Senate to take the recommendation of the committee. It was reached after substantial consultation with both the military services and the civilian people in the Department of Defense. It is a level which no one likes to see reached. The moneys are being reduced for both accounts. But I tell the Senate, if we are going to find $2 billion and do the least harm to ongoing projects that have already been approved, we should take from the money that is in this enormous account of almost $6 billion and take it from the area of the planned studies. No ongoing cleanup project should be harmed.

Incidentally, as I indicated in the beginning of my statement, the moneys for base closure environmental studies are already there. We have not touched them at all. The real emergency areas where we are having to do specific environmental projects, in the process of carrying out the base closure process, have not been at all affected by the recommendations that we have made from the committee.

I urge the Senate to realize that we had before us a rescission from the Technology Reinvestment Program from the House. This will be a conference issue. Both the House and the Senate proposed to reduce that fund but not by the same amount.

When we look at the ongoing projects under the Technology Reinvestment Program in which we have already invested some taxpayers' money, if we are going to use the money efficiently, we should provide enough to carry out those projects, and that is what we have done. That basically is all we have done.

So I do hope that we can keep the TRP funding at the level we have indicated. I do believe the House may insist on changing it somewhat. As a matter of fact, the House is probably going to insist on changing several of the items where we have made changes in their recommendations. But we made an extensive study of this, and I personally had several meetings with the Deputy Secretary of Defense, Dr. Deutch, because of his personal interest in the subject matter and in the concept of technology. We have kept the cut but not at the level suggested by the Senator from Arizona.

I urge the Senate to keep the recommendations of the Senate Appropriations Committee. They were reached after, as I said, substantial consultation with those involved in the projects.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I wish to speak briefly to support the statements the Senator from Alaska has made and the position the Appropriations Committee has come to the floor with in this area.

As I think the Senator from Arizona pointed out, his amendment would do two things, two very different things. It would, first of all, cut and eliminate the technology reinvestment project by rescinding all of the funds in that program, which I think would be a very misguided action by this Congress.

Second, it would restore some of those funds to the environmental cleanup activity. The Senator from Arizona pointed out that he himself has not been known as a wild-eyed environmentalist. I think that was the phrase he used. I certainly think there is some truth to that.

Earlier, after this last election, on December 5, 1994, he and Senator WARNER sent a letter to President Clinton urging that much of the funding be dropped in the defense budget and specific programs be eliminated, and in that list of programs he sent to the President he himself proposed that DOD and DOE defense environmental programs be reduced by $930 million in fiscal year 1995.

The proposal of the subcommittee is to reduce them by $400 million total, and I think that is a much more reasonable level of funding in those areas.

Let me also talk a moment about the TRP. I think the Senator from Alaska did a good job of pointing out that there are many useful defense-related programs going forward with TRP funding.

Let me just cite a couple of them. One of the programs is the multichip module program. The breakthrough in the 1960's was the microchip where many, many transistors could be put on one small piece of silicon to dramatically reduce the size, weight, and cost of electronics. The military was the first user of microelectronics and this was the technology that made the ICBM and all later advanced weapons possible. Of course, now the commercial demand for this technology dwarfs the military market. But that does not diminish its importance to the Defense Department.

The breakthrough of the 1990's is the multichip module technology where many, many chips are put on one common substrate to dramatically increase once again military system performance and lower their costs. TRP is meeting this challenge by cost sharing an effort with the consortium that brings together the emerging participants in this new industry in an effort to lower equipment manufacturing costs by making all needed technology advances simultaneously. Members include GM Hughes Electronics, IBM, Micromodule Systems, Motorola, nChip, Polycon, and Texas Instruments. Sandia National Laboratories will establish a test bed to support the effort.

Madam President, there are a couple of items that I received from the Department of Defense to make the point. This is a printed circuit board which shows the circuitry needed for an advanced weapons system and the multichip module which is being developed through TRP funding to replace it—this much smaller item. That is the kind of a breakthrough we are trying to finance and accomplish and bring about through use of this dual-use technology.

Let me cite one other example, and this is the TRP precision laser machining project.

Let me again show a very small, little item to my colleagues. This sample illustrates the initial results under this TRP project. Graphite composite material similar to that used in stealth aircraft has 1,600 laser-drilled holes which were accomplished in only 10 minutes.

The TRP will develop further this technology to be able to achieve a much faster hole drilling rate, up to 10,000 holes per second, without sacrificing the unprecedented hole quality already achieved and illustrated here.

At that point it will be feasible to process entire airframes in about 1 day, enabling laminar flow control by these holes in critical airflow surfaces. This performance-enhancing flow control is impractical to manufacture with current technology, and the laser hole drilling provides not only the speed but the quality required to make the process practical and cost effective.

The Department of Defense points out that the result will be substantial from their perspective of enhanced military aircraft component performance and improved fuel efficiency by more than 3 percent, saving about $400 million per year. This technology will also reduce life cycle costs by about $100,000 per engine by using these precise laser beams to drill holes with the highly increased precision and reproducibility shown in this sample.

Madam President, let me just conclude by pointing out again the statement by Secretary Perry before the Armed Services Committee, which my colleague from Arizona serves on with me, where, when asked about the TRP, he said, ''I hope I have the opportunity with the Congress to defend, to vigorously defend the importance of this program.''

Madam President, if we adopt the amendment by the Senator from Arizona we are not giving the Secretary of Defense that opportunity. There has been no hearing that can be cited by the Senator from Arizona here. He is proposing or suggesting that the Senate, in our ultimate wisdom, should substitute our judgment for that of the Secretary of Defense, for that of the Under Secretary of Defense, for that of the Chairman of the Joint Chiefs of Staff. In my view this would not be wise. We need to keep funding in the TRP, keep this a program that continues to go forward in these very important areas.

As the Senator from Alaska pointed out, the additional funding that is being transferred to environmental activities is just not needed this year.

Madam President, I hope very much this amendment will not be agreed to and that we can support the position of the Appropriations Committee.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, let me thank the Senator from New Mexico for reading the letters I sent to the President. I appreciate it. I will try to make sure that he is made aware of the correspondence I have between myself and the President and the Secretary of Defense. I point out to my friend from New Mexico, he did not get several of my correspondences, nor the gist nor intent of the recommendations I made.

First of all, I made the recommendations and I stated in the letter, ''reduce overemphasis on environmental cleanup and reduce funding to account for management savings, use of more effective technologies and less stringent standards.'' That is out of a $6 billion overall authorization, and is in keeping with the CBO recommendations.

For the edification of my friend and colleague from New Mexico, I wrote a letter on January 23 of this year where I stated:

As you know, I wrote to the President on December 5, 1994, asking that he defer the obligation of funding for certain defense programs, including the environmental accounts of the Departments of Defense and Energy. I would like to clarify my intent in including $930 million in DOD and DOE environmental accounts in the listing of programs characterized as lower priority funding.

First, let me assure you that I understand the importance of environmental cleanup and fully support the need to provide adequate funding to accomplish this daunting task. Therefore, I believe it is incumbent upon the Department of Defense to bear its fair share of the burden of remediating any problems resulting from the conduct of necessary military activities. However, I also feel strongly that costs such as research and education, as well as other costs not directly related to actual cleanup activities, should be borne equally by all entities, whether governmental or private, rather than one or two federal agencies.

It is in this context that I suggested that a portion of the DOD and DOE budgets for environmental programs be reviewed and reconsidered in the context of more fairly and appropriately allocating the fiscal burden of federal environmental programming across all government agencies.

So I want to assure my friend from New Mexico, to clear up any misconception as my intent in the letter I sent to the President on December 5 and January 23. I would be glad to provide him with a copy of those.

Madam President, I ask unanimous consent this letter be printed in the RECORD.

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

U.S. SENATE,
January 23, 1995.

Hon. WILLIAM PERRY,
Secretary of Defense,
The Pentagon, Washington, DC.

DEAR MR. SECRETARY: As you know, I wrote to the President on December 5, 1994, asking that he defer the obligation of funding for certain defense programs, including the environmental accounts of the Departments of Defense and Energy. I would like to clarify my intent in including $930 million in DOD and DOE environmental accounts in the listing of programs characterized as lower priority funding.

First, let me assure you that I understand the importance of environmental cleanup and fully support the need to provide adequate funding to accomplish this daunting task. Therefore, I believe it is incumbent upon the Department of Defense to bear its fair share of the burden of remediating any problems resulting from the conduct of necessary military activities. However, I also feel strongly that costs such as research and education, as well as other costs not directly related to actual cleanup activities, should be borne equally by all entities, whether governmental or private, rather than one or two federal agencies.

It is in this context that I suggested that a portion of the DOD and DOE budgets for environmental programs be reviewed and reconsidered in the context of more fairly and appropriately allocating the fiscal burden of federal environmental programming across all government agencies.

You and I are both aware of the growing scarcity of defense dollars to carry out our national security priorities. Therefore, we must work together now to ensure that we put the immediate needs of our common defense as our first priority.

As Chairman of the Readiness Subcommittee of the Armed Services Committee, which has jurisdiction over the environmental restoration program of the Department of Defense, I intend to look into these issues very closely during the FY 1996 budget review. I would like to request your assistance in identifying specific areas of the Department's environmental restoration accounts which you believe should be distributed outside of the Department. In this review, I would ask that you look closely at research and education funding, as well as the standards and remediation techniques to ensure that cleanup funding is being used efficiently and in the most cost-effective way to protect human health.

As always, I appreciate your assistance in this matter. I will be sending a copy of this letter to the Secretary of Energy.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

Mr. STEVENS. Madam President, in closing this debate, and I do not know whether it will or not, but let me just make my final remarks.

I want to emphasize to the Senate the difficult task we have had to find money to offset the funds necessary to restore the training, operation, and maintenance accounts for the Department of Defense. We have done that by taking funds from accounts, some of which we may replace in 1996. But we are taking them from accounts where we know they cannot be spent this year. There is no way the department is going to spend all of the remaining $800 million that is available for studies in this environmental restoration account.

The account does not need more money now. There is no showing at all that it needs more money. As a matter of fact, in the Technology Reinvestment Program, all we have funded is the money for the ongoing projects that have already been approved and additional efforts that have defense relevance. That means we are going to continue those ongoing projects which were determined to have defense relevance for this year.

We are talking still about this year. We still have to review the TRP program for 1996 and we have to review the environmental restoration account for 1996, but I plead with the Senate to look at the problem we had to find money to offset the emergency request. We have taken the emergency off. We have taken the emergency off because we found, dollar for dollar, outlay for outlay. Both outlays and budget authority are reduced sufficiently to offset the moneys that are necessary to be restored in the operating accounts of the military services, plus there is some money for the Coast Guard.

Our task was to reduce spending accounts for the balance of 1995 and take

money where it would do the least harm to the department. I plead with the Senate to realize that, of the $5.5 billion appropriated for the Department of Defense environmental funding account, we have dealt with about $700 million in study money. There is still plenty of money there in the whole environmental account. It does not need the restoration moneys that are suggested by the Senator from Arizona.

The PRESIDING OFFICER. Is there any further debate?

Mr. LEVIN. Madam President, I will vote against the McCain amendment to cut funding from the technology reinvestment project. I find this an unpleasant task because I am strongly in favor of full funding for environmental cleanup and restoration at closed DOD bases. I am also a proponent of the technology reinvestment project.

The McCain amendment would cut twice the amount of funding from TRP than it would restore to DERA. That tells me that the purpose of this amendment is to kill the technology reinvestment project, which I believe is wrong. As the previous amendment offered by Senator BINGAMAN showed, it is the sense of the Senate that the TRP is important to our national security, and ought to be the norm for the way the Pentagon does business.

I believe that the TRP is a good example of a new way of doing business between the Federal Government and the private sector, one that is cooperative, cost-shared, competitive, and mutually beneficial.

Mr. ROBB. Madam President, I rise today in support of the amendment offered by Senator BINGAMAN and of U.S. dual-use technology efforts in general.

The U.S. military will be challenged repeatedly as a deterrent and fighting force in the decades to come. We face the potential of a resurgent Russia, a new economic power that decides to pursue military dominance in its region, or a rogue regime with a nuclear weapon at its disposal.

Although the United States will retain its preeminent position as the only military superpower for decades to come, our relative military advantage inevitably will wane. Identifying the next great military powers is obviously very difficult, but we can rest assured that not all will share U.S. values and interests. The question today is whether we will be able to respond rapidly and adequately to emerging threats.

Of particular concern are those nations that will attempt to couple rapid economic growth with tight political control. Fortunately for democracies, this marriage of tyranny and a free economy usually leads to divorce. But even a short-lived marriage of this sort is a reasonable prospect for several of today's nondemocratic nations. Widely available and rapidly advancing military technologies will allow these nations to arm relatively quickly and, conceivably, to leapfrog some U.S. military capabilities through innovative technologies.

It is this possibility for a rapid, technologically based emergence of a major threat that dictates we support our technology base as effectively as possible, and focus our energies on highly advanced, long-term technologies.

We cannot, of course, continue to pay for the enormous research and development base of the cold war. We must now turn to the commercial sector, which leads the Department of Defense in many key technologies, to help sustain U.S. technological leadership. Dual-use technology development efforts, like the Technology Reinvestment Program, represent one of the best conceivable approaches to meeting this long-term national security need. TRP is an especially effective program:

TRP is supporting a vast range of defense technology developments in areas such as low-cost night vision, high-density data storage, battlefield casualty treatment, and composite aircraft structures.

TRP awards are matched by the program participants, effectively leveraging taxpayer dollars.

TRP awards are competed and represent a much more efficient approach than saddling DOD research programs with earmarks that often duplicate or misdirect existing efforts.

Finally, TRP allows DOD to drive down costs by leveraging commercial large-scale production.

TRP is truly a cents-on-the-dollar program that will secure U.S. long-term security interests well into the next century. While I applaud and strongly support readiness today, let's not compromise our future—a future that will require much foresight and technological excellence to deter and, if necessary, defeat advanced military threats.

Madam President, I yield the floor.

Mr. LIEBERMAN. Madam President, I rise in opposition to the proposed amendment. First, let me say that I am concerned that among our early acts in this 104th Congress we are about to cut $1.9 billion dollars out of our defense budget. Among the cuts proposed, are cuts to our critical technology development programs. Since technological superiority will win the battles of tommorow, we are stealing funds that will determine the readiness of future generations, to pay for defense emergencies today. I believe these actions are a clear and present danger to our defense capability. In our zeal to increase defense readiness and fund operations while we control spending, control Government proliferation, control the deficit we may be laying the groundwork for inevitable future inferiority in critical defense technologies. This amendment only increases the damage that is being done to this critical technology development effort.

Military readiness is at the forefront of the defense agenda for both the administration and many of my colleagues here in Congress. I share their concern that our military must be fully prepared to insure national security. This is not an option, this is our responsibility. At the same time, some of my colleagues are proposing and voting for cuts in defense technology development programs that are critical to the defense readiness of tomorrow.

ARPA AND DUAL USE

Our current technological superiority has not evolved overnight. DOD's secretive Advanced Research Projects Agency (ARPA), the preeminent technology development entity in the world, has been successfully researching and evolving new technology for military applications, in close alliance with the services, for the 37 years since President Eisenhower set it up. In retrospect, it was a truly visionary Presidential accomplishment.

What has ARPA done? Most of its efforts are classified, and it has purposely never recorded its history. Let's just look at a list of technologies that we can talk about that ARPA helped evolve: Supercomputing; desktop computers; the internet (formerly ARPAnet); stealth; the entire field of materials science and composites; GPS—the global positioning system run by atomic clocks; laser technology including laser machining; high resolution digital imaging; advanced acoustics; smart weapons; and even the ubiquitous computer mouse.

This is only a partial list, but this list alone has revolutionized not only the U.S. warfare machine, but U.S. civilian society.

THE TECHNOLOGY PROGRAMS AT ISSUE: TRP

The Technology Reinvestment Project [TRP] has been the first victim of the technology attack. It is designed to be a dual use effort in a program concept first developed by President Bush's Director of ARPA. TRP projects are cost-shared at least 50/50 with industry, competitively selected, industry-led and aimed at civilian and military needs.

What are ARPA's TRP teams working on?

Item: Head mounted displays. Infantrymen can't walk around with desktop computers. With light-weight, head-mounted displays they can retain full mobility but have a full computer display of the battlefield and real-time intelligence and targeting data before their eyes.

Item: Advanced information flow. Military command and control must process an exploding amount of intelligence data immediately to the battlefield for response. But limited communications capacity now clogs our ability to transmit, process, and act on that data. A TRP team is developing digital communications command and control equipment to burst massive new amounts of data through the interpretation and response pipeline at 10 gigabits per second, a 400 percent improvement over today's best equipment. This will be the building block

for a new integrated command and control network.

Item: Single chip motion detectors. By reducing motion detection to a single chip accelerometer which can withstand accelerations up to 30,000 times the force of gravity, weapons guidance and navigation systems can be made significantly lighter and more sensitive. This will be critical to the next generation of smart weapons.

Item: Uncooled infrared sensors. Desert Storm was launched as a night attack using infrared sensors as the basis for high speed attack operations. Our military needs to own the night and a new generation of cheaper, much more portable uncooled infrared sensors are a crucial enabling technology being developed by a TRP team.

Item: Autonomous all-weather aircraft landing. The efficiency of military aircraft is still limited by night and weather conditions. Operations at secondary fields are curtailed in these conditions if a full ground control system is absent, or if these facilities are disrupted or damaged at a primary site. Basing aircraft at a small number of primary bases, is not a good alternative, because our command of the air becomes more vulnerable. A TRP team is working on placing all-weather air traffic and landing control systems into every cockpit, making aircraft independent of ground control availability and weather conditions.

Item: Turboalternator. Army gas-guzzling battle vehicles require a vast and vulnerable logistics chain and limit battlefield operations. The next war may not be fought next to Saudi oil refineries. A TRP team is developing a turboalternator so main engines can be switched off, but all equipment and sensors can continue to operate, during silent watch modes. This multiplies fuel efficiency and also makes detection through infrared emissions and engine noise much more difficult.

Item: Composite bridging. Military operations continue to be controlled by terrain: every stream or ravine that must be crossed creates a potential strong point for enemy defenders and disrupts the mobility that gives U.S. forces much of their edge. Every time our engineer forces have to bring up cumbersome, heavy bridging equipment for a crossing, enemy defenders can rally and our mobility is disrupted. A TRP team is developing superlight, superstrong composites for superportable bridges to multiply the mobility of our battlefield forces.

Item: Precision laser manufacturing. Precision laser machining technology, by making aircraft parts microscopically precise, can make aircraft engines much more efficient. A TRP team, working with higher power density, more focused laser beams and variable pulse formats, aim to double the life of military aircraft engines and sharply improve fuel efficiency and therefore range. Other beneficiaries include shipbuilders, airframe makers, engine makers, and a wide rang of other manufacturing technologies.

These examples are the kinds of new technologies we need for future battlefield dominance. ARPA's TRP selection criteria emphasizes nine areas of established military need, from battlefield sensors, to mobility, to prompt casualty treatment, to command and control capability to advanced materials. TRP technology projects also must have civilian application to help cut military costs and link into emerging civilian technologies. TRP is a brand-new effort and many of its investments are high risk. There are no doubt fixes that will need to be applied to the program, and some of its military priorities may require clarification, as with any new program. But to decimate it without even holding a hearing about the cornucopia of technology advances it is spawning is rash, and dangerous to our military technology future.

Given some of the other program cuts now on the table, the assault on TRP appears to be the beginning of a larger assault on technology R&D, in general. Given the dangers of the future battlefield, this assault can only provide comfort to future enemies.

CONCLUSION

At a time when we need to renew our commitment to defense technology, with an eye toward the necessary control of defense spending, we are cutting back on the very programs poised to solve the problem. We must take advantage of civilian-led technologies. We must control defense spending. We must remain sufficiently superior to our competitors to deter any threats to our national security. We have no choice. If we don't capture the power of technological innovations, we can be sure that our opponents will.

This amendment restores $100 million of TRP money to insure that we will be the technological world leaders of tomorrow that we are today. I urge my colleagues to vote against the amendment.

Mr. KERRY. Madam President, I wish to go on record in opposition to the McCain amendment and express my strong support for the Department of Defense Technology Reinvestment Program [TRP] which provides essential public-private funding for dual-use research and development.

The collapse of the Soviet Union and the end of the cold war have not brought an end to the need for a strong United States military. We find ourselves facing challenges that are different but no less complex: the spread of nuclear weapons and major regional, ethnic and religious conflicts, to name a few. These new threats increase the need for fast, flexible, mobile forces equipped with the most advanced weapon systems. The Technology Reinvestment Program will allow our troops to defend themselves with the most current, technologically advanced equipment and enhance our ability to respond effectively to any threat our troops may face.

The Defense Department's TRP is an innovative program that maximizes the use of taxpayer funds to exploit promising technologies by working cooperatively with the private sector to ensure both our military and commercial sectors seize and exploit these cutting edge technologies. This cooperative endeavor enhances our national security and economic well-being and moves us toward a single, cutting-edge national technology and industrial base. The TRP program enables the Pentagon to exploit the rapid rate of innovation and market-driven efficiencies evident in the commercial industry to meet defense needs. By drawing on commercial technology and capabilities wherever possible—along with the superior systems design and integration skills of U.S. businesses—the military can do its job more effectively and at a far lower cost to the taxpayer.

While I agree with the objective of the McCain amendment to restore funding to the Defense Environmental Restoration Act accounts to provide for environmental cleanups on defense bases, I cannot support the transfer to DERA from the TRP program. The $150 million reduction in the DERA program, while regrettable, is a small portion of the overall DERA program. In addition, DERA is not the only program in the Defense budget that provides environment cleanup funding. On the other hand, the proposed cuts in the McCain amendment coupled with the TRP reductions already contained in the committee-reported Senate rescission bill, would virtually eliminate the TRP program.

As we all know, we won the cold war, in no small way because of our technological expertise. We won the cold war because there was a national commitment to win it. We dedicated the resources to the research and development and to the manufacturing that were required to win. We must continue in that tradition and I urge my colleagues to reject the McCain amendment.

Mr. KENNEDY. Madam President, I oppose this amendment. It seeks to achieve a laudable goal, mitigating the cuts imposed by the Supplemental Appropriations Act on the environmental cleanup of Department of Defense facilities. It would do so, however, by eliminating the Department's premier dual-use technology program, the technology reinvestment project. I support this vital program to maintain our military's technological edge into the next century. Therefore, I oppose the McCain amendment.

Through its environmental restoration effort, the Defense Department is fulfilling its obligation to the communities of America where military facilities have contaminated the land, water, or air. The President, the Secretary of Defense, and the leaders of the service branches have a solemn commitment to protecting our citizens

from environmental threats caused by Department activities.

Some have criticized the Department's environmental restoration program as being a nondefense activity, since the funding for the cleanup does not go directly into the modernization or maintenance of our forces, and is therefore beyond the scope of the Department's responsibility. Nothing could be further from the truth. Keeping its lands free of contamination is a clear obligation of any private or public entity, including the Department of Defense.

An example of the urgency of addressing this problem can be found in my home State of Massachusetts. Over the decades of the cold war, activities at Otis Air Force Base and Camp Edwards on Cape Cod have resulted in drastic contamination. Roughly 65 million gallons of ground water have been contaminated, threatening public water supplies and recreational ponds. Last year, the Department of Defense settled on a plan for cleaning up the contamination. This cleanup will take years to implement. Reductions in the environmental fund will delay these vital cleanup programs.

Under the leadership of Secretary of Defense Perry and Sherri Goodman, the Deputy Under Secretary for Environmental Security, the Clinton administration has laid out a plan for addressing the huge cleanup problem facing the Department. The $1.78 billion we voted in last year's budget is a downpayment on a cleanup program that will be implemented well into the next century.

Although this amendment would add funds for the clean-up, a goal I support, it would do so by taking funds from the technology reinvestment project. The TRP combines the best of national technology, national security planning, and acquisition reform. It seeks to ensure that the Nation's high-technology industries, as they readjust to the shrinking defense budget, will still carry out research and development to meet national defense needs.

Deputy Secretary of Defense John Deutch has said that the Defense Department can no longer afford the luxury of having its own private industry. The Department must devise ways to use the commercial sector to meet its future industrial needs. The TRP spearheads the effort to achieve that goal.

It uses less than 2 percent of the Defense Department's research and development budget to get high-technology American businesses to begin meeting our defense needs in an economical fashion. The TRP leverages Government money by providing up to half the cost of financing dual-use research and development projects.

These projects, carried out by consortia of private corporations, universities, and scientific laboratories, meet real defense needs. The categories of military need in which project funding is awarded include military mobility and deployment; battlefield sensors; command, control, communications, computers, and intelligence—so-called C^4I; and electronics design and manufacturing. As Secretary Perry has testified, there can be no doubt that the program is funding projects that fulfill direct defense requirements.

In some areas, such as command and control software, commercial technology is more advanced than the corresponding military technologies now in use. In these instances, the TRP seeks to apply existing commercial technologies to military applications. In other cases, such as battlefield sensors, military technologies are more advanced, but the Department seeks to take advantage of the lower cost production processes that commercial manufacturing the marketing may provide.

The House bill rescinds $500 million in fiscal year 1994 and fiscal year 1995 funds for the TRP. This amount would effectively eliminate the program. The committee's bill rescinds $200 million in fiscal year 1994 and fiscal year 1995 funding for the TRP, far superior to the House bill, but still a major cut to the program. By further cutting the TRP by $302 million, the McCain amendment would repeat the House action of eliminating the program.

I was pleased to be a cosponsor of the amendment offered earlier by Senator BINGAMAN, expressing the sense of the Senate in support of the TRP. That amendment was passed by a voice vote. To pass the McCain amendment now would wipe out our approval of that earlier amendment.

I support greater funding for the Defense Department's environmental restoration program. I urge the conferees on this legislation to achieve the highest level of funding possible for it. But we should not undermine the future of the Nation's defense industry to achieve this goal. I urge my colleagues to defeat this amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Arizona to the committee amendment on page 1, line 3. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of death in the family.

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

The result was announced—yeas 22, nays 77, as follows:

[Rollcall Vote No. 101 Leg.]

YEAS—22

Abraham	Gorton	Kyl
Bradley	Gramm	McCain
Brown	Grassley	Nickles
Campbell	Helms	Roth
Chafee	Hutchison	Snowe
Craig	Inhofe	Warner
Faircloth	Kassebaum	
Feingold	Kempthorne	

NAYS—77

Akaka	Feinstein	McConnell
Ashcroft	Ford	Mikulski
Baucus	Frist	Moseley-Braun
Bennett	Glenn	Moynihan
Biden	Graham	Murkowski
Bingaman	Grams	Murray
Bond	Gregg	Nunn
Boxer	Harkin	Packwood
Breaux	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Reid
Burns	Hollings	Robb
Byrd	Inouye	Rockefeller
Coats	Jeffords	Santorum
Cochran	Johnston	Sarbanes
Cohen	Kennedy	Shelby
Conrad	Kerrey	Simon
Coverdell	Kerry	Simpson
D'Amato	Kohl	Smith
Daschle	Lautenberg	Specter
DeWine	Leahy	Stevens
Dodd	Levin	Thomas
Dole	Lieberman	Thompson
Domenici	Lott	Thurmond
Dorgan	Lugar	Wellstone
Exon	Mack	

NOT VOTING—1

Pryor

So, the amendment (No. 322) was rejected.

Mr. STEVENS. Madam President, I move to reconsider the vote.

Mr. HATFIELD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

UNANIMOUS CONSENT AGREEMENT

Mr. HATFIELD. Madam President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc except for the committee amendments beginning on page 1, lines 3 through page 25, line 4; and page 31, lines 5 through 21. That the bill as amended be considered as original text for the purpose of further amendments and that no points of order be waived thereon by reason of this agreement.

Mr. BYRD. Madam President, this request has been cleared on this side.

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

The committee amendments were agreed to en bloc, except for the following:

On page 1, line 3 through page 25, line 4; and page 31, lines 5 through 21.

Mr. HATFIELD. Now, Madam President, I ask unanimous consent that the pending committee amendments be temporarily laid aside.

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

AMENDMENT NO. 323

Mr. HATFIELD. Madam President, I send an amendment to the desk on behalf of Senators MCCONNELL and LEAHY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] for Mr. MCCONNELL (for himself and Mr. LEAHY) proposes an amendment numbered 323.

Mr. HATFIELD. Madam President, I ask unanimous consent that further reading be dispensed.

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

The amendment (No. 323) is as follows:

On page 27, between lines 6 and 7, insert the following:

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–306, $70 million are rescinded.

In lieu of the Committee amendment on page 27, lines 21 through 25, insert the following:

DEVELOPMENT ASSISTANCE FUND

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $13,000,000 are rescinded.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $9,000,000 are rescinded.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $18,000,000 are rescinded, of which not less than $12,000,000 shall be derived from funds allocated for Russia.

Mr. LEAHY. Madam President, I want to speak briefly about the foreign operations part of this supplemental appropriations and rescissions bill.

First, let me say that I believe strongly that supplemental funds for the Department of Defense should be offset with defense rescissions. Domestic and foreign affairs funds should not be used to cover defense costs. I do understand, however, that these rescissions were made in anticipation of a difficult conference with the House.

The $172 million in foreign operations rescissions that were presented to the Appropriations Committee would have come entirely from sub-Saharan Africa. I was very concerned about the impact this would have on the world's neediest people, and discussed my concerns with Senator MCCONNELL. I want to thank him for working with me to modify the rescissions in a way that protects our bilateral aid programs in Africa.

I do support the $62 million rescission from the African Development Fund. Those funds were appropriated last year with the explicit caveat that the fund make significant management reforms. It has not done so. Perhaps this rescission will get their attention.

That leaves $110 million. All of it would have been taken from the Agency for International Development's programs in Africa. Those funds are used to support basic health and nutrition, AIDS prevention, child survival, basic education, agriculture research, and programs to promote free markets and free elections. These are programs that Republicans and Democrats strongly support, as do the American people, because they often make the difference between life and death for people facing starvation, political violence, or deadly diseases we can cure.

The rescission, as initially proposed, would have meant that our aid to Africa, which already amounts to only about $1 per person, would bear the total burden of these cuts. That I could not accept.

Senator MCCONNELL and I have worked together to modify the foreign operations rescissions to protect AID's programs in Africa. I appreciate his willingness to find a compromise.

Rather than take the money from the Development Fund for Africa, the amendment we have coauthored, which is also cosponsored by Senator LAUTENBERG, would rescind $70 million from the International Development Association; $13 million from the Development Assistance Fund; $18 million from the former Soviet Republics, of which at least $12 million must come from Russia; and $9 million from Eastern Europe.

Let me say that I wish we did not have to rescind any of this money. These are all programs I support, and I hope we can reduce some of these cuts in conference. I especially hope that we can find alternatives to cutting so much from IDA, since these are commitments made by the U.S. Government and this cut will only add to our arrears.

But faced with this difficult choice, I wanted to be sure that the cuts did not fall on the backs of the poorest people. That is the reason for this amendment.

Mr. MCCONNELL. Madam President, I am joined today by Senators LEAHY, LAUTENBERG, and JEFFORDS, in amending the foreign operations rescissions package. When the committee decided to move forward with rescissions I requested a listing of the unobligated balances in our international affairs accounts. I learned that the three largest accounts which have been slow to spend their resources are those committed to the Middle East, the New Independent States, and the Development Fund for Africa.

It is my view that contributing to the economic and political stability in the NIS is a vital interest of the United States in the post-cold-war world. Although many of the specific programs for the NIS have been plagued by difficulties, I am reluctant to send the signal that Congress is abandoning its commitment to the region. The House rescission which reflected a 10 percent cut to the region's unobligated balances might send just such a message.

The troop housing project is obviously troubled. We have held a number of hearings to review whether it is, in any way, meeting the defined objectives. We had expected the program to offer incentive to remove troops from the Baltics, build housing where there was an acute shortage, generate jobs in the construction sector, and expand private home ownership—I think there is consensus that it has failed on virtually all accounts. Nevertheless, I would prefer to see the funds for the project reprogrammed rather than cut out altogether.

As an alternative to the House provisions, Senator LEAHY and I are offering a modest reduction in the NIS account with a requirement that two-thirds of the resources are drawn from the Russia projects.

This was a direct and determined response to the situation in Chechnya. A few weeks ago when the administration decided to offer $20 million in relief to Chechnya, we learned that they planned to draw some of the funding from Armenia, Georgia, and other regional emergency accounts. I see no purpose in punishing those countries to compensate for Russian outrages in Chechnya. The requirement that two-thirds of the rescissions from the NIS account be drawn from Russian programs is intended to reinforce that message.

The second large account with unobligated balances had a direct affect on the Middle East peace process. Again, I think our interests dictated that we not take any action that could disrupt our commitment to stability and the peace process. Consequently, I was unwilling to draw down this account to support rescissions.

I relied on the third account, the Africa Development Fund for two reasons—the slow spending rate and the fact that the fund is complemented by an array of other accounts that contribute to Africa development. In addition to the DFA, we contribute to the Africa Development Foundation, the Africa Development Fund, the Africa Development Bank, and the International Development Association.

After discussions with my colleagues, I have agreed to shift the burden of rescissions from the bilateral Africa program where we have more confidence and opportunity to assure United States interests are addressed to the International Development Association which I view as less responsive to United States goals.

The rescissions Senator LEAHY and I are offering, continue our support for vital American interests while addressing our common concerns about reducing our deficit. With this Congress we have new responsibilities to reduce the deficit. I plan to make sure that our foreign aid program contributes to the process of downsizing the Government and our debt.

This rescissions proposal is the first step in a series of difficult choices which lie ahead. Foreign aid can and should serve U.S. national economic and political interests. When and where it fails to meet that test, I guarantee my colleagues that the funds will be rescinded, reprogrammed, or reduced.

Mr. LAUTENBERG. Madam President, I am pleased to cosponsor this amendment because it would ensure that the foreign aid spending reductions in this bill do not come entirely out of programs for Africa.

Under the bill reported by Senate Appropriations Committee, $172 million in assistance for Africa was cut. No other region of the world was affected. Senator LEAHY and I expressed concern about the reductions in assistance to Africa during the Senate Appropriations Committee consideration of this bill because we thought it was unwise to target all the cuts at one region. During the full committee markup, the chairman of the Foreign Operations Appropriations Subcommittee agreed to address our concern during full Senate consideration.

The amendment before the Senate today would do just that. It would spread the burden of the rescissions in the foreign aid program across more regions of the world. It would still rescind $62 million for the African Development Fund. But instead of rescinding $110 million for the Development Fund for Africa—which funds child survival, basic education, health, and environmental programs—the amendment would rescind $110 million from a multitude of programs. It would reduce funding for the soft loan window of the World Bank by $70 million. It would reduce funding for the former Soviet Union—mostly from Russia—by $18 million. It would reduce $13 million in development assistance. And it would reduce $9 million in aid to the countries of Eastern Europe.

While all cuts are painful, the reductions proposed in this amendment are a sound alternative to rescinding $172 million from one of the poorest, most vulnerable regions of the world. Through our foreign aid program, the United States currently spends approximately $1 per person in Africa, far less than we spend on other regions of the world. That is a small investment in the future of democracy and regional stability. It is small amount of assistance to support fast growing export markets. It is small amount to spend to reduce disease, end poverty and human misery, and help create opportunities for the people of Africa.

Madam President, it would be unwise to reduce aid only to Africa, and I am glad we have reached an agreement with the chairman of the Foreign Operations Appropriations Subcommittee to ensure that the 172 million rescissions in foreign aid spending do not target Africa exclusively. I urge my colleagues to support this amendment.

Mr. HATFIELD. Madam President, this amendment embodies an agreement between the chairman and the ranking minority member of the Foreign Operations Subcommittee regarding the recisions recommended in chapter 3 of title II. It has been cleared on both sides. I ask for its adoption.

The PRESIDING OFFICER. Is there further debate on this amendment? If not, the question is on agreeing to the amendment.

So the amendment (No. 323) was agreed to.

Mr. HATFIELD. Madam President, I move to reconsider the vote.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 324

Mr. HATFIELD. Madam President, I send an amendment to the desk on behalf of Senators GRAMM and HOLLINGS, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending committee amendments will be laid aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. GRAMM, (for himself and Mr. HOLLINGS) proposes an amendment numbered 324.

Mr. HATFIELD. Madam 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 25 of the Committee bill, strike line 14 through line 12 on page 26, and insert in lieu thereof the following:

DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $10,000,000 are rescinded.

DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

INDUSTRIAL TECHNOLOGY SERVICES

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317 for the Advanced Technology Program, $32,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $2,500,000 are rescinded.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

INFORMATION INFRASTRUCTURE GRANTS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $34,000,000 are rescinded.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $40,000,000 are rescinded.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for tree-planting grants pursuant to section 24 of the Small Business Act, as amended, $15,000,000 are rescinded.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $15,000,000 are rescinded.

DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

(RESCISSION)

Of unobligated balances available under this heading, $28,500,000 are rescinded.

Mr. HOLLINGS. Madam President, at last week's markup of the defense supplemental appropriations bill, H.R. 889, Subcommittee Chairman Senator GRAMM and I found ourselves both opposed to specific domestic rescissions that were included in the House-passed bill. Since that committee meeting, we have been working on a substitute amendment to the Commerce, Justice, and State chapter that we can both support, with the ground rules that we must propose a rescission in place of any rescission currently in the bill that is deleted.

Our amendment restores all but $10 million of the Immigration Emergency Fund appropriation and most of the appropriation in the Commerce Department's Advanced Technology Program. The House had proposed cutting $70 million from the Justice Fund and $107 million from the Commerce Department's ATP Program. All of the alternative offsets that this amendment proposes are from accounts within our subcommittee's jurisdiction, and we have retained the $177 million in deficit reduction proposed in both the House bill and the committee recommended bill.

This amendment, which I will describe, represents a bipartisan response to the reductions in Justice and technology programs proposed by the House.

IMMIGRATION EMERGENCY FUND

The amendment restores all but $10 million of the Department of Justice, Immigration and Naturalization Service's Immigration Emergency Fund to the level provided in last year's CJS appropriation bill.

This fund was established for possible immigration emergencies, and we provided a $75 million appropriation last summer to deal with the Cuban and Haitian immigration crisis. Use of the fund, which has current balances of $111 million, requires a Presidential declaration of an emergency and congressional notification. Given the current state of affairs along our Southern border, it is prudent that the account balances be maintained at a level of at least $100 million.

ADVANCED TECHNOLOGY PROGRAM

The amendment restores $75 million to the National Institute of Standards and Technology's Advanced Technology Program [ATP]. The committee amendment would retain a rescission of $32 million from this account, instead of the $107 million proposed in the committee reported bill.

The ATP is an important investment in American economic competitiveness. It supports American industry's own efforts to develop new cutting-edge, next-generation technologies—technologies that will create the new industries and jobs of the 21st century. The ATP does not fund the development of commercial products. Instead, it provides matching funds to both individual companies and joint ventures for pre-product research on these high-risk, potentially high-payoff technologies. These technologies include promising new ideas in manufacturing, advanced electronics, and new materials.

Why do we need the ATP? The answer is simple: to keep America competitive and create jobs. Long-term technology has become the key to future U.S. prosperity at precisely the time that global competition, downsizing, and shareholder pressures now force American companies to focus scarce research dollars on short-term projects. The Commerce Department estimates that these market pressures now push companies to spend up to 90 percent of their research funding on projects that will pay off in 1 to 5 years. As a result, U.S. companies, small and large, now have serious trouble funding long-term, next-generation technologies that will build new industries but will not pay for 10 to 15 years. Moreover, historically the U.S. Government has supported long-term research in only a few key sectors—an approach very different from our foreign competitors.

The ATP's sole aim is to develop new basic technologies that would not be pursued or pursued soon because of technical risks and other obstacles that discourage private-sector investment. The ATP does not support product development, and is modeled on similar Federal research programs which have long helped a few sectors such as agriculture, the aircraft industry, and the energy technology. The program particularly helps small technology companies. To date, the ATP has made 177 awards, involving 480 companies and research partners in 38 States.

The ATP is new, but already has begun to make a real difference. Diamond Semiconductor Group's story is not atypical. It had a new idea for reliably producing larger, more-cost effective semiconductor wafer—about the size of an LP record as opposed to today's small wafers. But the company did not have the resources to fully test out its idea. ''Winning the ATP award was absolutely critical to us,'' says President Manny Sieradzki. The ATP award helped the company provide the proof needed for varian associates, as major semiconductor equipment manufacturer, to provide development funding.

I want to mention three other points about the ATP. First, the ATP is part of a long American tradition of supporting industry efforts to develop new technologies. To date, most of those efforts have been in defense or a few key civilian areas. But those older U.S. investments have been substantial and effective. USDA helped create modern agriculture, the Government has supported aeronautical research since 1915, and the NIH helped create biotechnology. The ATP simply extends this proven model of long-term investments in technology to the rest of U.S. industry. And, while the ATP assists a wide range of American industries, it costs less than comparable programs which serve specific sectors. In fiscal year 1995, the ATP and NIST's manufacturing extension program cost a total of $522 million—compared with $1.675 billion at USDA for research and extension, $882 million at NASA for aeronautics, and $3.757 billion at the Department of Energy for civilian energy technology.

Second, this is not interfering with the marketplace or having the Government pick winners and losers. The ATP is without doubt the most market-driven technology program supported by the Government. Industry, not government, proposes both specific projects and key areas of technology to focus on. Industry, not Government, runs the projects and contributes the majority of the funds. As mentioned, the ATP supports only long-term pre-product research, never product development. And awards are made by peer-review panels of technical experts and retired business executives—not by the White House, not by the Secretary of Commerce, and not by Congress.

Third, the ATP has enjoyed strong bipartisan support. The Bush administration wrote the regulations for the ATP, and in his fiscal year 1993 budget President Bush requested substantial increases for the program. In addition, on June 25, 1992, Senate Republicans—through the Senate Republican Task Force on Adjusting the Defense Base Chaired by Senator Warren Rudman—endorsed both the ATP and the NIST Manufacturing Extension Program. This program has had strong bipartisan support in the past, and deserves strong bipartisan support now.

NOAA PROCUREMENT SAVINGS

The amendment proposes a rescission of $2.5 million of funds appropriated in fiscal year 1995 to the National Oceanic and Atmospheric Administration [NOAA] for modifications and procurement of aircraft radar. NOAA has procured and is installing the radar, but has informed the subcommittee that $2.5 million is excess to requirements. The agency recently proposed to reprogram these funds for administrative overhead. The subcommittee recommends applying these resources instead for deficit reduction and restoring the ATP program.

INFORMATION INFRASTRUCTURE GRANTS

The subcommittee recommends a rescission of $34 million for Department of Commerce, National Telecommunications and Information Administration, Information Infrastructure Grants. This program was created in fiscal year 1994, and the first grant awards recently were made. Funding for this program increased from $26 million in fiscal year 1994 to $64 million in fiscal year 1995. It has yet to be authorized, and we have continued to oppose rescissions from the Public Broadcasting Facilities Program in NTIA that the administration keeps proposing. Accounting for departmental transfers and reprogrammings, this rescission restores the program to its fiscal year 1994 level.

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The amendment would rescind $40 million for the Economic Development Administration [EDA]. This is $20 million more than the committee reported bill. I reluctantly agreed to this rescission. Following our fiscal year 1995 appropriation bill, the EDA proposed a reprogramming of $40 million from Defense economic adjustment/conversion and regular title IX programs to initiate a new Competitive Communities Program. As I understand it, this new program would provide grants to intermediaries to provide loans to industries locating or expanding in impacted communities. THe subcommittee was unable to reach agreement in order to approve the reprogramming request—and under our guidelines both the majority and minority must agree for a reprogramming to go forward. In light of that, we have agreed to use these resources in lieu of House rescissions.

SMALL BUSINESS ADMINISTRATION TREE-PLANTING

The amendment proposes to rescind $15 million from the Small Business Administration's [SBA] salaries and expenses account. This rescission is proposed in the President's budget.

This action would terminate the SBA tree planting program. This is a nice

program that provides grants to States and local governments to plant seedlings and small trees. But, it has little to do with the mission or purpose of the SBA, and we have never supported funding in a Senate appropriations bill. In fact, it has never been authorized by the Small Business Committees. It has been an annual House Appropriations Committee add-on-the budget.

LEGAL SERVICES CORPORATION

The amendment proposes to rescind $15 million of the $415 million appropriated in last year's CJS appropriations bill for the Legal Services Corporation [LSC]. This amendment would reduce the payment to the LSC to the level recommended by the Senate last year. We fought hard in conference last year to contain the growth of the Legal Services Corporation, which had grown each year due to pressure from the House. With the political see change in the House, I'm sure that they should be willing to return to the lower Senate-passed funding level.

STATE DEPARTMENT UNOBLIGATED BALANCES

The amendment proposes to rescind $28.5 million from unobligated balances in the Department of State's foreign buildings account. Again, it is with great reluctance that I recommend this rescission. This is an area in which the Senate-passed CJS appropriations bill exceeded the House last year, and we got them to come up to our level. Each year the Department of State's program changes due to delays, scope and priority changes, and contract savings. Normally, we would support retaining these balances to further the overseas construction program. But, in the current environment, these balances are being proposed for rescission to offset restoring House rescissions.

CONCLUSION

This is unpleasant business. I think everyone should realize that the House is driving this game. These rescissions are not going to offset Department of Defense readiness spending; instead, they will be used, at least for the time being, for deficit reduction. The ground rules, as laid out by chairman HATFIELD and the leadership, are that we must meet or exceed the amount of rescissions that the House has proposed. And, I should note that our House counterparts recently approved a second, much larger rescission bill.

Both chairman GRAMM and I agree that this amendment provides for a vastly improved package than what the House sent to the Senate. I urge adoption of the amendment.

Mr. HATFIELD. Madam President, this amendment embodies an agreement between the chairman and the ranking minority member of the Commerce, Justice Subcommittee regarding the rescissions recommended in chapter 1, title II.

It has been cleared by both sides. I recommend its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 324) was agreed to.

Mr. HATFIELD. Madam President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Madam 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. HELMS. Madam 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. 325

(Purpose: To provide that the Endangered Species Act of 1973 shall not apply with respect to Fort Bragg, NC)

Mr. HELMS. Madam President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself and Mr. FAIRCLOTH, proposes an amendment numbered 325.

The amendment is as follows:

At the end of title I, insert the following:

SEC. 1. FORT BRAGG, NORTH CAROLINA.

Notwithstanding any other law, for fiscal year 1995 and each fiscal year thereafter, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) shall not apply with respect to land under the jurisdiction of the Department of the Army at Fort Bragg, North Carolina.

Mr. HELMS. Madam President, may I inquire if my distinguished colleague from North Carolina, Mr. FAIRCLOTH, has been added as a cosponsor of this amendment?

The PRESIDING OFFICER. The Senator is.

Mr. HELMS. I thank the Chair.

Madam President, as we always say around this place, this amendment is simple and straightforward. I have never heard of an amendment being offered that was not simple and straightforward.

This amendment proposes to stop the Federal Government and its bureaucrats from, first, preventing the Department of the Army from carrying out its national security mission and, second, wasting taxpayer dollars in the process.

The amendment addresses a problem the Army is having at Fort Bragg, NC. The U.S. Fish and Wildlife Service has listed a red-cockaded woodpecker as a threatened and endangered species and has designated Fort Bragg as a major recovery area for the red-cockaded woodpecker.

The bureaucrats at the Fish and Wildlife Service have forced the Department of the Army to go to great length and great expense to set aside land, create tank trails, create nesting areas, and restrict construction—all to meet an arbitrary plan to protect woodpecker nests.

The Department of the Army has been required, first, to set aside 12,000 acres of land just to protect the woodpecker; second, to prepare a 44-page report that limits training activities of the Army; third, since fiscal year 1989, the Army has spent more than $5 million as a result of the efforts to protect the woodpecker; fourth, to halt eight construction projects at the base.

Madam President, it is my understanding that four species are being protected at Fort Bragg and another one is going to be added soon—a butterfly—to make that five species. There are 70 more State and Federal species in line to be added. If four species require almost 13,000 acres of protection, what is going to happen 5 or 10 years down the road when there will be 70 species? Will there be any land at Fort Bragg left on which to train our troops?

The last time I checked the function of the Army is to defend the national security interests of the United States and not birds in trees. To carry out its national security function, the Army must have the ability to train its troops in battlefield situations. But as any military expert will tell you, training exercises are impeded when planners must work around protected woodpecker nests. This is in fact the case at Fort Bragg.

Madam President, there is another point: The Army is currently attempting to purchase an 11,000 acre parcel of land—known as the Overhills tract. This purchase has aroused some controversy inasmuch as it will take a significant amount of valuable land off the tax rolls in Harnett County, NC.

Part of the reason the Army must acquire this parcel, is to protect the red cockcaded woodpecker. Let me quote from a letter I recently received from the Department of Army:

Purchasing this land would bring us much closer to attaining the number of active RCW (red cockaded woodpecker) colonies established by the U.S. Fish and Wildlife Service. Once the RCW population has been recovered, Fort Bragg will have much greater freedom in training and siting construction to support our mission.

The Army is being forced to buy more land, using taxpayers dollars, to protect woodpecker colonies.

Gen. Robert E. Lee wrote these words to his wife on December 25, 1862:

What a cruel thing is war: to separate and destroy families and friends, and mar the purest joys and happiness God has granted to us in this world; to fill our hearts with hatred instead of love for our neighbors, and to devastate the fair face of this beautiful world!

There will always be threats to our national security. The cold war may be over, but there still remain threats to our national security. We owe our soldiers the best possible training.

It is outrageous to sacrifice the training of our troops on the altar of environmentalism.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there any further debate on this amendment?

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Madam President, first of all, this is legislation on an appropriations bill, and I think that is improper to start with. But more than that, it is absolutely clear that in the Environment and Public Works Committee we are going to deal with the Endangered Species Act this year. That act is coming up for reauthorization and, indeed, it has not been reauthorized in several years, but we are going to reauthorize it. We are going to review it in connection with all the problems that have been cited so frequently.

I just think it is a mistake for us to be going at this piecemeal with every State which has a particular problem with the Endangered Species Act, to bring it forward in this piecemeal fashion. We are going to go at it in a very thoughtful way with hearings, with the administration testifying, with those Senators who wish to testify to come forward and, indeed, just today, we considered a measure by the Senator from Texas that would apply a 6-month moratorium on further listings under the Endangered Species Act. It deals solely with section 4, which is the listing section, and it does not deal with section 7, which is the conciliation section. That is quite proper.

In our committee, we had the Secretary of the Interior, Secretary Bruce Babbitt, testify. We had representatives from industry, and we had representatives from the affected areas and that is a very thoughtful way to proceed on this.

But I do deplore the procedure that is occurring tonight, which is to take a particular section and a particular area and say you cannot apply the Endangered Species Act to that.

Now, maybe there should not be colonies of woodpeckers provided for, but who knows what else might be encompassed under this procedure?

So, Madam President, I think it is very unfortunate that we are proceeding in this fashion, and I hope that the amendment will not be accepted.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from California.

Mrs. BOXER. Mr. President, I really hope in this particular case the Senate will follow the leadership of John CHAFEE, the chairman of the Environment and Public Works Committee. I think it is not the right way to go about amending the Endangered Species Act, to attack it on every type of bill that comes before us. It is not the right way to govern.

I wish to read what the amendment says:

> Notwithstanding any other law, for fiscal year 1995 and each fiscal year thereafter, the Endangered Species Act shall not apply with respect to land under the jurisdiction of the Department of the Army at Fort Bragg, NC.

Well, if everybody carved out their territory, we would not be doing much to preserve the species that we really have an obligation to preserve.

Today, in the hearing of the Environment and Public Works Committee, we spent about 4 hours debating the Endangered Species Act. Many people do not realize that the drug taxol, which is the hope for those with ovarian cancer and breast cancer, came from a plant called the yew tree. Many people do not realize that the hope of finding cures for all kinds of dreaded diseases lies with these plants, these exotic plants, sometimes very simple weeds.

There is a company which grew up in the Silicon Valley of California called Shaman Pharmaceutical. It is a very interesting story. A shaman in the old culture is actually a doctor, and Shaman Pharmaceutical was founded here in the United States of America by a very bright young woman, business woman who realized the value that lies in these plants in the South American rain forests, and they have come forward with at least three drugs from these exotic plants which hold tremendous promise to treat lung disease and very, very difficult diseases to cure.

So I would say we do not know what endangered species lie in this particular area of Fort Bragg. We do not know what particular plants are there, what species are there, if they hold hope for the future. But simply to attach this amendment to a bill that deals with paying for military operations is certainly the wrong way to go about it.

So I certainly do hope that our colleagues on both sides of the aisle will follow the leadership of Senator CHAFEE, the chairman of the Environment and Public Works Committee. Let us show our faith in his leadership of this committee. It is going to be difficult to reauthorize the Endangered Species Act. We know we have to make it better. But we also know that if we pick it apart piece by piece, area by area, it seems to me we are robbing this country of some very important, potentially lifesaving endangered species. A lot of people say, when you point out that a specie is in danger, what does that have to do with me, this little bird over here? They make fun of some of the endangered species.

Well, the fact is we have an ecological chain, and everyone supports saving the bald eagle. The Endangered Species Act saved the bald eagle. Everyone supported saving the California condor. And I will tell you, we lost in California the grizzly bear because we were not on top of preserving it. We lost that opportunity forever. It is gone. Our grandchildren will never know what a California grizzly bear really was. So this is not the way to go about the debate on the Endangered Species Act.

We had Secretary of the Interior Babbitt in front of the committee today. He clearly stated he has gotten the message. He is going to work with communities. He is talking about exempting private properties, small parcels, from the Act so that we do not overburden small property owners. I think we are making terrific progress.

The Senator from Rhode Island is working with the Senator from Texas, and I think the bill she now has is moving in the right direction. I personally do not support a moratorium on this because you might lose a species in the process, which I think is the wrong way to go. But we are working together in the committee, Democrats and Republicans alike.

So, again, I am very surprised to see this amendment. I had no idea it was coming to the floor. I am pleased I was here so I could participate in the debate. I hope we will at the proper time vote against this amendment. It simply does not make any sense to have an amendment such as this on a bill which deals with paying for military operations.

I thank the Chair. I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, as one of the managers of this measure, I find this amendment to be most unfortunate. We have not had the opportunity of listening to all of the facts. I have listened very carefully to the distinguished chairman of the committee, the Senator from Rhode Island, and I believe all of us should take his sage advice. The committee is about to take up the whole measure of endangered species. This is an appropriations bill, and to have legislation of this sort placed upon it would place the whole measure in jeopardy. I hope we would do something to resolve this matter.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. 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 other Senator from North Carolina is recognized.

Mr. FAIRCLOTH. Mr. President, I would like to speak on the amendment of my fellow Senator from North Carolina in regard to the red-cockaded woodpecker and the problem it has presented to Fort Bragg. The EPW has been completely out of reason in what we should be doing there, and they set

a quota of 300 colonies of red-cockaded woodpeckers that had to be established on the Fort Bragg military reservation. Some 25,000 acres have already been contributed to raising woodpeckers, and now we are talking about buying roughly 12,000 more acres at $15 million of taxpayers' money to meet the quota of 300 colonies of red-cockaded woodpeckers.

I think the amendment that Senator HELMS has proposed is a good one. But I also agree with Senator CHAFEE that we need to bring it up before the EPW Committee, of which Senator CHAFEE is chairman, and of which I am a member. I would like the opportunity to work with Senator CHAFEE in the EPW Committee, and I will personally commit to the Senator from North Carolina that it will be done expeditiously and we will bring it up and act on it in the EPW Committee if he would see fit to withdraw his amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank my colleagues from North Carolina and I want to say this to them. We have not had an opportunity to have a hearing on this. We will rapidly. I do not want to say tomorrow or the day after, but all I can say is we will get to it as rapidly as we can. We will listen to the testimony, we will have the folks from the Army up, we will have folks from the Fish and Wildlife—I presume they are the people who are dealing with this—and possibly the EPA people. We will do the best we can to resolve this.

Obviously, if we cannot resolve it I will so inform the Senators from North Carolina and they will have opportunities to bring this up again. But it will be our earnest attempt to get this thing settled in a fashion that recognizes the problems that have been set forth by both the distinguished Senators.

So that is my commitment to attend to it very soon. I hope they will give me a little time to get to this because we have to get witnesses and, again, I cannot say it is going to be tomorrow, I cannot say it is going to be next week. But I can just say we will get right to it.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, needless to say I thank the Senator from Rhode Island. His proposition is fair. Every piece of legislation ought to stand on its own merits. Even though I think this is a ridiculous situation extant at Fort Bragg, NC, it is the same kind of ridiculous situation that is confronting businessmen all over this country. I am glad the Senator is working on that proposition.

In view of what has been said here, Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

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

Mr. HELMS. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The Senator now has that right.

The amendment is withdrawn.

The amendment (No. 325) was withdrawn.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished senior Senator from North Carolina and the junior Senator. The junior Senator is a very esteemed member of our committee. I know he will pay close attention to this whole matter.

Second, I thank the senior Senator from Hawaii for his support in this matter. When he spoke, it got everybody's attention. Likewise, the distinguished Senator from California, who so ably spoke on this previously. Now it is up to us. We will get to it in the Environment and Public Works Committee.

Mr. HELMS. 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. HELMS. 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. 326

(Purpose: To strengthen international sanctions against the Castro government in Cuba, to develop a plan to support a transition government leading to a democratically elected government in Cuba, and for other purposes.)

Mr. HELMS. Mr. President, I send to the desk a printed amendment and I ask the sponsors be identified by the clerk in the preface to the bill. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] for himself, Mr. DOLE, Mr. MACK, Mr. COVERDELL, Mr. GRAHAM, Mr. D'AMATO, Mr. HATCH, Mr. GRAMM, Mr. THURMOND, Mr. FAIRCLOTH, Mr. GREGG, Mr. Inhofe, Mr. HOLLINGS, Ms. SNOWE, Mr. KYL, Mr. THOMAS, Mr. SMITH, Mr. LIEBERMAN, Mr. WARNER, Mr. NICKLES, and Mr. ROBB proposes an amendment numbered 326.

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

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

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

The PRESIDING OFFICER. The Chair notifies the Senator from North Carolina that there is a pending first-degree amendment at this time.

Mr. HELMS. I was not aware of that. I ask unanimous consent that it be temporarily laid aside so I can discuss my amendment.

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

Mr. HELMS. Mr. President, I was astonished to learn this morning that President Clinton's advisers have recommended that he ease up on the embargo against Fidel Castro's Communist Dictatorship in Cuba. If these advisers are parading under the flag of expertise, it's a false flag, and they are doing great harm to the President with such advice.

This is no time to be reducing U.S. pressure on Castro. It is precisely the wrong way to go. Backing off on Castro will help the Castro Communist dictatorship and do great harm to the Cuban people—who already have suffered too much for 36 years.

I have made it clear that, as chairman of the Senate Foreign Relations Committee, doing everything possible to bring freedom and democracy to Cuba is at the top of my priority list.

That is why I introduced the Cuban Liberty and Democratic Solidarity [Libertad] Act as my first piece of legislation as chairman of the Foreign Relations Committee.

Fidel Castro's brutal and cruel Communist dictatorship has persecuted the Cuban people for 36 years. He is the world's longest reigning tyrant.

Let me be clear: Whether Castro leaves Cuba in a vertical or horizontal position is up to him and the Cuban people. But he must—and will—leave Cuba.

I categorically reject suggestions to lift or soften the embargo. For 36 years, both Republican and Democratic Presidents have maintained a consistent, bipartisan policy of isolating Castor's dictatorship.

There must be no retreat in that policy today. If anything, with the collapse of the U.S.S.R. and the end of Soviet subsidies to Cuba, the embargo is finally having the effect on Castro that has been intended all along. Why should the United States let up the pressure how? It is time to tighten the screws—not loosen them. We have an obligation—to our principles and to the Cuban people—to elevate the pressure on Castro until the Cuban people are free.

The bipartisan Cuba policy has led the American people to stand together in support of restoring freedom to Cuba. As for my legislation, it incorporates and builds upon the significant work of the two distinguished Senators from Florida, CONNIE MACK and BOB GRAHAM, and of a number of our colleagues in the House of Representatives.

The message we should be sending to both Castro and those who want to do business with him are contained in the Cuban Liberty and Democratic Solidarity Act now at the desk. The message is: Isolate Castro until the Cuban people are free.

We can achieve this by strengthening international sanctions against the Castro regime by prohibiting sugar imports from countries that purchase sugar from Cuba and then sell that sugar to us; and instructing our representatives to the International Financial Institutions to vote against loans to Cuba and to require the United

States to withhold our contribution to those same institutions if they ignore our objections and aid the Castro regime.

We can accomplish this objective by urging the President to seek an international embargo against Cuba at the United Nations, and by prohibiting loans or other financing by a United States person to a foreign person or entity who purchases an American property confiscated by the Cuban regime.

My legislation reaffirms the 1992 Cuban Democracy Act, revitalizes our broadcasting programs to Cuba, and cuts off foreign aid to any independent state of the former Soviet Union that aids Castro, specifically if that aid goes for the operation of military and intelligence facilities in Cuba which threaten the United States.

This bill encourages free and fair elections in Cuba after Mr. Castro is gone and authorizes programs to promote free market and private enterprise in Cuba.

The bill also helps U.S. citizens and U.S. companies whose property was confiscated by the Castro regime by denying entry into the United States to anyone who confiscates or benefits from such property and by allowing a U.S. citizen with a confiscated property claim to go into a U.S. court to seek compensation from a person or entity which is being unjustly enriched by the use of that confiscated property.

Mr. President, the Cuban people are industrious and innovative. In countries where people are allowed to live and work in freedom, they have prospered. My hope and the hope of the cosponsors of this bill, is that this bill will hasten an end to the brutal Castro dictatorship and make Cuba free and prosperous once more.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I want to commend the distinguished Senator from North Carolina. I understand he has laid the amendment down and we will continue the debate tomorrow morning.

I think when the administration talks about easing sanctions on Cuba they have made a big, big mistake. They have misread the American people, not just in the State of Florida where many Cuban-Americans reside. They have misread the public opinion all across America.

I hope that we have a good discussion of this amendment tomorrow morning. I thank the Senator from North Carolina. I am a cosponsor of the amendment. I thank him for laying down the amendment this time.

I hope my colleagues will have an opportunity to study the amendment overnight and to also review the remarks of the Senator from North Carolina so that they might also participate in the debate.

We are back on the bill at 10:30 or 11 tomorrow. I am not certain. We have not made that determination yet.

I thank the Chair. I thank my colleague.

Mr. HELMS. I thank the distinguished majority leader.

Mr. President, parliamentary inquiry. This amendment is to an excepted committee amendment. Is that not correct?

The PRESIDING OFFICER. It is the understanding of the chair that the Senator from North Carolina has an amendment set aside to propose this to the bill itself. The Senator, however, has the right to change it.

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

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

MODIFICATION OF AMENDMENT NO. 326

Mr. HELMS. Mr. President, I ask unanimous consent that I may modify, at the bottom of page 1 of the amendment, so as to read, ''At the end of the first excepted committee amendment, add the following:''.

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

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

The PRESIDING OFFICER. The amendment is so modified.

The modification reads as follows:

At the end of the first excepted committee amendment, add the following:

Mr. HELMS. I thank the Chair.

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

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

MORNING BUSINESS

GUEST CHAPLAIN, REV. PAUL W. LAVIN

Mr. HATFIELD. Mr. President, last week, we had the distinct honor of sharing the floor with a credentialed and principled brother, guest Chaplain, Rev. Paul W. Lavin. I have been fortunate to have shared a friendship with Father Lavin that has enriched me in many ways. This friendship has developed, as Father Lavin has graciously opened his parish to me in the morning, so I can begin my day with prayer and worship. These times have been invaluable as I wrestle with the difficult and complex issues that we regularly face in the Senate.

Father Lavin visited us with many accomplishments and distinctions. Father Lavin did his undergraduate work at King's College and then later attended seminary at Seminary of Our Lady of Angels. After receiving his master degree from seminary, he was ordained a year later by Patrick Cardinal O'Boyle at St. Matthew's Cathedral in Washington, DC. This marked the beginning of his official religious ministry. He accepted his first pastorate, at Mount Calvary Parish where he ministered for 5 years. During his tenure, he established the ECHO retreat program for high school seniors and young adults in the Archdiocese of Washington. This program remains the primary youth retreat in the Archdiocese.

Father Lavin continued his commitment to young people in his next position as the director of Youth Retreats for the Catholic Youth Organization of the Archdiocese of Washington. Under his direction the Catholic Youth Organization created a retreat center in Silver Spring, MD which he administered until 1979. For the next 10 years, he served as the chaplain of American University. In his capacity, he established the Hannan Series, which brought those involved in significant public service together with American students to discuss how their faith has influenced their public lives. He then returned to the pastorate becoming the pastor of Mother Seton Parish which is a parish of 1,800 Catholic families in suburban Montgomery county. His present position as the pastor of St. Joseph's on Capitol Hill, is what has caused our paths to meet.

Father Lavin also is distinguished by many appointments which include: national chaplain of the Junior Catholic Daughters of America, member of board of directors of the Bishop McNamara High School, and president of Germantown HELP which is an ecumenical crisis helping organization.

I have been blessed by my relationship with Father Lavin. While I have no plans to forsake my Baptist commitments, I have always felt welcome at St. Joseph's. So much so, that when my daughter was engaged to a Catholic, I suggested that she hold her wedding at St. Joseph's, a suggestion that she eagerly complied with. Later my granddaughter was baptized at St. Joseph's.

It is encouraging when people can come together in fellowship made possible by their common bond in Christ. I have experienced this fellowship with Father Lavin, and I look forward to continued interaction with him in the future.

GUEST CHAPLAIN, REV. ERNEST R. GIBSON

Mr. DOMENICI. Mr. President, it is my distinct honor to reflect on the accomplishments of our guest Chaplain, Rev. Ernest R. Gibson. Reverend Gibson is a product of Howard University

where he studied sociology and religion. He has been putting his studies to work in his capacity as the pastor of the First Rising Mount Zion Baptist Church. He began pastoring this church in 1952, and he continues as head of this congregation today. Under his leadership, his church has grown from 65 members to its current attendance of 1,700 active members.

The history and development of Gibson's congregation serves as a tribute to his life accomplishments. Four years after Gibson started as pastor of First Rising Mount Zion Baptist Church, in 1956, they bought their first building in Northwest Washington, DC. Later in 1973, they oversaw the construction of the Gibson Plaza which was a 10-story, 217-unit apartment building for low and moderate income families. In 1985, they completed construction of their education building, and recently in 1990, they completed construction of a new church building.

Reverend Gibson's congregation serves as a positive force in its surrounding community working proactively to address the needs of those less fortunate. They offer many programs including, a college guarantee offering tuition assistance up to full tuition, an outpatient drug treatment facility, a weekly food distribution which reaches an average of 300 individuals, and a meal program for homeless families.

Reverend Gibson's commitment to his community extends greater than his responsibilities as the pastor of First Rising Mount Zion Baptist Church. He was also the chairman of glass recycling program in cooperation with the Glass Packaging Institute and Mid-Atlantic Glass Recycling Program. Under his leadership they saw a total of 10 different churches and agencies participate.

As well as being active in his surrounding community, Reverend Gibson was involved with other persons of faith, in his role as the executive director of the Council of Churches of Greater Washington. In this ecumenical work, the reverend urged churches to be more concerned about social issues, coordinated a voter registration drive which placed registrars in more than 30 churches, and directed the Interfaith Conference. He also was the co-chair of the Greater Washington Billy Graham Crusade in 1986, coordinating the efforts of local churches in their support of this endeavor.

I am proud to share the floor with Reverend Gibson because he is a man whose religious convictions make an impact on the treatment of others. He has clearly taken to heart Christ's recommendation to feed his sheep. Gibson's commitment to the service of others is undeniable and his faithful devotion to his congregation is obvious. We need more pastors like Gibson who are devoted not just to their congregation, but also to the surrounding community. His body of believers can act as an example to the church in America of what it means to serve the community.

TRIBUTE TO THE REVEREND NEAL JONES

Mr. COATS. Mr. President, I would like to use this opportunity to provide a statement of appreciation for Rev. Neal Jones, who has volunteered this week to open our Senate sessions with prayer.

Mr. President, Reverend Jones has faithfully served for the last 26 years as the pastor of Columbia Baptist Church in Falls Church, VA. During this time of esteemed service, Reverend Jones has displayed the personal, professional and spiritual characteristics that distinguish him for the important role of opening the Senate's day with prayer.

Reverend Jones has a heart devoted to God, as evidenced by his love of people and concern for others. Of special note relating to his duties in the Senate, Reverend Jones has a broad doctrinal understanding of various religious traditions, and, while firm in his convictions, he has maintained an attitude of grace toward differences of opinion.

Pastor Jones has a warm and winsome manner allowing him to pastor to all types of persons without regard to their status. He has a truly special gift for pastoral ministry and encouragement.

Mr. President, these personal, professional and spiritual traits are revealed through Reverend Jones' dedicated work in the community. Under the leadership of Pastor Jones, Columbia Baptist has grown into a dynamic church ministering to a changing community in extraordinary ways. The church has a vibrant Korean and Hispanic ministry, a model child-care program of low-income families and single mothers, a major food, clothing, and medical program for a sister church in Moscow, and many other community outreach programs.

In addition to providing leadership and guidance for these ministry activities, Reverend Jones serves on the Executive Board of Prison Fellowship; he is a member of the Baylor University Board of Regents; and he has served on the Foreign Mission Board and is past president of the Baptist General Association of Virginia. Reverend Jones also has shared his ministry in Japan, Africa, and Russia.

Mr. President, as I am sure my colleagues have noticed this week, the Reverend Jones has an extraordinary gift of prayer. One prominent national Christian leader told me, ''Neal's prayers would rank with those of Peter Marshall,'' who is, perhaps, the best known of all past Senate chaplains.

Mr. President, the U.S. Senate has been truly blessed by the efforts of Rev. Neal Jones, and I am honored to have this opportunity to recognize and commend him for his service to us this week.

I yield the floor.

HOWARD W. HUNTER

Mr. HATCH. Mr. President, I rise today to pay tribute to the life and contributions of a singular individual. Howard W. Hunter, president of the world's nearly 9 million members of the Church of Jesus Christ of Latter-Day Saints, better known as the Mormons, completed his earthly sojourn last Friday, March 3, 1995.

Although his tenure as head of the church was relatively brief, he has left an indelible impression for good, forged through many years of service to his church and to humankind in a variety of capacities.

Those of us who have heard him speak, both in large assembly and in personal setting, were inspired, moved, and edified by his counsel. His physical frailty, as he battled cancer, stood in direct contrast to the force of his spirit, conviction, and care for those he loved and served.

President Hunter brought his own special gifts to his last calling. He bore his witness to the redeeming power of the atonement and the gospel of Christ that he loved with an invitation that included all of God's children. Like his exemplar, Jesus Christ, he included the faithful and the fallen in his spiritual embrace.

Despite an impressive personal resume, President Hunter downplayed his own accomplishments and reached out to others to encourage and to aid. In many respects, his life can be described as a fulfillment of the Savior's observation:

> And whosoever of you will be the chiefest, shall be servant of all.
>
> For even the Son of Man came not to be ministered unto, but to minister, and to give His life a ransom for many.—Mark 10:44, 45.

Howard William Hunter was born November 14, 1907, in Boise, ID. As a young man, he excelled scholastically and developed a lifelong love for music and scouting. He enjoyed a successful career as a corporate lawyer in California. He was called to be a member of the council of the Twelve Apostles of the Church of Jesus Christ of Latter-Day Saints in October 1959. The following three decades saw him travel worldwide in his fulltime church service.

At the age of 86, President Hunter succeeded President Ezra Taft Benson, who died May 30, 1994. He became the 14th president of the church.

President Hunter was married to Clara May Jeffs. She died October 9, 1983. He later married Inis Bernice Egan on April 20, 1990.

He was the father of 3 sons, eighteen grandchildren, and 16 great-grandchildren.

His legacy lives on not only in his posterity, but in his example and strong witness of his beliefs to the world.

REGARDING THE PASSING OF LDS CHURCH PRESIDENT HOWARD W. HUNTER

Mr. KEMPTHORNE. Mr. President, I would like to take this opportunity to note the passing of one of this Nation's great citizens and religious leaders. On March 3, 1995, the Church of Jesus Christ of Latter-day Saints, on behalf of his family, announced the death of President Howard W. Hunter.

President Hunter, an Idaho native, was named the 14th president of the LDS Church in June of 1994. His message, throughout his service to the LDS Church, was a prayer for compassion and tolerance. In his first statement as president he said, ''To the membership of the Church in every country of the world and to people everywhere I extend my love. . . . I pray we might treat each other with more kindness, more courtesy, more humility and patience and forgiveness.''

President Hunter was born in Boise, ID, on November 14, 1907, to John William and Nellie Marie Rasmussen Hunter. At an early age, President Hunter showed a quick mind and dedication as he attained the rank of Eagle Scout in the Boy Scouts of America. In addition, he exhibited a gift for music and learned to play the saxophone, clarinet, violin, and drums. His love of music was so great that he even organized his own orchestra, Hunter's Croonaders. The Croonaders were a popular fixture in Boise for many years.

President Hunter briefly attended the University of Washington, and later, in 1939, graduated cum laude from Southwestern University Law School with a Juris Doctor degree. He did this studying nights while holding a full-time job.

During his professional career, President Hunter practiced corporate law in Los Angeles where he was eventually named to the boards of 24 corporations. He also served as assistant district commissioner for the Boy Scouts of America for the Metropolitan Los Angeles area, as well as serving his church in a variety of positions ranging from bishop to president of the Pasadena California Stake.

On October 10, 1959, President Hunter was called to serve as a member of his church's Council of the Twelve Apostles. He served as acting president of this quorum from 1985 to 1988, and was president from June 1988 to June 1994.

After 52 years of marriage, President Hunter's first wife, Clara May Jeffs, passed away in 1983. Later, in April 1990, he married his second wife, the former Inis Bernice Egan. President Hunter is survived by his second wife; 2 sons, John J. Hunter of Ojai, CA, and Richard A. Hunter of San Jose, CA; 18 grandchildren and 16 great-grandchildren.

Mr. President, we are saddened by the death of such a great and talented man. But he will be remembered for his message of compassion and love, and his example of hard work and success that he exhibited throughout his life.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES!

Mr. HELMS. Mr. President, before contemplating today's bad news about the Federal debt, lets's have our little pop quiz again: How many million dollars are in $1 trillion? When you arrive at an answer, bear in mind that it was Congress that ran up a debt now exceeding $4.8 trillion.

To be exact, as of the close of business yesterday, Monday, March 6, the total Federal debt—down to the penny—stood at $4,840,905,153,915.08—meaning that every man, woman, and child in America now owes $18,376.42 computed on a per capita basis.

Mr. President, again to answer the pop quiz question, How many million in a trillion? There are a million million in a trillion; and you can thank the U.S. Congress for the existing Federal debt exceeding $4.8 trillion.

EASING UNITED STATES SANCTIONS TOWARD CUBA

Mr. PELL. Mr. President, as you know, I have spoken at length in this Chamber about the need to review United States policy toward Cuba. Therefore, I was very pleased to see reported in the Washington Post this morning that President Clinton is considering taking some modest steps toward altering the existing sanctions policy, in favor of more communication and contact between the Cuban and American people.

As I understand it, what is under consideration is the rolling back of last August's sanctions that were imposed during the Cuban migrant crisis—sanctions that have prohibited Cuban-Americans from sending money to family members in Cuba or visiting them, except in cases of dire emergency.

I believe that the President will find that there is a great deal of support for taking these steps within the Cuban-American community—many of whom have been forced to sit back and do nothing to cushion the severe economic hardships they see their loved ones on the island enduring. I would urge the President to move forward with these measures, if for no other reason than on humanitarian grounds.

In addition to rolling back the August sanctions, the President appears to be considering whether to set forth a list of steps that the Cuban Government might take to elicit the calibrated easing of United States sanctions policy. This technique was contemplated a number of years ago when relations with Castro had temporarily thawed, but was overtaken by events before it was ever implemented. It is clearly worth exploring.

After more than 30 years of mistrust, confidence building measures on both sides will be needed in order to lay the groundwork for productive negotiations on issues of mutual concern to both countries. Someone must make the first gesture. I believe that if President Clinton acts affirmatively on the policy changes currently before him, he will be taking that very important first step. I would urge that he do so.

I would ask unanimous consent that an article entitled ''Clinton May Ease Sanctions on Cuba'' that appeared in the Washington Post on March 7, 1995 be printed in the RECORD at the conclusion of my remarks.

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

[The Washington Post, Tuesday, March 7, 1995]

CLINTON MAY EASE SANCTIONS ON CUBA

(By Daniel Williams and Ann Devroy)

President Clinton's foreign policy advisers are recommending he take steps toward easing relations with Cuba by revoking some economic sanctions adopted against the nation in August, administration officials said yesterday.

The proposal, which has not yet been accepted by Clinton, would lift the ban that blocks Cuban exiles from sending cash to relatives on the island and would ease severe limits on travel to Cuba by U.S. citizens.

In addition, the advisers recommend issuing a list of steps that Cuban President Fidel Castro could take to qualify for a ''calibrated response'' by the United States. That could lead to talks on issues that have separated the two countries for more than 30 years, the officials said.

Any easing of restrictions would put Clinton into a confrontation with Sen. Jesse Helms (R–N.C.), chairman of the Senate Foreign Relations Committee, who has drawn up legislation designed to tighten economic sanctions on Cuba.

Helms, other conservative Republicans, some anti-Castro Democratic legislators and the Cuban exile communities in Florida and New Jersey have long favored tougher treatment of Castro.

Senior foreign policy advisers have prepared a memo for Clinton to make the case that the August sanctions, which formed part of the U.S. effort to persuade Castro to stop the flow of Cuban boat people to America, succeeded and should now be removed.

During the summer, a relaxing of coastal surveillance by Castro ignited a massive exodus of raft people, 30,000 of whom took to the seas for Florida.

The outpouring caused Clinton to reverse longstanding U.S. policy and bar their landing on U.S. soil.

Since 1963, Cubans who arrived on U.S. shores had been all but guaranteed automatic political asylum.

But Clinton feared an immigration crisis at a time of a nationwide political backlash against newcomers.

So most of the Cubans were sent to the U.S. Naval Base at Guantanamo Bay on Cuba's southeastern tip.

The decision not to admit the Cubans angered many in the Cuban-American community.

So, to mollify them as well as punish Castro, Clinton agreed to tighten the three-decade-old ban on trade with Cuba. The new sanctions included a bar on the sending of cash to relatives by Cuban Americans.

In addition, travel to this island was sharply restricted, as visits by relatives were curtailed and a Treasury Department permit was required for trips by educational researchers and other groups.

At the time, the Clinton administration estimated that the ban on cash remittances and reduced travel would cost the Cuban economy an estimated $150 million per year. The new actions under consideration would not affect the rest of the trade ban.

Soon after imposing the tougher sanctions, the United States entered talks with Cuba aimed at easing the immigration crisis. The two sides reached a deal in which Cuba, in return for again blocking the outflow of raft people, received a guarantee of 20,000 visas a year for its citizens to go to the United States. The administration rejected a bid by Cuba to revoke the new sanctions as part of the immigration deal.

The time has come, some U.S. officials believe, to test whether Castro is willing to make deep economic and political reforms, a senior administration official said. The administration has engaged in a low-level debate over most of the past two years on whether to try to encourage political liberalization in Cuba by engaging Castro and loosening the overall trade embargo against the island nation.

Some mid-level State Department officials and others had proposed for months that Washington engage Castro either to help avert chaos surrounding a future succession or, in case of chaos, to establish a relationship that could avoid more refugee waves.

But the White House saw no political gain for easing relations. Last fall, Secretary of State Warren Christopher said Castro would have to make political reforms before the United States could engage on such issues as the embargo, eased travel relations and diplomatic relations.

The administration, before making a ''calibrated response,'' will be looking for wider economic reforms to establish a free market on the island as well as political reforms, including the stationing of human rights monitors on the island, the senior official said.

MESSAGES FROM THE HOUSE

At 3 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 reuqests the concurrence of the Senate:

H.R. 925. An act to compensate owners of private property for the effect of certain regualtory restrictions.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 925. An act to compensate owners of private property for the effect of certain regulatory restrictions; to the Committee on Environment and Public Works.

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–454. A communication from the Office of the Nuclear Waste Negotiator, transmitting, pursuant to law, the final report of the Office; to the Committee on Energy and Natural Resources.

EC–455. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report of the Office of Surface Mining Reclamation and Enforcement for 1994; to the Committee on Energy and Natural Resources.

EC–456. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–457. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–458. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–459. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–460. A communication from the General Sales Manager of the Department of Agriculture, transmitting, pursuant to law, a report relative to the availability of lentils and dry edible peas; to the Committee on Agriculture, Nutrition and Forestry.

EC–461. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 93–20; to the Committee on Appropriations.

EC–462. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 94–7; to the Committee on Appropriations.

EC–463. A communication from the Director of the Standards of Conduct Office, Department of Defense, transmitting, pursuant to law, a report relative to persons who filed DD Form 1787; to the Committee on Armed Services.

EC–464. A communication from the Director, Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report relative to the Air Force's portion of the 1995 Base Realignment and Closure recommendations; to the Committee on Armed Services.

EC–465. A communication from the Deputy Under Secretary of Defense (Environmental Security), transmitting, pursuant to law, notification of a delay in the submission of a report relative to environmental compliance; to the Committee on Armed Services.

EC–466. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report relative to the Defense Commercial Telecommunications Network; to the Committee on Armed Services.

EC–467. A communication from the Administrator of the Panama Canal Commission, transmitting, a draft of proposed legislation to authorize expenditures for fiscal year 1996 for the operation and maintenance of the Panama Canal and for other purposes; to the Committee on Armed Services.

EC–468. A communication from the Assistant Secretary of Defense for Economic Security, transmitting, pursuant to law, the BRAC 95 Force Structure Plan for the Armed Forces; to the Committee on Armed Services.

EC–469. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to authorize appropriations for fiscal years 1996 and 1997 for the United States Coast Guard, and for other purposes; to the Committee on Commerce, Science and Transportation.

EC–470. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a report relative to the Traffic Alert and Collision Avoidance System; to the Committee on Commerce, Science and Transportation.

EC–471. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Department's annual report on the Automotive Fuel Economy Program; to the Committee on Commerce, Science and Transportation.

EC–472. A communication from the Acting Secretary of the Treasury, transmitting, pursuant to law, the annual report of the United States Government for fiscal year 1994; to the Committee on Finance.

EC–473. A communication from the Acting Secretary of the Treasury, transmitting, pursuant to law, the quarterly report on the expenditures and need for worker adjustment assistance training funds; to the Committee on Finance.

EC–474. A communication from the Chairman of the Prospective Payment Assessment Commission, transmitting, pursuant to law, the annual report of the Commission dated March 1, 1995; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs, without recommendation without amendment:

S. 4. A bill to grant the power to the President to reduce budget authority (Rept. No. 104–13).

By Mr. ROTH, from the Committee on Governmental Affairs, without recommendation with an amendment:

S. 14. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items (Rept. No. 104–14).

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. CRAIG (for himself, Mr. MURKOWSKI, Mr. REID, Mr. BRYAN, Mr. DOMENICI, Mr. BURNS, Mr. THOMAS, Mr. HATCH, Mr. BENNETT, Mr. STEVENS, Mr. KEMPTHORNE, Mr. KYL, and Mr. PRESSLER):

S. 506. A bill to amend the general mining laws to provide a reasonable royalty from mineral activities on Federal lands, to specify reclamation requirements for mineral activities on Federal lands, to create a State program for the reclamation of abandoned hard rock mining sites on Federal lands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 507. A bill to amend title 18 of the United States Code regarding false identification

documents, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself, Mr. BREAUX, Mr. GORTON, Mr. STEVENS, Mr. COCHRAN, and Mr. CAMPBELL):

S. 508. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. BROWN):

S. 509. A bill to authorize the Secretary of the Interior to enter into an appropriate form of agreement with, the town of Grand Lake, Colorado, authorizing the town to maintain permanently a cemetery in the Rocky Mountain National Park; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN (for himself and Mr. INOUYE):

S. 510. A bill to extend the authorization for certain programs under the Native American Programs Act of 1974, and for other purposes; to the Committee on Indian Affairs.

By Mr. DOMENICI (for himself and Mr. ABRAHAM):

S. 511. A bill to require the periodic review and automatic termination of Federal regulations; to the Committee on Governmental Affairs.

By Mr. GRASSLEY:

S. 512. A bill to amend title XVIII of the Social Security Act to provide for a 5-year extension of the medicare-dependent, small, rural hospital payment provisions, and for other purposes; to the Committee on Finance.

By Mr. HEFLIN:

S. 513. A bill to amend chapter 23 of title 28, United States Code, to authorize voluntary alternative dispute resolution programs in Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. AKAKA:

S. 514. A bill for the relief of the heirs, successors, or assigns of Sadae Tamabayashi; to the Committee on the Judiciary.

By Mr. BRADLEY:

S. 515. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through the reduction of harmful substances in meat and poultry that present a threat to public health, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEFLIN (for himself and Mr. SHELBY):

S. 516. A bill to transfer responsibility for the aquaculture research program under Public Law 85–342 from the Secretary of the Interior to the Secretary of Agriculture, and for other purposes; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRAIG (for himself, Mr. MURKOWSKI, Mr. REID, Mr. BRYAN, Mr. DOMENICI, Mr. BURNS, Mr. THOMAS, Mr. HATCH, Mr. BENNETT, Mr. STEVENS, Mr. KEMPTHORNE, Mr. KYL, and Mr. PRESSLER):

S. 506. A bill to amend the general mining laws to provide a reasonable royalty from mineral activities on Federal lands, to specify reclamation requirements for mineral activities on Federal lands, to create a State program for the reclamation of abandoned hard rock mining sites on Federal lands, and for other purposes; to the Committee on Energy and Natural Resources.

MINING LAW REFORM ACT

Mr. CRAIG. Mr. President, in the last Congress, Members in the Senate and our colleagues in the other Chamber worked hard to reform the laws under which the U.S. mining industry operate on the vast Federal lands of the west. Members on both sides of the aisle, from all regions of the country, acknowledged that the mining law of 1872 needed change. While I was disappointed we did not pass legislation in the last Congress to reform mining law, I would have been more disappointed if Congress had accepted some of the reform proposals that were put forward at that time. The reason for my concern was the proposals offered at that time did not meet my primary test of fair legislation. That test is this country's mining industry that annually contributes approximately $53 billion to our economy will not be driven to economic ruin nor to operate only in other countries.

Today, I am introducing, a bipartisan bill in conjunction with Chairman MURKOWSKI, Senator REID and 10 other of my colleagues. The Mining Law Reform Act of 1995, is a bill which will ensure continued mineral production in the United States. It provides for a fair economic return from minerals extracted on public lands, and will link mining practices on Federal lands to State and Federal environmental laws and land-use plans. This bill provides a balanced and equitable solution to concerns raised over the existing mining law.

Mining in the United States is an important part of our Nation's economy. It serves the national interest by maintaining a steady and reliable supply of the materials that drive our industries. Revenue from mining fuels local economies by providing family income and preserving community tax bases. Mining has become an American success story. Fifteen years ago, U.S. manufacturers were forced to rely on foreign producers for 75 percent of the gold they needed. Today, the United States is more than self-sufficient. The domestic mining industry not only meets the demand, but produces a gold surplus of 36 percent, worth $1.5 billion in export balance of payments.

Mining, however, is a business associated with enormous up-front costs and marginal profits. Excessive royalties discourage, and in other countries have discouraged, mineral exploration. Too large a royalty would undermine the competitiveness of the mining industry. The end result of excessive Government involvement would be the movement of mining operations overseas and the loss of American jobs. The legislation I am introducing today will keep U.S. mines competitive and prevent the movement of U.S. jobs to other countries.

The general mining law is the cornerstone of U.S. mining practices. It establishes a useful relationship between industry and Government to promote the extraction of minerals from mineral rich Federal lands. Although the cornerstone of this law was originally enacted in 1872, it remains to function effectively today. The law has been amended and revised many times since its original passage. The legislation I am introducing today preserves the solid foundation provided by this law and makes some important revisions that address the concerns that have been paramount in this debate that I have been involved in for nearly a decade.

Specifically, the Mining Law Reform Act of 1995 will insure revenue to the Federal Government by imposing fair and equitable net royalties. It requires payment of fair market value for lands to be mined. It assures lands will return to the public sector it they are not developed for mineral production, as is intended in this legislation. Furthermore, to prevent mining interests from using patented land for purposes other than mining, the bill limits residential occupancy to that which is only necessary to carry out mining activities.

To ensure mining activities do not unnecessarily degrade Federal lands, the Mining Law Reform Act mandates compliance with all Federal State and local environmental laws with regard to land use and reclamation. To enforce these provisions, the bill includes civil penalties and the authority for compliance orders.

Finally, this bill creates a program to address the environmental problems associated with abandoned mines. Working directly with the States, the Mining Law Reform Act directs one-third of the royalty receipts to abandoned mine cleanup programs; another one-third of those receipts could be used by States if they so decided.

The legislation I am proposing today is in the best interest of the American people because it provides revenue from public resources, assures mines will be developed in an environmentally sensitive manner and that abandoned mines from earlier eras will be reclaimed. It is fair to mining interests because it imposes reasonable fees and royalties. It is good for the environment because it assures land use and reclamation activities. I ask my colleagues to join me in support of this legislation and look forward to hearings and Senate legislative action.

Mr. PRESSLER. Mr. President, I am pleased to join my colleagues today in introducing legislation to reform the mining law of 1872. I congratulate my distinguished friend, Senator LARRY CRAIG, for all of his hard work on this very important issue.

As a Senator from a State with significant mining activity, reform of the obsolete mining law of 1872 is imperative. There are currently 95 mining companies operating in the State of South Dakota, bringing in more than $321 million in gross State revenues. Many of these are small businesses.

The mining industry employs almost 2,500 South Dakotans.

I therefore represent many dedicated individuals who are an integral part of South Dakota's economy. I also represent a number of citizens who believe all mining activity should be stopped. In South Dakota, as in a number of States, citizens are deeply divided on issues related to mining.

However, my constituents are all in agreement on one basic point: the mining law of 1872 is outdated. It needs to be revised. I believe the legislation we are introducing today is a fair approach to reforming this antiquated law.

Mr. President, in my State of South Dakota, five major gold mining companies conduct large scale surface mining for gold on roughly 2,400 acres of land in the Black Hills. Current expansion proposals cover at least another 1,300 acres, including 800 acres of U.S. Forest Service land. Additionally, there are numerous exploratory drilling operations on Forest Service lands in the Black Hills.

Over the past few years, I have held many public meetings in South Dakota in which South Dakota mining operations were discussed. The problems inherent in the mining law of 1872 come up again and again at these meetings.

Many South Dakotans are particularly concerned about the existing land patent provisions and the extremely low fees required to purchase Federal land. Current law allows Federal land to be offered at a base price of $2.50 or $5.00 per acre. This is a virtual giveaway. Anyone who has visited the beautiful Black Hills National Forest in western South Dakota would certainly agree that those lands are worth far more. It is important that responsible mining activity be permitted. However, in this time of huge Federal deficit spending, it is time these fees were reformed to reflect good fiscal common sense.

This legislation takes care of that. It brings much needed revenue back to the Federal Government. This legislation mandates that the fair market value be charged for ownership of Federal lands. In addition, it imposes claim holding fees of $100 per year, per claim.

This legislation also would ensure that the Government gets paid for some of the value of what is in the land. It would impose a net royalty of 3 percent on proceeds from mining activity. This provision is based on the State-imposed net proceeds tax, which is working quite successfully in Nevada. It makes good economic sense.

Another issue South Dakotans always raise is reclamation. It is certainly important that we encourage responsible caretaking of South Dakota's Federal lands—both to maintain the health of the Black Hills National Forest, and to preserve its natural beauty. Who knows best how to take care of South Dakota's Federal lands than South Dakotans? That's why I support the provision of this bill which places the responsibility for developing reclamation standards in the hands of the States. Those of us here in Washington, from Members of Congress to Government bureaucrats, don't always know what is best for the Federal lands in South Dakota—or even Wyoming or Colorado. Each State is in a better position to judge for itself what is best for its own environmental well-being.

Last year, we spent a great deal of time working to develop a compromise on mining law reform. Unfortunately, we were unsuccessful in passing a final bill. I believe that this year's legislation incorporates many elements of last year's compromise. This bill has widespread support from the mining industry. It is sound legislation, and we should not delay in moving it forward.

On behalf of many South Dakotans, I urge my colleagues in the Senate to give this matter serious consideration. Many provisions of the 1872 mining law need to be revised. The dedicated miners of South Dakota and the rest of the country should no longer be asked to shoulder the burdens imposed by this antiquated law. I look forward to working with members of the Senate Committee on Energy and Natural Resources as they strive to make this bill into a fair and equitable mining reform law.

By Mr. PRESSLER:

S. 507. A bill to amend title 18 of the United States Code regarding false identification documents, and for other purposes; to the Committee on the Judiciary.

FALSE IDENTIFICATION ACT

Mr. PRESSLER. Mr. President, today I am pleased to reintroduce legislation designed to attack a growing problem: the use of false identification documents [ID's] by young people under 21 years of age. I introduced a similar bill late last year.

Several years ago, Congress conditioned Federal highway funding on the requirement that States have a minimum drinking age of at least 21 years. Since then, all 50 States have come into compliance. One consequence has been a dramatic increase in the use of false ID's by young people to illegally purchase alcoholic beverages. An illegal, underground black market has emerged, supplying cheap documents to satisfy this demand. The prevalence of counterfeit ID's poses a growing menace to the licensed beverage industry, and promotes alcohol abuse among young Americans.

With modern computer graphic programs, counterfeiting a driver's license is child's play for sophisticated computer users. On October 3, 1994, the Washington Times published a front-page article entitled ''Fake IDs surmount high-tech obstacles: Underage drinkers flock to buy them.'' The article describes how easily falsified identification documents can be created by computers and the steps various States are taking in response.

Several State driver's licenses, including Maryland and California, now include a hologram, two separate pictures, and a magnetic strip in an effort to make counterfeiting more difficult. However, even these measures are being duplicated with relative ease. It is time for Congress to take action.

The bill I am introducing today attacks this problem in two ways. First, it reduces, from five to three, the number of false identification documents that must be in an individual's possession before a prison sentence, a fine, or both, can be imposed under Federal law. Second, it requires a prison sentence, a fine, or both, for anyone convicted of using the mail to send a false ID to someone under 21 years of age.

Mr. President, let me explain both of these provisions in more detail. The first provision tightens current Federal law which provides penalties for knowingly possessing or transferring unlawfully five or more false identification documents. The number of false ID's necessary to trigger this law would be reduced from five to three. Someone convicted under this provision would face a fine of up to $15,000, imprisonment of up to 3 years, or both.

These days, it is far too easy and cheap to buy a fake ID. therefore, buying alcohol is not difficult for someone under 21. A recent report by the U.S. Department of Health and Human Services stated that ''minors can get state driver's license in Times Square in New York City for $10 to $15 each.'' Young people always have attempted to buy alcohol at an early age. Nothing Congress does will suppress the urge for alcohol in young people.

However, this bill is not directed at someone under 21 years of age who possesses one or two false ID's. We can do little to address the demand, but we can do something to reduce the supply. The Federal Government needs to crack down on those in the business of illegally producing and transferring false ID's. By stiffening Federal penalties for the production and distribution of false ID's, this bill will punish those who profit from teenage alcohol abuse and make obtaining false documents more difficult.

The second provision of this bill creates a new penalty for using the mails to distribute false ID's. Under this provision, anyone who knowingly sends an identification document showing an individuals to be 21 years old or older through the mails—without first verifying the individual's actual age—can be imprisoned for up to 1 year, be fined, or both. Verification can be satisfied by viewing a certification or other written communication confirming the age of the individual being identified.

This provision attempts to stem the interstate distribution of false ID's. Forty-six States currently have laws prohibiting youths from misrepresenting their age in order to purchase alcohol. But nothing prohibits minors from obtaining false ID's from other States

through the mail. Tough Federal action is necessary. This provision will affect businesses specializing in mail-order false ID's.

To conclude, let me say this legislation has the support of the National Licensed Beverage Association and the South Dakota Retail Liquor Dealers Association. I urge my colleagues to join them in supporting this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point. I also ask consent that several newspaper articles be included in the RECORD at the conclusion of my remarks.

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

S. 507

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 ''False Identification Act of 1995.''

SEC. 2. MINIMUM NUMBER OF DOCUMENTS FOR CERTAIN OFFENSE.

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(3), by striking ''five'' and inserting ''3''; and

(2) in subsection (b)(1)(B), by striking ''five'' and inserting ''3''.

SEC. 3. REQUIRED VERIFICATION OF MAILED IDENTIFICATION DOCUMENTS.

(a) IN GENERAL.—Chapter 83 of title 18, United States Code, is amended by adding at the end the following:

§ 1739. Verification of identification documents

''(a) Whoever knowingly sends through the mails any unverified identification document that bears a birth date—

''(1) purporting to be that of the individual named in the document; and

''(2) showing such individual to be 21 years of age or older;

when in fact that individual has not attained the age of 21 years, shall be fined under this title or imprisoned not more than 1 year, or both.

''(b) As used in this section—

''(1) the term 'unverified', with respect to an identification document, means that the sender has not personally viewed a certification or other written communication confirming the age of the individual to be identified in the document from—

''(A) a governmental entity within the United States or any of its territories or possessions; or

''(B) a duly licensed physician, hospital, or medical clinic within the United States; and

''(2) the term 'identification document' means a card, certificate, or paper intended to be used primarily to identify an individual.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 83 of title 18, United States Code, is amended by adding at the end the following new item:

''1739. Verification of identification documents.''.

(c) CONFORMING AMENDMENT.—Section 3001(a) of title 39, United States Code, is amended by striking ''or 1738'' and inserting ''1738, or 1739''.

[From the Washington Times, Oct. 3, 1994]

FAKE IDs SURMOUNT HIGH-TECH OBSTACLES—UNDERAGE DRINKERS FLOCK TO BUY THEM

(By Matt Neufeld)

The high-tech revolution has helped boost one local cottage industry with a potentially lethal product: fake identification cards for underaged drinkers.

Illegal, falsified ID cards are prevalent among underage drinkers, especially college students, and their production flourishes no matter how many steps authorities take to make them difficult to copy, police and government officials say.

''Fake IDs are rampant,'' said Trina Leonard, an aide to Montgomery County Council member Gail Ewing, who is also chairwoman of the Maryland Underage Drinking Prevention Coalition. ''Fake IDs are an enormous problem among teenagers because they frequently are a passport to death and injury for kids.''

The use and manufacture of fake IDs has been a concern of parents, police and state motor vehicle authorities for decades. The problem surfaced again after Friday's announcement that three of the four Walt Whitman High School girls involved in the Sept. 6 double-fatal car crash in Potomac were carrying fake IDs.

The girls did not use their IDs that night, Montgomery County police said, but relied instead on another way in which teens procure alcohol: They had an adult buy 2½ cases of beer for them from a liquor store in Georgetown the night of the crash.

One mother of a boy who knew the girls later found four different phony IDs in her own son's wallet, she told friends.

Even as states take dozens of precautions in preparing high-technology licenses designed to be difficult to copy, technology-savvy students and underground counterfeiters match the authorities' steps in meticulous and frustrating ways.

''It continues to be a problem, because, as police say, no matter how tough they get, kids are smart and they always find a way to get them,'' said Tim Kime, a spokesman for the Washington Regional Alcohol Program, a private advocacy group.

''We live in the age of computers, and you can do wonderful things with a computer. You get the right background [cloth], the picture, the laminator, and you've got a pretty good ID,'' said Sgt. David Dennison, who heads the Prince George's County police collision analysis and reconstruction unit. The unit's responsibilities include drunken driving and underage drinking.

''You bet there's some computer geniuses out there at these colleges who find it very easy to do,'' Sgt. Dennison said. ''If they can print money with computers, driver's licenses aren't that hard.''

In the Potomac crash, driver Elizabeth Clark, 16, and a front-seat passenger, Katherine Zirkle, 16, were killed with Elizabeth's 1987 BMW hit a tree along River Road at 12:55 a.m.

Two friends riding in the back seat, Elinor ''Nori'' Andrews, 15, and Gretchen Sparrow, 16, were hospitalized with serious injuries but were released last week.

Police said Elizabeth had a blood-alcohol level of .17 percent, nearly double the .10 percent level that state law defines as driving while intoxicated. Katherine's blood-alcohol level was .03 percent police said.

In Maryland, minors with a blood-alcohol level of .02 percent can have their licenses taken on the spot.

Detecting homegrown phony IDs isn't always easy, authorities say.

''In fact some police officers on the street couldn't tell the difference unless they thoroughly examine them. You can be fooled,'' said Sgt. John Daly of the Metropolitan Police check and fraud division.

Earlier this year, Maryland introduced driver's licenses with holograms, two separate pictures and a magnetic strip in an effort to counter the counterfeiters.

''But the kids are duplicating those,'' said Ms. Leonard, the Montgomery council aide. ''A police officer told me that [soon] after those came out, a kid took electrical tape and put it on a fake ID.''

Although many high school students have fake IDs, police find that most of them are manufactured, distributed and used by college students. The IDs are bought, sold and distributed through an underground black market spread by word of mouth.

Area students often make or procure fake IDs in the form of licenses from far-away states such as Iowa or Kansas, thinking local businesses won't know the difference. A widely known legal guidebook available to businesses shows up-to-date pictures of licenses from every state, but police say that many merchants are too lazy to consult it.

THREE CHARGED IN FAKE-ID SCAM

CHARLOTTESVILLE.—Three former University of Virginia students have been charged in what police said was a scheme to pass stolen student identification cards and fraudulent checks.

Police at the University of North Carolina at Chapel Hill said the ring operated in two states. Based in Charlottesville, it included several former members of Alpha Phi Alpha, a service fraternity at the University of Virginia that was suspended in 1992 after a hazing incident.

Investigators believe the students stole about 400 UNC-Chapel Hill ID cards in January to pass stolen or counterfeited checks and to get state ID cards in North Carolina and Virginia.

North Carolina authorities last week charged Canu C. DiBona, 21, of Durham, N.C. with one count of felony financial transaction card theft. Marcus A. Tucker, 23, of Charlottesville was arrested Sept. 15 on several charges, including felony financial transaction card theft and two counts of forgery.

Authorities said Phillipe Zamore, 21, also of Charlottesville also was implicated in the scheme. He was arrested in April and charged with felony larceny after attempting to use an illegally obtained credit card at a University of Virginia bookstore.

Authorities said more arrests are expected.

Investigators said the cards reportedly have turned up as far away as New York and Florida. Near the UNC-Chapel Hill campus alone, the ring has used up to $20,000 in bad checks, Lt. Clay Williams of the campus police said.

Police said members of the alleged ring used sophisticated equipment to read information on magnetic tape on the backs of the IDs, and even printed their own checks with a laser printer.

''All these kids are smart—that's what's striking about this.'' Lt. Williams said. ''We have very intelligent young men—extremely computer literate, highly articulate—that could be upstanding professionals in the community, but instead they chose the lure of fast money.''

[From the St. Joseph's University (PA) Hawk, Mar. 15 1994]

BUSTED!—2 SJU STUDENTS ARRESTED IN FAKE I.D. RING

(By Maureen O'Connell)

The population of the state of New Jersey recently fluctuated by an estimated 100 to 200 citizens as students under the age of 21 obtained fraudulent drivers' licenses for that

state through an operation based on the ground floor of Sourin Residence Hall and the Adam's Mark Hotel last weekend.

St. Joseph's University Security and the Pennsylvania State Police stepped in to curb this rapid population boom and arrested six students and two juveniles directly connected with the scheme. Two of the six students, identified by The Philadelphia Inquirer as Salvatore Carollo and Carl Lynn, attend St. Joseph's and are residents of Sourin room 15. According to the Inquirer both were arraigned on Sunday evening on charges of forgery and manufacturing false identification.

The fake ID factory, which turned out near-authentic licenses with the help of advanced computer programming and other electronic devices at the cost of $100 a pop, was not a well kept secret and was quickly leaked to St. Joseph's University Security and the Pennsylvania State Police.

According to director of public safety and security Albert Hall, a ''top security'' officer discovered the operation during a shift on Friday evening.

''He notified me at home and had some very good information that this was happening,'' said Hall.

''By the sign-in logs it is pretty evident that it started on Thursday evening,'' said Hall.

''I decided we had a felony being committed and I knew we had to bring it to law enforcement's attention or we would be obstructing justice. I then called the Pennsylvania State Police and left a message. Later that evening, [an officer in the] Fraudulent Document Unit called and he was very interested in what was going on.''

Hall said that shortly after he made his call, the State Police received a call from an informed parent.

According to Hall, University security met with State Police the next morning, Saturday, at 8 a.m. to determine a strategy.

''A plan was devised to introduce a state trooper as a student and to have the Pennsylvania state trooper be sent through the process,'' said Hall.

The trooper joined students in the assembly line—he entered Sourin, gave the necessary personal information which was logged into a computer, trekked to the Adams Mark Hotel, was photographed, and received his ''bogus ID.''

Almost immediately, Security and the State Police entered Sourin while the State Police alone entered the Adam's Mark.

''We went through the room (in Sourin) and found the outside person who we believe to be responsible for typing information into the computer,'' said Hall. He also mentioned that the Police also found ''more electronic equipment.''

According to Hall, four St. Joseph's students were present in the room in Sourin. One was completely unconnected with the operation and consequently released. Two others were given non-traffic citations for summary offenses and the fourth was arrested for misdemeanors of fraud and manufacturing false documents.

Hall mentioned that three visiting students were also in the room, one of whom was released. The remaining two visitors were charged with felonies for fraud and manufacturing false documents.

''I have very good information that they have worked other schools in the Maryland area and I have put them in touch with the State Police,'' said Hall.

He also claimed that State Police seized ''what appeared to be back-up discs for information saved on computers.''

''Another group of St. Joseph's students who went to the Adam's Mark Hotel with the trooper were issued non-traffic citations,'' added Hall.

''Several other participants were charged with felonies at the Adam's Mark Hotel,'' he said.

According to Pennsylvania State Trooper Gant who has been involved in subsequent investigations, an additional 5 to 7 students were given non-traffic citations in the hotel.

Gant explained that these citations involve ''sliding fines'' up to $500 dollars, depending upon judicial decision.

''The people arrested were held at Eighth and Race awaiting arraignment until Sunday,'' said Hall. ''For the parties involved charged with felonies and misdemeanors there is a range of penalties from fines to jail sentences.''

Regardless of Commonwealth penalties, the University will subject the two arrested students to the traditional disciplinary system.

''Two St. Joseph's undergraduates arrested over the weekend in a counterfeit I.D. scheme have been suspended by the University pending further investigation and review,'' said director of external relations Joseph Lundardi in a press release on Monday. ''An internal disciplinary hearing will be conducted later this week, with findings and/or sanctions referred to the Vice President for Student Life and Provost.''

According to the Student Handbook both students committed the following major violations: 1) Misrepresentation of identity or age; forging or altering records including University identification card: 2.) Maliciously entering and/or using University premises, facilities or property without authorization. The two may also have violated the guest policy.

Possible sanctions for such violations include summary discipline dismissal, expulsion, suspension, removal from the residence community, disciplinary probation, restitution or fines.

The pair have been given the choice to appear before an administrator within the Student Life system or to have a hearing with the Peer Review Board. According to the Peer Review Board's handbook ''present attitude; past record (both positive and negative); severity of damage, injury, harm or destruction or potential for such; honesty, cooperation and willingness to make amends'' will all be taken into consideration when deliberating for sanctions.

Regardless of their fate, an undetermined number of students currently possess the false I.D.s and according to both Hall and Gant, the State Police have a record of names.

''The Police will be making a decision on how to handle the students who purchased these fraudulent New Jersey licenses,'' said Hall. ''The state police have alerted all liquor stores in the area to be on the lookout for those New Jersey. I.D.s which are distinguishable by a code which is on all of them,'' he added.

[From the St. Joseph's University (PA) Hawk, Mar. 25, 1994]

STUDENT ACCOUNTS OF RAID AND AFTERMATH

(By Jessica Hausmann)

Students were stunned this Saturday as police busted a fake ID ring centered in a room in Sourin, as well as in the Adam's Mark Hotel on City Avenue. Several St. Joe's students purchased ID's and some of them were understandably worried.

One student, who did not purchase an ID, was present in the room when the police arrived.

''The door gets kicked in (and they shout) 'Hit the floor! F.B.I., State Police! Everybody down, down!' just like a scene out of 'Cops','' said the student. ''They handcuffed me to one of the guys whose room it was, who I felt bad for because he didn't know the full impact of what was going on,'' he added.

Police spent some time in the room trying to sort out who was in charge. ''They recognized one of the girls as the person who takes the people from Sourin to the Adam's Mark. Her and the kid at the computer, those two played it cool and calm. Everybody else was flipping out. One kid was crying, bawling and he didn't even do anything. He was in there looking for one of his friends,'' said the student.

''Eventually they took three of us out, me, the other one and this girl. They didn't take us out in handcuffs or anything, they just took us in the police car, and took us down,'' explained the student. ''The cop was trying to get something out of the kids that would incriminate the other kids,'' he said.

''When they took us down to the station, at one point there was this St. Joe's official and he saw the one kid was crying and he went up to him and said, 'You better tell him everything you know if you want to stay in this school,''' the student reported.

The student said he was held for two and a half hours and then released. He claims that some of the agents looked very familiar to him.

''I recognized three undercover agents as people who I thought were St. Joe's students,'' he said.

He also claimed that this is not the only location this group has hit.

''I knew a guy whose sister came up for the weekend and she got the same exact ID from the same people at a different school,'' he said.

Some students who did purchase an ID at St. Joseph's, but were not present when the police arrived, are worried because of rumors of a computer disk containing all of the names of students who purchased the fake NJ licenses.

''I'm very nervous,'' said one student who purchased an ID on Friday. She reported that she paid $100 for the fake license.

''I went over to Sourin and went in the room. I filled out a sheet with all the information and someone entered it into a computer. They printed it out and I gave it to this guy. Then they took us to the Adam's Mark Hotel on the twelfth floor where all the camera stuff was set up. I signed a paper and then they took the picture. They ran it through these machines and five minutes later I had the ID,'' she explained.

The student had been signed into Sourin by a friend who lives in the building. She said it was obvious that not everyone could have been signed into the same room since it was fairly crowded.

''There were twelve people there when I was there,'' she noted.

One student reported that he had to sign a disclaimer stating that the license was not endorsed by the government or the New Jersey Department of Motor Vehicles. He claimed it also stated that all of the information given by the student was true to the best of his knowledge.

Another student reported purchasing a different kind of fake ID in the same room in Sourin prior to the scandal.

''I got a Virginia license in the same room almost a month ago for $60,'' reported the student. She intends to use the ID, but not around here.

Students who were not involved in the incident in any way were also affected. Some 21-year-old students with legitimate New Jersey licenses are concerned that it may become more difficult for them to get into area bars.

''I better be able to get into The Duck or I'm going to kill someone, said junior Chris

Ferland, who recently turned 21. Some students who are under 21 are worried that it will now be more difficult to obtain alcohol from places that previously did not card or that accepted fake IDs.

Students working for the admissions office as tour guides are also affected. The office has prepared them for possible difficulties they may encounter on tours as parents and perspective students ask them about the scandal itself or about a quote appearing in a front page article in Monday's Philadelphia Inquirer regarding the incident, in which a student is quoted as saying that there are no activities or events for students on campus during the weekend.

''They told us to be honest about what happened and to stress that there are activities on campus but that they are not alcohol related events and some students choose not to attend them or they choose to drink before they go to them,'' said junior tour guide Angie Faust.

Faust believes that this student's statement can hurt all St. Joe's students.

''What one student said can hurt our reputation as a school,'' she said.

By Mr. MURKOWSKI (for himself, Mr. BREAUX, Mr. GORTON, Mr. STEVENS, Mr. COCHRAN, and Mr. CAMPBELL):

S. 508. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities; to the Committee on Finance.

REFORESTATION TAX ACT

Mr. MURKOWSKI. Mr. President, I am pleased to be joined by Senators BREAUX, GORTON, STEVENS, COCHRAN, and CAMPBELL in introducing the Reforestation Tax Act of 1995. This legislation will encourage investment in and sound management of privately owned forest land.

Mr. President, our forests serve as the foundation of a multibillion dollar forest products industry. From lumber and construction materials to pulp and paper, timber provides a wide range of products that are essential to modern living. At the same time, our forests provide wildlife habitat, maintain watershed, and are used for a broad range of recreational activities, including fishing, hunting, hiking, and camping.

One of the challenges facing this country is ensuring that we have enough forests to meet our wildlife habitat and watershed needs as well as sustaining a reliable supply of timber for forest products. As harvest levels on public lands decline, we need to encourage private foresters to invest in and properly maintain their stock of trees.

Yet there is strong evidence that private and public tree replanting is declining. According to the U.S. Forest Service tree replanting and direct seeding has been steadily declining. Between 1980 and 1988, annual private tree planting increased from 1.76 million acres per year to 2.96 million acres per year. However, in every year since 1988, private tree replantings have continuously declined, reaching barely 2.04 million acres in 1993—one-third lower than in 1988.

The decline in private reforestation reflects the reality that this is a very long-term, high-risk business. Trees can take anywhere from 25 to 75 years to grow to maturity, depending on the type of tree and regional weather and soil conditions. The key to success is good management which is costly. And fire and disease can wipe out acres of trees at any time during the long growing period.

The legislation we are introducing today will boost private investment in forests and aid in the cost of maintaining these forests. Our legislation has four components:

Partial elimination of the tax on inflationary gains. The gain from the sale of private timber would be reduced by 3 percent for each year the timber is owned, up to a maximum reduction of 50 percent of the gain. This should protect long-term investors in forest land from being taxed on inflationary gains.

Doubling the reforestation tax credit. The current reforestation tax credit has been significantly eroded by inflation because it has not been increased in 15 years. Our bill doubles the amount of reforestation expenditures eligible for the credit—from $10,000 to $20,000—and indexes this amount for future inflation.

Amortization of reforestation expenses. The current law special 7-year amortization for up to $10,000 of forestation expenses also has not kept up with inflation since it was enacted in 1980. Our legislation increases this amount to $20,000 and indexes it for future inflation. In addition, it reduces the amortization period to 5 years.

Passive loss rules. Treasury regulations seriously discourage private forester from employing sound forest management practices. Our bill revises the regulations by providing that private foresters, like most other business entrepreneurs, can prove that they are materially participating in the forestry business.

Mr. President, there can be no doubt that passage of this legislation is a key to the preservation and expansion of investment in this vital natural resources. It has been endorsed by conservation, environmental and forestry organizations including the American Forest and Paper Association, the National Association of State Foresters, the Wilderness Society and the Natural Resources Defense Council.

I urge my colleagues to join us in this effort to encourage long-term investment in private forest land and cosponsor this important legislation.

I ask unanimous consent that the text of the bill and a list of the organizations supporting this legislation be included in the RECORD.

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

S. 508

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 ''Reforestation Tax Act of 1995''.

SEC. 2. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to treatment of capital gains) is amended by adding at the end the following new section:

''SEC. 1203. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

''(a) IN GENERAL.—At the election of any taxpayer who has qualified timber gain for any taxable year, there shall be allowed as a deduction from gross income an amount equal to the qualified percentage of such gain.

''(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means the lesser of—

''(1) the net capital gain for the taxable year, or

''(2) the net capital gain for the taxable year determined by taking into account only gains and losses from timber.

''(c) QUALIFIED PERCENTAGE.—For purposes of this section, the term 'qualified percentage' means the percentage (not exceeding 50 percent) determined by multiplying—

''(1) 3 percent, by

''(2) the number of years in the holding period of the taxpayer with respect to the timber.

''(d) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under subsection (a) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.''

(b) COORDINATION WITH EXISTING LIMITATIONS.—

(1) Subsection (h) of section 1 of such Code (relating to maximum capital gains rate) is amended by inserting after ''net capital gain'' each place it appears the following: ''(other than qualified timber gain with respect to which an election is made under section 1203)''.

(2) Subsection (a) of section 1201 of such Code (relating to alternative tax for corporations) is amended by inserting after ''net capital gain'' each place it appears the following: ''(other than qualified timber gain with respect to which an election is made under section 1203)''.

(c) ALLOWANCE OF DEDUCTION IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 of such Code (relating to definition of adjusted gross income) is amended by adding after paragraph (15) the following new paragraph:

''(16) PARTIAL INFLATION ADJUSTMENT FOR TIMBER.—The deduction allowed by section 1203.''

(d) CONFORMING AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 1203. Partial inflation adjustment for timber.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 1994.

SEC. 3. APPLICATION OF PASSIVE LOSS LIMITATIONS TO TIMBER ACTIVITIES.

(a) IN GENERAL.—Treasury regulations sections 1.469–5T(b)(2) (ii) and (iii) shall not apply to any closely held timber activity if the nature of such activity is such that the aggregate hours devoted to management of the activity for any year is generally less than 100 hours.

(b) DEFINITIONS.—For purposes of subsection (a)—

(1) CLOSELY HELD ACTIVITY.—An activity shall be treated as closely held if at least 80 percent of the ownership interests in the activity is held—

(A) by 5 or fewer individuals, or

(B) by individuals who are members of the same family (within the meaning of section 2032A(e)(2) of the Internal Revenue Code of 1986).

An interest in a limited partnership shall in no event be treated as a closely held activity for purposes of this section.

(2) TIMBER ACTIVITY.—The term ''timber activity'' means the planting, cultivating, caring, cutting, or preparation (other than milling) for market, of trees.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1994.

SEC. 4. AMORTIZATION OF REFORESTATION EXPENDITURES AND REFORESTATION TAX CREDIT.

(a) INCREASE IN MAXIMUM AMORTIZABLE AMOUNT.—Paragraph (1) of section 194(b) of the Internal Revenue Code of 1986 (relating to maximum dollar amount) is amended—

(1) by striking ''The aggregate'' and inserting ''(A) IN GENERAL.—The aggregate'',

(2) by striking ''$10,000 ($5,000'' and inserting ''$20,000 ($10,000'', and

(3) by adding at the end the following new subparagraph:

''(B) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1995, each dollar amount contained in subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1994' for 'calendar year 1992' in subparagraph (B) of such section.

''(ii) ROUNDING.—If any increase determined under clause (i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''

(b) DECREASE IN AMORTIZATION PERIOD.—

(1) IN GENERAL.—Section 194(a) of such Code is amended by striking ''84 months'' and inserting ''60 months''.

(2) CONFORMING AMENDMENT.—Section 194(a) of such Code is amended by striking ''84-month period'' and inserting ''60-month period''.

(c) AVAILABILITY OF DEDUCTION AND CREDIT TO TRUSTS.—Subsection (b) of section 194 of such Code is amended—

(1) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3), and

(2) in paragraph (3) (as so redesignated)—

(A) by inserting ''AND TRUSTS'' after ''ESTATES'' in the heading, and

(B) by inserting ''and trusts'' after ''estates'' in the text.

(d) EFFECTIVE DATE.—

(1) AMORTIZATION PROVISIONS.—Except as provided in paragraph (2), the amendments made by this section shall apply to additions to capital account made after December 31, 1994.

(2) TAX CREDIT PROVISIONS.—In the case of the reforestation credit under section 48(b) of the Internal Revenue Code of 1986, the amendments made by this section shall apply to property acquired after December 31, 1994.

LIST OF COSPONSORING ORGANIZATIONS FOR RTA

American Forest and Paper Association.
Forest Industries Council on Taxation.
Forest Farmers Association.
Southern Forest Products Association.
Southeastern Lumber Manufacturers Association.
Maine Forest Products Council.
Small Woodland Owners Association of Maine.
Oklahoma Forestry Association.
Arkansas Forestry Association.
Southern State Foresters.
Georgia Forestry Association.
Louisiana Forestry Association.
North Carolina Forestry Association.
South Carolina Forestry Association.
Mississippi Forestry Association.
Texas Forestry Association.
Virginia Forestay Association.
American Pulpwood Association.
National Association of State Foresters.
Hardwood Manufacturing Association.
National Hardwood Lumber Association.
Hardwood Research Council.
Hardwood Forest Foundation.
Alabama Forestry Commission.
Stewards of Family Farms, Ranches and Forests.
The Wilderness Society.
The National Woodland Owners Association.
The Oregon Small Woodlands Association.
The Washington Farm Forestry Association.
1,000 Friends of Oregon.
The Idaho Forest Owners Association.
The Forest Landowners of California.
The National Resources Defense Council.

By Mr. CAMPBELL (for himself and Mr. BROWN):

S. 509. A bill to authorize the Secretary of the Interior to enter into an appropriate form of agreement with, the town of Grand Lake, CO., authorizing the town to maintain permanently a cemetery in the Rocky Mountain National Park; to the Committee on Energy and Natural Resources.

ROCKY MOUNTAIN NATIONAL PARK GRAND LAKE CEMETERY ACT

Mr. CAMPBELL. Mr. President, On January 26, 1915, Congress passed legislation creating a 265,726-acre Rocky Mountain National Park. In 1892, long before the park was created, the town of grand lake established a small, less than 5-acre community cemetery that lies barely 1,000 feet inside the western edge of the park. Apparently, in the early 1950's, the National Park Service took notice of the cemetery and issued the town a formal special use permit, which has been renewed over the years. In 1991, Rocky Mountain National Part apparently informed the town of grand lake that it would issue one final 5-year special use permit.

This 103-year-old cemetery has become part of the community's heritage. Grand Lake residents have very strong emotional and personal attachments to it and need to be assured of its continued use and designation as a cemetery. The current permit is due to expire in 1996. All parties have agreed that a more permanent solution was needed to meet the needs of the community and the resource preservation and protection intended by the establishment of the park.

Existing measures available to the National Park Service, including special use permit authority, do not provide for a permanent solution that satisfies both the park and the community. In addition, special uses apparently can only be permitted for a maximum period of 5 years. Given that the town and park agree that the small cemetery is a permanent use, continued renewal of a 5-year permit is not a realistic solution.

In an effort to avoid future difficulties, park and town representatives have agreed that this legislation would offer the best solution to this problem. Authorizing the continued existence of the cemetery with specific size and boundaries within the park also protects park resources. The community has expressed a strong willingness and desire to assume responsibility for permanent management of the cemetery. This legislation would authorize the development of an agreement to turn maintenance responsibilities for the cemetery and road over to the town, resulting in a financial savings to the park. It also recognizes the cultural significance of the cemetery and its strong ties with the history of the Grand Lake area, which includes the story of Rocky Mountain National Park.

This legislation would negate the need for repeated negotiations between the community and the National Park Service, and the chance for misunderstandings. The National Park Service and Grand Lake representatives have worked long and hard on developing this proposal. Enactment of this legislation would go a long way in maintaining and enhancing the spirit of cooperation and good will between park and community that has been achieved during the development of this resolution.

By Mr. MCCAIN (for himself and Mr. INOUYE):

S. 510. A bill to extend the authorization for certain programs under the Native American Programs Act of 1974, and for other purposes; to the Committee on Indian Affairs.

NATIVE AMERICAN PROGRAM REAUTHORIZATION

Mr. MCCAIN. Mr. President, I am pleased to have the vice chairman of the Committee on Indian Affairs, Senator INOUYE, join me today in introducing a bill to extend the authorization for certain programs under the Native American Programs Act of 1974. This program is administered by the Administration for Native Americans, or ANA, within the Department of Health and Human Services.

Each year ANA awards several hundred grants to Indian and Alaska Native tribes and other native communities and organizations for governance, social and economic development, and environmental mitigation projects. While modest in size, ANA grants have proven to be extremely valuable tools for tribes and other native community groups seeking to further their self-sufficiency. ANA and its grants are vital to many Indian and native communities. ANA has earned

strong support from Indian and Alaska Native tribes.

The authority for most of the grants distributed by ANA expires at the end of fiscal year 1995. Although the administration has requested funding for fiscal year 1996 at fiscal year 1995 levels, it has yet to forward a bill to Congress to reauthorize the act.

This important but small program should not be placed in jeopardy by the administration's distraction-of-the-month. Therefore, I am introducing this reauthorization bill without the benefit of the administration's request. The bill would simply extend by 4 years the general authority for ANA appropriations and by 3 years the authority for ANA tribal environmental quality grant appropriations. In both cases, the reauthorization would extend to fiscal year 1999 and the amounts authorized would remain unchanged. The Committee on Indian Affairs has scheduled a hearing on the bill for March 22, 1995, at 2:30 p.m. We hope to complete consideration of the bill by the end of March.

Mr. President, I urge my colleagues to join with me in enacting this reauthorization so that these important funds are not interrupted. I ask unanimous consent that a section-by-section summary and the bill be printed in the RECORD.

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

S. 510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS FOR NATIVE AMERICAN SOCIAL AND ECONOMIC DEVELOPMENT STRATEGIES GRANT PROGRAM.

Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended—

(1) in subsection (2), by striking ''for fiscal years 1992, 1993, 1994, and 1995.'' and inserting ''for each of fiscal years 1995, 1996, 1997, 1998, and 1999.''; and

(2) in subsection (c), by striking ''and 1996,'' and inserting ''1996, 1997, 1998, and 1999,''.

SECTION-BY-SECTION SUMMARY

Section 1. Authorization of Appropriations of Native American Social and Economic Development Strategies Grant Program.

(1) General Grant Reauthorization. This subsection provides for a four year extension to fiscal year 1999 of the present authority to appropriate such sums as may be necessary for the purpose of carrying out the provisions of the Native American Programs Act of 1974 which do not otherwise have an express authorization of appropriation.

(2) Tribal Environmental Quality Grant Reauthorization. This subsection provides for a three year extension to fiscal year 1999 of the present authority to appropriate $8,000,000 for the purpose of carrying out the provisions Title 42, Section 2991b(d) of the United States Code relating to grants to improve tribal regulation of environmental quality.

By Mr. DOMENICI (for himself and Mr. ABRAHAM):

S. 511. A bill to require the periodic review and automatic termination of Federal regulations; to the Committee on Governmental Affairs.

REGULATORY SUNSET AND REVIEW ACT

Mr. DOMENICI. Mr. President, I am pleased to introduce the Regulatory Sunset and Review Act of 1995, a bill that requires all existing Federal regulations to terminate in 7 years and new regulations to terminate in 5 years unless the appropriate agency, after soliciting public input and with the direction and guidance from Congress and the Office of Management and Budget, determines the regulations are still relevant and necessary.

The purpose of this bill is to address the staggering volume of regulations promulgated each year and the enormous costs associated with these regulations that place such a financial and management burden on all Americans.

This bill could be termed a ''consumers'' bill. As regulations are promulgated by various Government agencies, the cost of complying with these regulations is estimated to be between $250 and $500 billion annually. As noted in the March 4, 1995, Washington Post article, ''The Myths That Rule us:''

> . . . economists are nearly unanimous in believing at least half the cost (of regulations) is passed on to consumers in the form of higher prices. Most of the rest is passed on to employees in the form of lower wages. . . . Put another way, regulation is a form of taxation that amounts to about $2,000 per year for the average U.S. household . . .

It is time we review these regulations to determine if they are necessary—if their benefits outweigh the costs, if they are duplicative, out-of-date, and if they are written in the most clear and unambiguous way possible.

Americans from all walks of life are affected by these regulations: small to large businesses, hospitals and schools, farmers and ranchers, and local, State, and tribal governments, to name but just a few. In the last two months of 1994 alone, 615 proposed and final regulations were published in the Federal Register. In all, the Federal Register totaled 68,107 pages in length in 1994. It is time to get a handle on these regulations to determine if they should be modified or eliminated, and this bill will respond to this need by establishing a mandatory review process by the agencies.

The importance of examining the thousands of existing regulations has been enunciated clearly by my constituents in New Mexico. In 1994, I created a Small Business Advocacy Council to advise me about the problems of small businesses and how Congress could address some of their concerns. The council held 7 meetings in 6 locations throughout the State of New Mexico, and more than 400 businesses participated in these meetings. The consistent theme at all of these meetings was the appearance of an adversarial relationship between the Federal Government and business, as well as the lack of accountability of regulatory agencies in their dealings with business.

A few weeks ago in Albuquerque, the Senate Small Business Committee kicked off a series of field hearings entitled ''Entrepreneurship in America.'' Many members of the Small Business Advocacy Council testified at this hearing and explained to Chairman CHRISTOPHER BOND how difficult it is to not only understand the regulations, but to comply with them.

As an example, one witness said that the EEOC performs audits to ensure that an employer is in compliance with title VII of the Civil Rights Act of 1964. The EEOC asks for a roster of employees to identify minority group, sex, and disabilities. The witness said, however, that while the information may be useful, an employer is unable to ask these questions of applicants or employees.

This is only one example, but over the past year, I can assure you that I have heard countless similar examples that point out the inconsistencies, duplications, and burdensome nature of these Government regulations. And, an important emphasis must be made: all the witnesses understood and supported the positive aspects of regulations—that they were developed with the best intentions for good purposes. The witnesses simply believe that there must be a better way than the present system.

I would like to mention briefly a report by the General Accounting Office [GAO], completed in June 1994, entitled ''Workplace Regulation—Information on Selected Employer and Union Experience.'' While I intend to devote more detail to this report at a later time, let me just mention that the GAO's finding were strikingly similar to the findings of the New Mexico Business Advocacy Council: Those interviewed called for the adoption of a more service-oriented approach to workplace regulation; an improvement to information access and educational assistance to employers, workers, and unions; and more input into agency standard setting and enforcement efforts. The report discussed the constantly changing and complex nature of regulations and that they are often ambiguous with an increased potential for lawsuits.

It is obvious the time has come to review these regulations in a concise and systematic way. The process needs an overhaul, and this bill is designed to help facilitate this restructuring.

I am pleased my distinguished colleague, Senator SPENCER ABRAHAM, is joining me in introduction of this timely measure, and I hope others will soon join us in this endeavor. This bill is almost identical to a measure introduced in the House last week by Representatives CHAPMAN, MICA, and DELAY, H.R. 994. As regulatory reform measures are considered in both Chambers, I believe the Regulatory Sunset and Review Act of 1995 will be an important component of these efforts.

I ask unanimous consent that a statement by Senator ABRAHAM be included as a part of the RECORD and that the text of the bill be printed following these remarks.

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

S. 511

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 ''Regulatory Sunset and Review Act of 1995''.

SEC. 2. PURPOSES.

The purposes of this Act are the following:

(1) To require agencies to regularly review their regulations and make recommendations to terminate, continue in effect, modify, or consolidate those regulations.

(2) To require agencies to submit those recommendations to the Administrator of the Office of Information and Regulatory Affairs and to the Congress.

(3) To provide for the automatic termination of regulations that are not continued in effect after such review.

(4) To designate a Regulatory Review Officer within each agency, who is responsible for the implementation of this Act by the agency.

SEC. 3. REVIEW AND TERMINATION OF REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (c), the effectiveness of a regulation issued by an agency shall terminate on the applicable termination date under subsection (b), and the regulation shall have no force or effect after that termination date, unless the head of the agency—

(1) reviews the regulation in accordance with section 4;

(2) after the review, and at least 120 days before that termination date, submits in accordance with section 5(a) a preliminary report on the findings and proposed recommendations of that review in accordance with section 5(a)(2);

(3) reviews and considers comments regarding the preliminary report that are transmitted to the agency by the Administrator and appropriate committees of the Congress during the 60-day period beginning on the date of submission of the preliminary report; and

(4) after the 60-day period beginning on the date of submission of the preliminary report to the Congress, but not later than 60 days before that termination date, submits to the President, the Administrator, and the Congress, and publishes in the Federal Register—

(A) a final report on the review under section 4 in accordance with section 5(a)(3), and

(B) a notice extending the effectiveness of the regulation, with or without modifications, as of the end of the 60-day period beginning on the date of that publication.

(b) TERMINATION DATES.—For purposes of subsection (a), the termination date of a regulation is as follows:

(1) EXISTING REGULATIONS.—For a regulation in effect on the date of the enactment of the Act, the termination date is the last day of the 7-year period beginning on the date of the enactment of this Act.

(2) NEW REGULATIONS.—For a regulation that first takes effect after the date of the enactment of this Act, the termination date is the last day of the 5-year period beginning on the date the regulation takes effect.

(3) REGULATIONS CONTINUED IN EFFECT.—For a regulation the effectiveness of which is extended under subsection (a), the termination date is the last day of the 7-year period beginning on the date of publication of a notice under subsection (a)(4) for that extension.

(c) TEMPORARY EXTENSION.—The termination date under subsection (b) for a regulation may be delayed by not more than 6 months by the head of the agency that issued the regulation if the agency head submits to the Congress and publishes in the Federal Register a preliminary report that describes modifications that should be made to the regulation.

(d) RELATIONSHIP TO OTHER LAW.—Section 553 of title 5, United States Code, shall not apply to the extension or modification of a regulation in accordance with this Act.

SEC. 4. REVIEW OF REGULATIONS BY AGENCY.

(a) IN GENERAL.—The head of each agency shall, under the criteria set forth in subsection (b)—

(1) conduct thorough and systematic reviews of all regulations issued by the agency to determine if those regulations are obsolete, inconsistent, or duplicative or impede competition; and

(2) issue reports on the findings of those reviews, which contain recommendations for—

(A) terminating or extending the effectiveness of those regulations;

(B) any appropriate modifications to a regulation recommended to be extended; or

(C) any appropriate consolidations of regulations.

(b) CRITERIA FOR REVIEW.—The head of an agency shall review, make recommendations, and terminate or extend the effectiveness of a regulation under this section under the following criteria:

(1) The extent to which the regulation is outdated, obsolete, or unnecessary.

(2) The extent to which the regulation or information required to comply with the regulation duplicates, conflicts with, or overlaps requirements under regulations of other agencies.

(3) The extent to which the regulation impedes competition.

(4) Whether the benefits to society from the regulation exceed the costs to society from the regulation.

(5) Whether the regulation is based on adequate and correct information.

(6) Whether the regulation is worded as simply and clearly as possible.

(7) Whether the most cost-efficient alternative was chosen in the regulation to achieve the objective of the regulation.

(8) The extent to which information requirements under the regulation can be reduced, particularly for small businesses.

(9) Whether the regulation is fashioned to maximize net benefits to society.

(10) Whether the regulation is clear and certain regarding who is required to comply with the regulation.

(11) Whether the regulation maximizes the utility of market mechanisms to the extent feasible.

(12) Whether the condition of the economy and of regulated industries is considered.

(13) Whether the regulation imposes on the private sector the minimum economic burdens necessary to achieve the purposes of the regulation.

(14) Whether the total effect of the regulation across agencies has been examined.

(15) Whether the regulation is crafted to minimize needless litigation.

(16) Whether the regulation is necessary to protect the health and safety of the public.

(17) Whether the regulation has resulted in unintended consequences.

(18) Whether performance standards or other alternatives were utilized to provide adequate flexibility to the regulated industries.

(c) REQUIREMENT TO SOLICIT COMMENTS FROM THE PUBLIC AND PRIVATE SECTOR.—In reviewing regulations under this section, the head of an agency shall publish in the Federal Register a solicitation of comments from the public (including the private sector) regarding the application of the criteria set forth in subsection (b) to the regulation, and shall consider such comments, before making determinations under this section and sending a report under section 5(a) regarding a regulation.

SEC. 5. AGENCY REPORTS.

(a) PRELIMINARY AND FINAL REPORTS ON REVIEWS OF REGULATIONS.—

(1) IN GENERAL.—The head of an agency shall submit to the President, the Administrator, and the Congress and publish in the Federal Register a preliminary report and a final report for each review of a regulation under section 4.

(2) PRELIMINARY REPORT.—A preliminary report shall contain—

(A) specific findings of the agency regarding—

(i) application of the criteria set forth in section 4(b) to the regulation;

(ii) the need for the function of the regulation; and

(iii) whether the regulation duplicates functions of another regulation; and

(B) proposed recommendations on whether—

(i) the effectiveness of the regulation should terminate or be extended;

(ii) the regulation should be modified; and

(iii) the regulation should be consolidated with another regulation.

(3) FINAL REPORT.—A final report on the findings and recommendations of the agency head regarding extension of the effectiveness of the regulation and any appropriate modifications to the regulation shall include—

(A) a full justification of the decision to extend and, if applicable, modify the regulation; and

(B) the basis for all determinations made with respect to that extension or modification under the criteria set forth in section 4(b).

(b) REPORT ON SCHEDULE FOR REVIEWING EXISTING REGULATIONS.—Not later than 100 days after the date of the enactment of this Act, and on or before March 1, annually thereafter, the head of each agency shall submit to the Administrator and the Congress and publish in the Federal Register a report stating a schedule for the review of regulations in accordance with this Act. The schedule shall identify the review actions intended to be conducted during the calendar year in which such report is submitted.

SEC. 6. FUNCTIONS OF ADMINISTRATOR.

(a) IN GENERAL.—The Administrator shall—

(1) review and evaluate each report submitted by the head of an agency under section 5(a), regarding—

(A) the quality of the analysis in the reports;

(B) whether the agency has properly applied the criteria set forth in section 4(b); and

(C) the consistency of the agency action with actions of other agencies; and

(2) transmit to the head of the agency the recommendations of the Administrator regarding the report.

(b) GUIDANCE.—The Administrator shall provide guidance to agencies on the conduct of reviews and the preparation of reports under this Act.

SEC. 7. DESIGNATION OF AGENCY REGULATORY REVIEW OFFICERS.

(a) IN GENERAL.—The head of each agency shall designate an officer of the agency as the Regulatory Review Officer of the agency.

(b) FUNCTIONS.—The Regulatory Review Officer of an agency shall—

(1) be responsible for the implementation of this Act by the agency; and

(2) report directly to the head of the agency with respect to that responsibility.

SEC. 8. JUDICIAL REVIEW.

(a) LIMITATION OF ACTION.—Notwithstanding any other provision of law, an action seeking judicial review of an agency action under this Act extending, terminating, modifying, or consolidating a regulation shall not be brought after the 30-day period beginning on the date of the publication of a notice under section 3(a)(4) for that action.

(b) SCOPE OF REVIEW.—Agency compliance or noncompliance with the provisions of this Act shall be subject to judicial review only pursuant to section 706(1) of title 5, United States Code.

SEC. 9. DEFINITIONS.

For purposes of this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Office.

(2) AGENCY.—The term ''agency'' has the meaning given that term in section 551(1) of title 5, United States Code.

(3) APPROPRIATE COMMITTEE OF THE CONGRESS.—The term ''appropriate committee of the Congress'' means with respect to a regulation each standing committee of the Congress having authority under the rules of the House of Representatives or the Senate to report a bill to enact or amend the provision of law under which the regulation is issued.

(4) OFFICE.—The term ''Office'' means the Office of Information and Regulatory Affairs in the Office of Management and Budget.

(5) REGULATION.—The term ''regulation'' means the whole or a part of an agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy, other than such a statement to carry out a routine administrative function of an agency.

Mr. ABRAHAM. Mr. President, I strongly support the legislation sponsored by my good friend from New Mexico, Senator PETE DOMENICI.

Not long ago we passed legislation that finally subjects Congress to most work place and other laws that affect the American people. I enthusiastically supported this legislation out of a sense of fundamental fairness: it seemed to me that the body that legislates rules for the rest of society at the very least ought to be obliged to follow those rules itself.

But I had another reason for supporting the accountability act. You see, it seemed to me that when Members of Congress actually had to confront and deal with some of the onerous regulations they have been imposing on the people of America they might decide that it was time to eliminate some of the overregulation that is strangling our economy.

For too long Congress has acted as if regulation is cost free, even though at the U.S. Chamber of Commerce's estimate, they cost our economy $510 billion a year—9 percent of our gross domestic product. For too long Congress has acted as if the burden of paperwork these regulations impose is either light or nonexistent when, according to the chamber of commerce, Federal regulations alone require 6.8 billion hours of paperwork to our businesses and entrepreneurs.

But the accountability act alone will not be enough because the sheer inertia of Government regulation continues to push our businesses, and small businesses in particular, into bankruptcy. We must cull the code books of regulations that are redundant, obsolete, unnecessarily costly and just plain unnecessary.

This Regulatory Sunset and Review Act will go a long way toward fighting the inertia of Government regulation by putting in place a mandatory review procedure for all regulations our bureaucrats want to see continued. It would place in each agency a review officer who would review all regulations, new and old, with the aid of Congress and the Office of Management and Budget.

All existing regulations would terminate within 7 years unless they pass a rigorous review process. For new regulations the initial sunset period would be 5 years. The goal would not be to eliminate all regulations, after all some regulations are needed to enforce statutes we have passed to protect Americans' health and safety as well as their rights. But we do not need regulations, and should not have them, unless as required by this act they are shown to be: necessary; more beneficial than costly; reasonable in their cost and other impact on consumers; clear and unambiguous; unlikely to cause unnecessary litigation; and reasonable in their burden on local, State and National economies.

Only by subjecting our regulations to rigorous, repeated review can we finally bring the spread of over-regulation under control. Only by setting up a standardized review procedure can we ensure that bureaucratic inertia and discretion no longer stifle our economy and our liberties.

I ask unanimous consent that a letter of endorsement for the Domenici-Abraham regulatory sunset bill from the National Federation of Independent Business be entered into the RECORD:

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

NFIB,
Washington, DC, March 6, 1995.

Hon. SPENCE ABRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR ABRAHAM: On behalf of the more than 600,000 members of the National Federation of Independent Business, I am writing to support your legislation, the Regulatory Sunset and Review Act.

Government regulations constitute an enormous burden for small businesses. Even beneficial regulations are so complex that small business owners find it increasingly difficult to comply.

The Domenici-Abraham legislation will help curb the cost of federal regulations on small business by sunsetting them. Requiring a periodic justification for existing and future regulations is essential if small businesses are going to start-up, grow and expand while creating jobs all along the way.

With regulatory sunsetting regulations and the federal agencies responsible for them must justify their existence through a review process in order to keep them on the books. Necessary regulations would continue while others would be modified and the unnecessary would disappear.

The Domenici-Abraham regulatory sunset legislation is a concept NFIB members have been supporting for years. Seventy-seven percent of our members voted overwhelmingly to support reevaluating regulations on a frequent basis. We think the Domenici-Abraham approach is a balanced and fair approach to weeding out what works with what is unnecessary in the current regulatory system.

NFIB strongly supports your Regulatory Sunset and Review legislation. We look forward to working with you to pass this legislation.

Sincerely,

JOHN J. MORLEY III,
Vice President,
Federal Governmental Relations.

By Mr. GRASSLEY:

S. 512. A bill to amend title XVIII of the Social Security Act to provide for a 5-year extension of the Medicare-dependent, small, rural hospital payment provisions, and for other purposes; to the Committee on Finance.

MEDICARE DEPENDENT HOSPITALS PROGRAM EXTENSION ACT

Mr. GRASSLEY. Mr. President, I rise to introduce a bill which would extend the Medicare-dependent Hospital Program.

This program expired in October 1994. As its title implied, the hospitals it helped were those which were very dependent on Medicare reimbursement. These were small—100 beds or less—rural, hospitals with not less than 60 percent of total discharges or with 60 percent of total inpatient days attributable to Medicare beneficiaries. The program enabled the hospitals in question to choose the most favorable of three reimbursement methods.

This program was extended, and phased out down to October 1994, in the Omnibus Budget Reconciliation Act of 1993. That act retained the choice of the three original reimbursement methods. But it reduced the reimbursement available from those original computation methods by 50 percent.

My legislation would not extend the program as it was originally enacted by the Omnibus Budget Reconciliation Act of 1989. Rather, it would extend for 5 years the provisions contained in the Omnibus Budget Reconciliation Act of 1993. My bill would also extend those provisions retroactively. That is, as though the program had not expired in October 1994.

As I noted above, the hospitals which benefited from this program are small, rural, hospitals providing an essential point of access to hospital or hospital-based services in rural areas and small towns.

Obviously, as those of my colleagues who have followed, and participated in, our debates about the health care needs of rural areas know only too well, if we lose these hospitals, we will also have a hard time keeping physicians in those communities.

Mr. President, 44, or 36 percent, of Iowa's 122 community hospitals qualified to participate in this program, and 29, or 24 percent, chose to participate in 1994. I believe that this was the largest number of such hospitals of any State.

The percentage of all inpatient days attributable to Medicare patients is 77.4 percent for these hospitals, and Medicare discharges represent 65.5 percent of total discharges.

These Iowa hospitals will lose about $3 million dollars as a consequence of the expiration of this program, according to estimates made by the Iowa Hospital Association. The annual losses will vary from a low of $3,635 to a high of $248,016. Fourteen of these hospitals will lose $100,000 or more. Fourteen of these hospitals had negative operating margins in 1994. Those negative operating margins varied from minus $30,970 to minus $1,065,105. It is highly likely that the financial situation of these hospitals will be even worse in the coming years. Two of the hospitals with positive operating margins will probably begin to have negative margins with the expiration of the program.

The bottom line is that many of these hospitals are going to have a very difficult time continuing to exist when this program expires.

Mr. President, I am also going to work toward extension of the each/rpch program—the Essential Access Community Hospital and Rural Primary Care Hospital Program. If this program is extended to all the States, and if the Medicare-Dependent Hospital Program is extended, the smaller hospitals in Iowa would be able to modify their missions in a deliberate and nondisruptive way and continue to provide essential health care services in their communities.

By Mr. HEFLIN:

S. 513. A bill to amend chapter 23 of title 28, United States Code, to authorize voluntary alternative dispute resolution programs in Federal courts, and for other purposes; to the Committee on the Judiciary.

VOLUNTARY ALTERNATIVE DISPUTE RESOLUTION ACT

Mr. HEFLIN. Mr. President, I am today introducing legislation that would authorize our Nation's Federal district courts to adopt and utilize voluntary alternative dispute resolution programs.

The time has come for Congress and the Federal courts to realize that there must be alternative ways of settling disputes other than the traditional methods utilizing a Federal judge and jury. With criminal cases crowding the dockets, many litigants in civil cases, especially small businesses, simply cannot get their cases heard in a timely manner.

Recent statistics from the Administrative Office of the United States Courts indicate that a majority of cases in the Federal courts are civil cases and that the number of filings since 1990 has increased 9 percent. With criminal cases being put on a fast track, the time has come for Congress to assist the Federal courts in processing civil cases for the benefit of the American people.

Our Federal court system is one of the best in the world, and our judges work long hours to hear cases which come before them. I believe the approach that my legislation takes will bring the Federal courts into the 21st century ahead of schedule by expressing Congress' intent that if parties want to voluntarily settle their civil disputes by such methods as court annexed arbitration, meditation, early neutral evaluation, minitrials, or summary trials, then they should be allowed to do so.

I am introducing this legislation as a result of a hearing which the Judiciary Subcommittee on Courts and Administrative Practice held several months ago. I was privileged to Chair this subcommittee hearing which heard testimony from a number of distinguished witnesses including Judge Anne Williams, on behalf of the U.S. Judicial Conference; Judge Bill Wilson, U.S. District Court (E.D. Arkansas); Judge William Schwarzer on behalf of the Federal Judicial Center; U.S. Magistrate Judge Wayne Brazil (N.D. California); Judge Raymond Broderick (E.D. Pennsylvania); Stuart Grossman, on behalf of the American Board of Trial Advocates; Jack Watson, on behalf of the American Bar Association; and Dianne Nast, a practicing attorney in Philadelphia.

The focus of the hearing was to consider H.R. 1102, introduced by Congressman Bill Hughes of New Jersey, which would have required, not merely authorized, each of the 94 Federal district courts to adopt either a mandatory or a voluntary court-annexed arbitration program which would operate under the existing authority of Chapter 44, Sections 651–658 of Title 28 of the United States Code. H.R. 1102 would have increased the maximum amount in controversy for cases referred under the mandatory programs from $100,000 to $150,000.

In 1988, Congress enacted legislation to authorize the continuation of 10 pilot programs of mandatory court-annexed arbitration that were in operation in the Federal courts, and this legislation also authorized 10 additional pilot programs that would be of a voluntary nature.

This authorization was to terminate toward the end of 1993, and H.R. 1102 would have made that authorization permanent and would have required each district court to adopt either a mandatory or a voluntary program of court-annexed arbitration. Because of strong concerns raised at the hearing regarding the mandatory nature of court-annexed arbitration, our subcommittee was unwilling to immediately go forward with H.R. 1102. Instead, S. 1732, which became Public Law 103–192, was introduced toward the end of 1993, which simply extended the existing authority for one year with regard to the 20 pilot districts utilizing court-annexed arbitration.

In early August last year, I, along with my colleagues Senators BIDEN, HATCH, GRASSLEY, and SPECTER, introduced S. 2407, the Judicial Amendments Act of 1994, to extend this authority for an additional 3 years until the end of 1997. S. 2407 was introduced and passed by the Senate on August 19, and sent to the House of Representatives which also passed it at the close of session. It was signed by the President on October 25, 1994, and became Public Law 103–420.

Let me return now to the hearing which the subcommittee held in October 1993 and which focused primarily on arbitration which is one of the programs of ADR as alternative dispute resolution is popularly called. Judge Ann Claire Williams of the U.S. District Court for the Northern District of Illinois appeared on behalf of the U.S. Judicial Conference which is the policymaking body of the Federal judiciary. The Judicial Conference has recommended that Congress should authorize all Federal district courts to have the discretion to utilize voluntary nonbinding court-annexed arbitration. Thus, the judicial Conference did not recommend the expansion of mandatory court-annexed arbitration for the remainder of the Federal district courts.

The legislation which I am introducing today builds on the recommendation of the Judicial Conference by authorizing each of the 94 Federal district courts to adopt not only voluntary court-annexed arbitration but also other ADR programs, including but not limited to mediation, early neutral evaluation, minitrials, summary jury or bench trials.

My legislation also contains a provision that clearly states that ''[a]n alternative dispute resolution program shall not in any way infringe on a litigant's right to trial de novo and shall impose no penalty on participating litigants.''

Over the last year, I have talked with many people from both the bar and the business community, and I believe that it is an undeniable fact that civil litigation in the Federal courts has become more complicated, time-consuming, and expensive. Further, the Speedy Trial Act, requiring criminal cases to proceed on a fast track, has resulted in delays in civil cases being considered by the Federal courts.

I want to make certain that the Congress clearly intends for our Federal courts to consider alternative means of dispute resolution, so that litigants can have a speedy and less expensive alternative to formal civil adjudication, consistent with the requirements of the seventh amendment to the U.S. Constitution. Where parties are willing

to mutually participate in such alternatives, I believe there are merits that justify our support for such programs.

I hope that this legislation will be carefully considered by my colleagues, and I look forward to further discussion on its merits in the days ahead.

By Mr. AKAKA:

S. 514. A bill for the relief of the heirs, successors, or assigns of Sadae Tamabayashi; to the Committee on the Judiciary.

RELIEF FOR THE FAMILY OF SADAE TAMABAYASHI

Mr. AKAKA. Mr. President, I rise to introduce a bill for the relief of the family of Sadae Tamabayashi.

In 1941, Mrs. Tamabayashi was the owner of Paradise Clothes Cleaning Shop in Honolulu, HI. On the fateful morning of December 7, she and her family lost everything that they owned. The attack on Pearl Harbor not only had national repercussions, it affected the lives of many individuals as well, especially those who lived in Hawaii at the time. For Sadae Tamabayashi and her family, the bombing was devastating to their livelihood.

On the morning of December 7, Paradise Clothes Cleaning Shop was destroyed by fire which started as a result of the attack on Pearl Harbor and the subsequent retaliatory shots by U.S. Armed Forces. The entire building and its contents, which included the Tamabayashi's family quarters, were destroyed.

The Tamabayashi family attempted to seek compensation through the War Damage Corporation Claims Service Office in 1942. Their efforts were to no avail. Their claim for reparations was denied by the corporation because Mrs. Tamabayashi was a Japanese national. However, Mrs. Tamabayashi was prohibited from becoming a citizen under the Immigration Act of 1924, which excluded persons of Japanese descent. It was not until 1952, 7 years after the end of World War II, that the 1924 Immigration Act was repealed, and Asians were finally given equal citizenship status in this country.

The family of Sadae Tamabayashi seeks fair treatment of their mother's losses. I hope that my colleagues will support this effort to bring to a close this sad chapter in the lives of the Tamabayashi family.

By Mr. BRADLEY:

S. 515. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through the reduction of harmful substances in meat and poultry that present a threat to public health, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FAMILY FOOD PROTECTION ACT

Mr. BRADLEY. Mr. President, let me tell you about Katie O'Connell. Katie's picture ended up on postcards that thousands of Americans have sent and will be sending to Washington. Neither her parents nor I are glad that this is the case. You see, Katie was a beautiful, happy, 2-year-old girl from my home State of New Jersey. Yet, she died from eating a hamburger served at a fast food restaurant. Unknown to anyone, her meal was contaminated with a deadly pathogen called E coli. Sadly, the meat that Katie ate had been declared safe by inspectors from the U.S. Department of Agriculture.

Katie died from a disease that should have been detected through our Federal meat inspection system. Katie is no longer alive because that system failed her and her family, and has failed thousands of others across the country. The legislation I am introducing today, the Family Food Protection Act, is designed to ensure a Federal system that protects the public and not just meat processors and slaughterhouses.

Diseases cause by foodborne illness often strike those most vulnerable in our society: our children. Last summer, health officials in New Jersey battled another outbreak of the disease that killed Katie O'Connell. One family the McCormick's of Newton, NJ, had two of their children—ages 2 and 3—hospitalized. Their lives were in danger because they too ate meat that had been declared safe by Federal inspectors in the Department of Agriculture.

These cases in New Jersey are far from isolated: The Centers for Disease Control estimates that over 9,000 people die, and another 6.5 million become sick, from foodborne illness every year.

That the current system represents a false promise to the public is not news. Many studies, including work by the GAO and the National Academy of Science, make this point.

About 1 month ago, the USDA proposed a series of new regulations for food inspection. These rules would require a daily testing for salmonella at meat/poultry processing plants. Additionally, each of the Nation's 6,000 slaughterhouses and processing plants would have to develop operating plans designed to minimize the possible sources of contamination.

This proposal represents a significant improvement over the current system—which has remained remarkably unchanged for 90 years. However, the proposal leaves some significant holes. The Family Food Protection Act fills the holes:

First, the Family Food Protection Act is comprehensive—we need to recognize the scope of the problem. It's not just salmonella. We need USDA to consider the whole range of human pathogens—bacteria—and other harmful substances—for example animal drugs, pollutants—that can threaten health. My bill calls on the Secretary to enact standards and regulations designed to control and reduce any of these dangerous substances that is likely to cause foodborne illness.

Second, the Family Food Protection Act gives the Secretary the enforcement tools he needs—the bill allows the Secretary: to order a recall of contaminated food; to demand the identification of the whole chain of companies that may have handled a contaminated food—''traceback''; to withdraw Federal inspection, and the USDA seal of approval from plants that are repeated violators of regulations; to issue civil fines, which makes it more likely that the processors will follow through with their improved operating procedures.

Third, the Family Food Protection Act helps protect the conscientious worker—the new USDA regulations depend on changes in the daily operations of thousands of plants to protect the public. In order to provide the most protection to the public, we need the cooperation of workers as well as managers. This bill provides explicit whistleblower protection to food processing employees who step forward with public health concerns.

Fourth, the Family Food Protection Act keeps the public involved and informed—this bill would: provide for public access to food safety inspection records; create a public advisory board of food safety.

Last Congress, Congressman TORRICELLI and I introduced the Katie O'Connell Safe Food Act. Like most legislation, that bill didn't make it into law. But that fact does not mean that we haven't changed policy as a result. This bill exposed the inadequacies of the status quo and shook up the bureaucrats at USDA.

I'm pleased that the USDA is trying to respond to the challenge of food safety. But the USDA has much more to do before the public can really believe their program means a guarantee of healthy food. This new bill is the blueprint for the work yet to be done.

The Family Food Protection Act is supported by a wide range of consumer and food safety advocacy groups. I urge my colleagues in the Senate to consider this legislation carefully and support its enactment.

I ask unanimous consent that a copy of a bill summary and the legislation be printed following these remarks.

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

S. 515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Family Food Protection Act of 1995''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS.

Congress finds that—

(1) bacterial foodborne illness exacts a terrible toll on United States citizens, taking approximately 9,000 lives each year and causing between 6,500,000 and 80,000,000 illnesses;

(2) meat and meat food products, and poultry and poultry products, contaminated with pathogenic bacteria are a leading cause of foodborne illness;

(3) foodborne illness related to meat and poultry cost Americans between $2,000,000,000 and $4,000,000,000 each year in medical expenses and lost wages;

(4) the number of illnesses and deaths associated with adulterated meat and poultry undermines public confidence in the food supply of the United States and tends to destroy both domestic and foreign markets for wholesome meat and poultry;

(5) the meat and poultry inspection system costs United States taxpayers approximately $600,000,000 per year but does not provide adequate protection against foodborne illness because the system does not test for and limit the presence of disease-causing bacteria;

(6) the Federal Government must—

(A) set levels of disease-causing bacteria above which meat and meat food products and poultry and poultry products are determined to be unsafe for human consumption and adulterated; and

(B) remove the products from commerce unless and until the products are made safe;

(7) beginning with the National Academy of Sciences report entitled ''Meat and Poultry: The Scientific Basis for the Nation's Program'', the United States Department of Agriculture has been urged to shift from organoleptic inspection to inspection based on the detection and limitation of disease-causing bacteria;

(8) to sustain the confidence of the people of the United States and justify the expenditure of tax dollars, the inspection system must—

(A) be based on sound application of modern science;

(B) effectively protect human health;

(C) be open to public scrutiny;

(D) create incentives for high standards;

(E) provide for fines for failure to meet standards; and

(F) assess severe penalties for intentional violation of the law;

(9) a modern system of meat and poultry inspection should extend from farm to table and require livestock and poultry producers, handlers, processors, distributors, transporters, and retailers to assume responsibility for handling livestock, meat, meat food products, poultry, and poultry products in such a way as to limit contamination to a level that will not endanger human health;

(10) to effectively protect human health, there must be an orderly transition from the system of inspection in effect on the date of enactment of this Act to a new system based on preventive controls that are designed to limit the presence of disease-causing bacteria on meat, meat food products, poultry, and poultry products, and the efficacy of the new system must be demonstrated by pilot projects;

(11)(A) consumer confidence is further undermined by the ''USDA Inspected and Passed'' seal that appears on every package of meat or a meat food product and the ''USDA Inspected for Wholesomeness'' seal that appears on every package of poultry and poultry products, a seal that misleads consumers into believing the products are safe when the products often are contaminated with disease-causing bacteria; and

(B) the Federal Government should not affix a seal that misleads consumers and may increase the incidence of foodborne illness and death; and

(12)(A) all articles and other animals that are subject to the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) are in interstate or foreign commerce or substantially affect commerce; and

(B) regulation by the Secretary of Agriculture and cooperation by the States, consistent with this Act and the amendments made by this Act, are necessary to prevent or eliminate burdens on commerce and to protect the health and welfare of consumers of the United States.

TITLE I—MEAT INSPECTION

SEC. 101. REFERENCES TO THE FEDERAL MEAT INSPECTION ACT.

Whenever in this title 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 the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), except to the extent otherwise specifically provided.

SEC. 102. DEFINITIONS.

(a) ADULTERATED.—Section 1(m)(1) (21 U.S.C. 601(m)(1)) is amended to read as follows:

''(1) if it bears or contains a poisonous or deleterious substance that may render it injurious to health, except that, in the case of a substance that is not an added substance, the article shall be considered adulterated under this subsection if there is a reasonable probability that the quantity of the substance in the article will cause adverse health consequences;''.

(b) ADDED SUBSTANCE; OFFICIAL ESTABLISHMENT.—Section 1 is amended by adding at the end the following:

''(w) The term 'added substance'—

''(1) means a substance that is not an inherent constituent of a food and whose intended use results, or may reasonably be expected to result, directly or indirectly, in the substance becoming a component of, or otherwise affecting the characteristics of, the food; and

''(2) includes—

''(A) a substance that is intentionally added to any food; or

''(B) a substance that is the result of microbial, viral, environmental, agricultural, industrial, or other contamination.

''(x) The term 'official establishment' means an establishment at which inspection of the slaughter of cattle, sheep, swine, goats, mules, and other equines, or the processing of meat and meat food products of the animals, is maintained in accordance with this Act.''.

SEC. 103. STORAGE AND HANDLING REGULATIONS.

The last sentence of section 24 (21 U.S.C. 624) is amended by inserting before the period at the end the following: '', except that regulations issued under section 503 shall apply to a retail store or other type of retail establishment''.

SEC. 104. FEDERAL AND STATE COOPERATION.

Section 301(c) (21 U.S.C. 661(c)) is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by inserting after ''the Wholesome Meat Act,'' the following: ''or by 30 days prior to the expiration of the 2-year period beginning on the date of enactment of the Family Food Protection Act of 1995,''; and

(ii) by striking ''title I and IV'' and inserting ''titles I, IV, and V'';

(B) by striking ''titles I and IV'' each place it appears and inserting ''titles I, IV, and V''; and

(C) by striking ''title I and title IV'' each place it appears and inserting ''titles I, IV, and V''; and

(2) in paragraph (3), by striking ''titles I and IV'' each place it appears and inserting ''titles I, IV, and V''.

SEC. 105. AUXILIARY PROVISIONS.

Sections 402 and 403 (21 U.S.C. 672 and 673) are amended by striking ''title I or II'' each place it appears and inserting ''title I, II, or V''.

SEC. 106. REDUCING ADULTERATION OF MEAT AND MEAT FOOD PRODUCTS.

The Act (21 U.S.C. 601 et seq.) is amended by adding at the end the following:

''TITLE V—REDUCING ADULTERATION OF MEAT AND MEAT FOOD PRODUCTS

''SEC. 501. REDUCING ADULTERATION OF MEAT AND MEAT FOOD PRODUCTS.

''(a) IN GENERAL.—On the basis of the best available scientific and technological data, the Secretary shall issue regulations to—

''(1) limit the presence of human pathogens and other potentially harmful substances in cattle, sheep, swine, or goats, or horses, mules, or other equines at the time the animals are presented for slaughter;

''(2) ensure that appropriate measures are taken to control and reduce the presence and growth of human pathogens and other potentially harmful substances on carcasses and parts of carcasses and on meat or meat food products derived from the animals prepared in any official establishment;

''(3) ensure that all ready-to-eat meat or meat food products prepared in any official establishment preparing the meat or food product for distribution in commerce are processed in such a manner as to destroy any human pathogens and other potentially harmful substances that are likely to cause foodborne illness; and

''(4) ensure that meat and meat food products, other than meat and meat food products referred to in paragraph (3), prepared at any official establishment preparing meat or a meat food product for distribution in commerce are labeled with instructions for handling and preparation for consumption that, when adhered to, will destroy any human pathogens or other potentially harmful substances that are likely to cause foodborne illness.

''(b) NONCOMPLIANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a carcass or part of a carcass, or meat or a meat food product, prepared at any official establishment preparing the article for distribution in commerce, that is found not to be in compliance with the regulations issued under paragraph (2), (3), or (4) of subsection (a) shall be—

''(A) considered adulterated and determined to be condemned; and

''(B) if no appeal is made to the determination of condemnation, destroyed for human food purposes under the supervision of a duly authorized representative of the Secretary.

''(2) REPROCESSING OR LABELING.—A carcass or part of a carcass, or meat or a meat food

product that is not in compliance with paragraph (2), (3), or (4) of subsection (a), but that may by reprocessing or labeling, or both, be made not adulterated, need not be condemned and destroyed if after reprocessing or labeling, or both, as applicable and as determined by the Secretary, under the supervision of a duly authorized representative of the Secretary, the carcass, part of a carcass, meat, or meat food product is subsequently inspected and found to be not adulterated.

''(3) APPEALS.—

''(A) ACTION PENDING APPEAL.—If an appeal is made to a determination of condemnation, the carcass, part of a carcass, meat, or meat food product shall be appropriately marked, segregated, and held by the official establishment pending completion of an appeal inspection.

''(B) CONDEMNATION SUSTAINED.—If the determination of condemnation is sustained, the carcass, part of a carcass, meat, or meat food product if not so reprocessed or labeled, or both, under paragraph (2) so as to be made not adulterated, shall be destroyed for human food purposes under the supervision of a duly authorized representative of the Secretary.

''(c) HUMAN PATHOGENS AND OTHER HARMFUL SUBSTANCES.—Not later than 1 year after the date of enactment of this title, the Secretary shall issue regulations that—

''(1) require meat and meat food products in an official establishment to be tested, in such manner and with such frequency as the Secretary considers necessary, to identify human pathogens, or markers for the pathogens, and other potentially harmful substances in the meat and meat food products;

''(2) require that the results of any test conducted in accordance with paragraph (1) be reported to the Secretary, in such manner and with such frequency as the Secretary considers necessary;

''(3)(A) establish interim limits for human pathogens and other potentially harmful substances that, when found on meat or meat food products, may present a threat to public health; and

''(B) in carrying out subparagraph (A)—

''(i) establish interim limits that are below the industry mean as determined by the Secretary for the pathogen or other potentially harmful substance established through national baseline studies; and

''(ii) reestablish the interim limits every two years after the initial interim limits until the regulatory limits referred to in subsection (d)(2), tolerances, or other standards are established under this Act or other applicable law; and

''(4) prohibit or restrict the sale, transportation, offer for sale or transportation, or receipt for transportation of any meat or meat food products that—

''(A) are capable of use as human food; and

''(B) exceed the regulatory limits, interim limits, tolerances, or other standards established under this Act or other applicable law for human pathogens or other potentially harmful substances.

''(d) RESEARCH AND REGULATORY LIMITS.—

''(1) RESEARCH ON FOOD SAFETY.—The Secretary, acting through the Under Secretary of Agriculture for Food Safety, shall conduct or support appropriate research on food safety, including—

''(A) developing and reevaluating appropriate limits for human pathogens or other potentially harmful substances that when found on meat and meat food products prepared in official establishments may present a threat to public health;

''(B) developing efficient, rapid, and sensitive methods for determining and detecting the presence of microbial contamination, chemical residues, and animal diseases that have an adverse impact on human health;

''(C) conducting baseline studies on the prevalence of human pathogens or other potentially harmful substances in processing facilities; and

''(D) conducting risk assessments to determine the human pathogens and other potentially harmful substances that pose the greatest risk to human health.

''(2) REGULATORY LIMITS FOR HUMAN PATHOGENS AND OTHER HARMFUL SUBSTANCES.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this title, the Secretary of Health and Human Services shall establish regulatory limits, to the maximum extent scientifically supportable, for human pathogens and other potentially harmful substances, including heavy metals, that, when found as a component of meat or meat food products prepared in official establishments, may present a threat to public health.

''(B) RISK TO HUMAN HEALTH.—In establishing the regulatory limits, the Secretary of Health and Human Services shall consider the risk to human health, including the risk to children, the elderly, individuals whose immune systems are compromised, and other population subgroups, posed by consumption of the meat or meat food products containing the human pathogen or other potentially harmful substance.

''(C) FUNDING.—The Secretary of Agriculture shall annually transfer to the Secretary of Health and Human Services an amount, to be determined by the Secretaries, to defray the cost of establishing the regulatory limits.

''(e) SURVEILLANCE AND SAMPLING SYSTEMS.—

''(1) SURVEILLANCE SYSTEM.—In conjunction with the Director of the Centers for Disease Control and Prevention and the Commissioner of Food and Drugs, the Secretary shall develop and administer an active surveillance system for foodborne illness, that is based on a representative sample of the population of the United States, to assess more accurately the frequency and sources of human disease in the United States associated with the consumption of food products.

''(2) SAMPLING SYSTEM.—

''(A) IN GENERAL.—Not later than 2 years after the date of enactment of this title, the Secretary shall establish a sampling system, using data collected under subsection (c)(2) and other sources, to analyze the nature, frequency of occurrence, and quantities of human pathogens and other potentially harmful substances in meat and meat food products.

''(B) INFORMATION.—The sampling system shall provide—

''(i) statistically valid monitoring, including market basket studies, on the nature, frequency of occurrence, and quantity of human pathogens and other potentially harmful substances in meat and meat food products available to consumers; and

''(ii) such other information as the Secretary determines may be useful in assessing the occurrence of human pathogens and other potentially harmful substances in meat and meat food products.

''(C) NONCOMPLIANCE.—If a sample is found to exceed regulatory limits, interim limits, tolerances, or standards established under this Act or other applicable law, the Secretary shall take action to prevent violative products from entering commerce or to remove the violative products from the market.

''(f) REVIEW AND CONSULTATION.—

''(1) REVIEW.—The Secretary shall review, at least 2 years, all regulations, processes, procedures, and methods designed to limit and control human pathogens and other potentially harmful substances present on or in carcasses and parts of carcasses and in meat and meat food products. The ongoing review shall include, as necessary, epidemiologic and other scientific studies to ascertain the efficiency and efficacy of the regulations, processes, procedures, and methods.

''(2) CONSULTATION.—In carrying out paragraphs (1) and (3) of subsection (c), subsection (d), subsection (e)(1), and paragraph (1), the Secretary shall consult with the Assistant Secretary for Health, the Director of the Centers for Disease Control and Prevention, the Commissioner of Food and Drugs, and the heads of such other Federal and State public health agencies as the Secretary considers appropriate.

''SEC. 502. HAZARD CONTROLS.

''(a) REGULATIONS.—

''(1) ISSUANCE.—Not later than 1 year after the date of enactment of this title, the Secretary shall issue regulations that require an official establishment to—

''(A) adopt processing controls that are adequate to protect public health; and

''(B) limit the presence and growth of human pathogens and other potentially harmful substances in carcasses and parts of carcasses and on meat and meat food products derived from animals prepared in the establishment.

''(2) CONTENT.—The regulations shall—

''(A) set standards for sanitation;

''(B) set interim limits for biological, chemical, and physical hazards, as appropriate;

''(C) require processing controls to ensure that relevant regulatory standards are met;

''(D) require recordkeeping to monitor compliance;

''(E) require sampling to ensure that processing controls are effective and that regulatory standards are being met; and

''(F) provide for agency access to records kept by official establishments and submission of copies of the records to the Secretary as the Secretary considers appropriate.

''(3) PUBLIC ACCESS.—Public access to records that relate to the adequacy of measures taken by an official establishment to protect the public health, and to limit the presence and growth of human pathogens and other potentially harmful substances, shall be subject to section 552 of title 5, United States Code.

''(4) PROCESSING CONTROLS.—The Secretary may, as the Secretary considers necessary, require any person with responsibility for, or control over, any animals or meat or meat food products intended for human consumption to adopt processing controls, if the processing controls are needed to ensure the protection of public health.

''(b) ADVISORY BOARD.—

''(1) IN GENERAL.—On the issuance of regulations under subsection (a), the Secretary shall convene an advisory board on meat and poultry safety to—

''(A) recommend improvements to the meat and poultry inspection programs;

''(B) evaluate alternatives to the programs; and

''(C) provide other relevant advice to the Secretary.

''(2) COMPOSITION.—The advisory board shall include representatives of consumers, processors, producers, retail outlets, inspectors, plant workers, public health officials, and victims of foodborne illness.

''(3) DUTIES.—The advisory board shall—

''(A) evaluate—

''(i) the meat and poultry inspection programs; and

''(ii) the significance of the programs in ensuring the proper operation of mandatory processing controls; and

''(B) make recommendations to the Secretary described in paragraph (4).

''(4) REPORT.—The Secretary shall report to Congress on the recommendations of the advisory board for improving the meat and poultry inspection programs, including—

''(A) the timing and criteria for any changes in the programs;

''(B) alternative approaches for addressing safety and quality issues; and

''(C) the minimum time needed to ensure that processing controls effectively reduce foodborne illness prior to any change in the programs.

''(5) PROCEDURE.—The advisory board shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

''(c) LABELING.—Notwithstanding any other provision of this Act, if the Secretary discontinues carcass-by-carcass inspection of meat, the 'USDA Inspected and Passed' seal, or a similar seal, shall not be affixed to any carcasses and parts of carcasses and to meat and meat food products derived from the animals prepared in any official establishment.

"SEC. 503. VOLUNTARY GUIDELINES FOR RETAIL ESTABLISHMENTS.

''(a) STANDARDS.—

''(1) IN GENERAL.—In consultation with representatives of States, the Conference for Food Protection, the Association of Food and Drug Officials, and Federal agencies, the Secretary shall establish minimum standards for the handling, processing, and storage of meat and meat food products at retail stores, restaurants, and similar types of retail establishments (collectively referred to in this section as 'retail establishments').

''(2) CONTENT.—The standards shall—

''(A) be designed to ensure that meat and meat food products sold by retail establishments are safe for human consumption;

''(B) be based on the principles of preventive controls; and

''(C) include—

''(i) safe food product processing and handling practices for retail establishments, including time and temperature controls on meat and meat food products sold by the establishments;

''(ii) equipment handling practices, including standards for the cleaning and sanitization of food equipment and utensils;

''(iii) minimum personnel hygiene requirements; and

''(iv) requirements for the use of temperature warning devices on raw meat and meat food products to alert consumers to inadequate temperature controls.

''(b) GUIDELINES.—

''(1) ISSUANCE.—Not later than 18 months after the date of enactment of this title, the Secretary, after notice and opportunity for comment, shall issue guidelines for retail establishments that offer meat and meat food products that include the standards established under subsection (a).

''(2) COMPLIANCE.—Not later than 18 months after the date of enactment of this title, the Secretary shall issue a final regulation defining the circumstances that constitute substantial compliance by retail establishments with the guidelines issued under paragraph (1). The regulation shall provide that there is not substantial compliance if a significant number of retail establishments have failed to comply with the guidelines.

''(3) REPORT.—

''(A) IN GENERAL.—Not later than 3 years after the date of enactment of this title, the Secretary shall issue a report to Congress on actions taken by retail establishments to comply with the guidelines. The report shall include a determination of whether there is substantial compliance with the guidelines.

''(B) SUBSTANTIAL COMPLIANCE.—If the Secretary determines that there is substantial compliance with the guidelines, the Secretary shall issue a report and make a determination in accordance with subparagraph (A) not less than every 2 years.

''(C) NO SUBSTANTIAL COMPLIANCE.—If the Secretary determines that there is not substantial compliance with the guidelines, the Secretary shall (at the time the determination is made) issue proposed regulations requiring that retail establishments comply with the guidelines. The Secretary shall issue final regulations imposing the requirement not later than 180 days after issuance of any proposed regulations. Any final regulations shall become effective 180 days after the date of the issuance of the final regulations.

''(c) ENFORCEMENT.—A State may bring, in the name of the State and within the jurisdiction of the State, a proceeding for the civil enforcement, or to restrain a violation, of final regulations issued pursuant to subsection (b)(3)(C) if the food that is the subject of the proceeding is located in the State.

"SEC. 504. LIVESTOCK TRACEBACK.

''(a) IN GENERAL.—

''(1) IDENTIFICATION.—For the purpose of understanding the nature of foodborne illness and minimizing the risks of foodborne illness from carcasses and parts of carcasses and meat and meat food products distributed in commerce, the Secretary shall, as the Secretary considers necessary, prescribe by regulation that cattle, sheep, swine, and goats, and horses, mules, and other equines presented for slaughter for human food purposes be identified in a manner prescribed by the Secretary to enable the Secretary to trace each animal to any premises at which the animal has been held for such period prior to slaughter as the Secretary considers necessary to carry out this Act.

''(2) PROHIBITION OR RESTRICTION ON ENTRY.—The Secretary may prohibit or restrict entry into any slaughtering establishment inspected under this Act of any cattle, sheep, swine, or goats, or horses, mules, or other equines not identified as prescribed by the Secretary.

''(b) RECORDS.—

''(1) IN GENERAL.—The Secretary may require that a person required to identify livestock pursuant to subsection (a) maintain accurate records, as prescribed by the Secretary, regarding the purchase, sale, and identification of the livestock.

''(2) ACCESS.—A person subject to paragraph (1) shall, at all reasonable times, on notice by a duly authorized representative of the Secretary, afford the representative access to the place of business of the person and an opportunity to examine the records of the person and copy the records.

''(3) DURATION.—Any record required to be maintained under this subsection shall be maintained for such period of time as the Secretary prescribes.

''(c) FALSE INFORMATION.—No person shall falsify or misrepresent to the Secretary or any other person any information concerning the premises at which any cattle, sheep, swine, or goats, or horses, mules, or other equines, or carcasses thereof, were held.

''(d) MAINTENANCE OF RECORDS.—No person shall, without authorization from the Secretary, alter, detach, or destroy any records or other means of identification prescribed by the Secretary for use in determining the premises at which were held any cattle, sheep, swine, or goats, or horses, mules, or other equines, or the carcasses thereof.

''(e) HUMAN PATHOGENS OR OTHER HARMFUL SUBSTANCES.—

''(1) IDENTIFICATION OF SOURCE.—If the Secretary finds any human pathogen or any other potentially harmful substance in any cattle, sheep, swine, or goats, or horses, mules, or other equines at the time they are presented for slaughter or in any carcasses, parts of carcasses, meat, or meat food products prepared in an official establishment and the Secretary finds that there is a reasonable probability that human consumption of any meat or meat food product containing the human pathogen or other potentially harmful substance presents a threat to public health, the Secretary may take such action as the Secretary considers necessary to determine the source of the human pathogen or other potentially harmful substance.

''(2) ACTION.—If the Secretary identifies the source of any human pathogen or other potentially harmful substance referred to in paragraph (1), the Secretary may prohibit or restrict the movement of any animals, carcasses, parts of carcasses, meat, meat food products, or any other article from any source of the human pathogen or other potentially harmful substance until the Secretary determines that the human pathogen or other potentially harmful substance at the source no longer presents a threat to public health.

''(f) PRODUCERS AND HANDLERS.—

''(1) USE OF METHODS.—The Secretary shall use any means of identification and recordkeeping methods utilized by producers or handlers of cattle, sheep, swine, or goats, or horses, mules, or other equines whenever the Secretary determines that the means of identification and recordkeeping methods will enable the Secretary to carry out this section.

''(2) COOPERATION.—The Secretary may cooperate with producers or handlers of cattle, sheep, swine, or goats, or horses, mules, or other equines, in which any human pathogen or other potentially harmful substance described in subsection (e)(1) is found, to develop and carry out methods to limit or eliminate the human pathogen or other potentially harmful substance at the source.

"SEC. 505. NOTIFICATION AND RECALL OF NONCONFORMING ARTICLES.

''(a) NOTIFICATION.—Any person preparing carcasses or parts of carcasses, meat, or meat food products for distribution in commerce who obtains knowledge that provides a reasonable basis for believing that any carcasses or parts of carcasses or any meat or meat food products—

''(1) are unsafe for human consumption, adulterated, or not produced in accordance with section 501(a); or

''(2) are misbranded;

shall immediately notify the Secretary, in such manner and by such means as the Secretary may by regulation prescribe, of the identity and location of the articles.

''(b) RECALL.—

''(1) IN GENERAL.—If the Secretary finds, on notification or otherwise, that any carcasses or parts of carcasses or any meat or meat food products—

''(A) are unsafe for human consumption, adulterated, or not produced in accordance with section 501(a); or

''(B) are misbranded;

the Secretary shall by order require any person engaged in the processing, handling, transportation, storage, importation, distribution, or sale of the articles to immediately cease any distribution of the articles, and to recall the articles from commercial distribution and use, if the Secretary determines that there is a reasonable probability that the product is unsafe for human consumption, adulterated, or misbranded, unless the person is engaged in a voluntary recall of the articles that the Secretary considers adequate.

''(2) ORDER.—The order shall—

''(A) include a timetable during which the recall shall occur;

''(B) require periodic reports by the person to the Secretary describing the progress of the recall; and

''(C) require notice to consumers to whom the articles were, or may have been, distributed as to how the consumers should treat the article.

''(c) INFORMAL HEARING.—

''(1) IN GENERAL.—The order shall provide any person subject to the order with an opportunity for an informal hearing, to be held not later than 5 days after the date of issuance of the order, on the actions required by the order.

''(2) VACATION OF ORDER.—If, after providing an opportunity for the hearing, the Secretary determines that inadequate grounds exist to support the actions required by the order, the Secretary shall vacate the order.

''(d) JUDICIAL RECALL.—A district court of the United States may order any person engaged in the processing, handling, transportation, storage, importation, distribution, or sale of any carcass, part of a carcass, meat, or meat food product to recall the carcass, part of a carcass, meat, or meat food product if the court finds that there is a reasonable probability that the carcass, part of a carcass, meat, or meat food product is unsafe for human consumption, adulterated, or misbranded.

''SEC. 506. REFUSAL OR WITHDRAWAL OF INSPECTION.

''(a) IN GENERAL.—The Secretary may, for such period or indefinitely as the Secretary considers necessary to carry out this Act, refuse to provide, or withdraw, inspections under title I with respect to any official establishment if the Secretary determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, the service that the applicant or recipient, or any person connected with the applicant or recipient, has repeatedly failed to comply with this Act.

''(b) INSPECTIONS PENDING REVIEW.—The Secretary may direct that, pending opportunity for an expedited hearing in the case of any refusal or withdrawal of inspections and the final determination and order under subsection (a) and any judicial review of the determination and order, inspections shall be denied or suspended if the Secretary considers the action necessary in the public interest in order to protect the health or welfare of consumers or to ensure the safe and effective performance of official duties under this Act.

''(c) JUDICIAL REVIEW.—

''(1) IN GENERAL.—The determination and order of the Secretary with respect to refusal or withdrawal of inspections under this section shall be final and conclusive unless the applicant for, or recipient of, inspections files an application for judicial review not later than 30 days after the effective date of the order.

''(2) INSPECTIONS PENDING REVIEW.—Inspections shall be refused or withdrawn as of the effective date of the order pending any judicial review of the order unless the Secretary or the Court of Appeals directs otherwise.

''(3) VENUE; RECORD.—Judicial review of the order shall be—

''(A) in the United States Court of Appeals for the circuit in which the applicant for, or the recipient of, inspections has the principal place of business of the applicant or recipient or in the United States Court of Appeals for the District of Columbia Circuit; and

''(B) based on the record on which the determination and order are based.

''(4) PROCESS.—Section 204 of the Packers and Stockyards Act, 1921 (7 U.S.C. 194), shall be applicable to appeals taken under this section.

''(d) ADDITIONAL AUTHORITY.—This section shall be in addition to, and not derogate from, any provision of this Act for refusal, withdrawal, or suspension of inspections under title I.

''SEC. 507. CIVIL PENALTIES.

''(a) IN GENERAL.—

''(1) ASSESSMENT.—A person who violates this title, a regulation issued under this title, or an order issued under subsection (b) or (d) of section 505 may be assessed a civil penalty by the Secretary of not more than $100,000 for each day of violation.

''(2) SEPARATE VIOLATION.—Each offense described in paragraph (1) shall be considered to be a separate violation.

''(3) NOTICE AND OPPORTUNITY FOR HEARING.—No penalty may be assessed against a person under this section unless the person is given notice and an opportunity for a hearing on the record before the Secretary in accordance with sections 554 and 556 of title 5, United States Code.

''(4) AMOUNT.—The amount of the civil penalty shall be assessed by the Secretary by written order, taking into account the gravity of the violation, the degree of culpability, and any history of prior offenses. The amount may be reviewed only as provided in subsection (b).

''(b) REVIEW.—

''(1) IN GENERAL.—A person against whom a violation is found and a civil penalty assessed by order of the Secretary under subsection (a) may obtain review of the order in the United States Court of Appeals for the circuit in which the party resides or has a place of business or in the United States Court of Appeals for the District of Columbia Circuit by filing a notice of appeal in the court not later than 30 days after the date of the order and by simultaneously sending a copy of the notice by certified mail to the Secretary.

''(2) RECORD.—The Secretary shall promptly file in the court a certified copy of the record on which the violation was found and the penalty assessed.

''(3) FINDINGS.—The findings of the Secretary shall be set aside only if found to be unsupported by substantial evidence on the record as a whole.

''(c) CIVIL ACTION TO RECOVER ASSESSMENT.—

''(1) IN GENERAL.—If a person fails to pay an assessment of a civil penalty after the penalty has become a final and unappealable order, or after the appropriate Court of Appeals has entered final judgment in favor of the Secretary, the Secretary shall refer the matter to the Attorney General, who shall institute a civil action to recover the amount assessed in any appropriate district court of the United States.

''(2) SCOPE OF REVIEW.—In a recovery action under paragraph (1), the validity and appropriateness of the order of the Secretary imposing the civil penalty shall not be subject to review.

''(d) DISPOSITION OF AMOUNTS.—All amounts collected under this section shall be paid into the Treasury of the United States.

''(e) EQUITABLE RELIEF.—

''(1) RELATIONSHIP TO OTHER ACTIONS.—Nothing in this Act requires the Secretary to report for criminal prosecution, or for the institution of an injunction or other proceeding, a violation of this Act, if the Secretary believes that the public interest will be adequately served by assessment of civil penalties.

''(2) MODIFICATION OF PENALTY.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty assessed under this section.

''SEC. 508. WHISTLEBLOWER PROTECTION.

''(a) IN GENERAL.—No person subject to this Act may harass, prosecute, hold liable, or discriminate against any employee or other person because the person—

''(1) is assisting or demonstrating an intent to assist in achieving compliance with any Federal or State law (including a rule or regulation);

''(2) is refusing to violate or assist in the violation of any Federal or State law (including a rule or regulation); or

''(3) has commenced, caused to be commenced, or is about to commence a proceeding, has testified or is about to testify at a proceeding, or has assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the functions or responsibilities of any agency, office, or unit of the Department of Agriculture.

''(b) PROCEDURES AND PENALTIES.—The procedures and penalties applicable to prohibited acts under subsection (a) shall be governed by the applicable provisions of section 31105 of title 49, United States Code.

''(c) BURDENS OF PROOF.—The legal burdens of proof with respect to prohibited acts under subsection (a) shall be governed by the applicable provisions of sections 1214 and 1221 of title 5, United States Code.''.

TITLE II—POULTRY INSPECTION

SEC. 201. REFERENCES TO THE POULTRY PRODUCTS INSPECTION ACT.

Whenever in this title 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 the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), except to the extent otherwise specifically provided.

SEC. 202. DEFINITIONS.

(a) ADULTERATED.—Section 4(g)(1) (21 U.S.C. 453(g)(1)) is amended to read as follows:

''(1) if it bears or contains a poisonous or deleterious substance that may render it injurious to health, except that, in the case of a substance that is not an added substance, the article shall be considered adulterated under this subsection if there is a reasonable probability that the quantity of the substance in the article will cause adverse health consequences;''.

(b) ADDED SUBSTANCE.—Section 4 is amended by adding at the end the following:

''(cc) The term 'added substance'—

''(1) means a substance that is not an inherent constituent of a food and whose intended use results, or may reasonably be expected to result, directly or indirectly, in the substance becoming a component of, or otherwise affecting the characteristics of, the food; and

''(2) includes—

''(A) a substance that is intentionally added to any food; or

''(B) a substance that is the result of microbial, viral, environmental, agricultural, industrial, or other contamination.''.

SEC. 203. FEDERAL AND STATE COOPERATION.

The first sentence of section 5(c)(1) (21 U.S.C. 454(c)(1)) is amended—

(1) by inserting after ''the Wholesome Poultry Products Act,'' the following: ''or by 30 days prior to the expiration of the 2-year period beginning on the date of enactment of the Family Food Protection Act of 1995,''; and

(2) by striking ''sections 1–4, 6–10, and 12–22 of this Act'' and inserting ''sections 1 through 4, 6 through 10, 12 through 22, and 30 through 37''.

SEC. 204. EXEMPTIONS.

Section 15(a)(1) (21 U.S.C. 464(a)(1)) is amended by inserting before the semicolon at the end the following: '', except that regulations issued under section 32 shall apply to

a retail store or other type of retail establishment''.

SEC. 205. REDUCING ADULTERATION OF POULTRY AND POULTRY PRODUCTS.

The Act (21 U.S.C. 451 et seq.) is amended by adding at the end the following:

''SEC. 30. REDUCING ADULTERATION OF POULTRY AND POULTRY PRODUCTS.

''(a) IN GENERAL.—On the basis of the best available scientific and technological data, the Secretary shall issue regulations to—

''(1) limit the presence of human pathogens and other potentially harmful substances in poultry at the time the poultry are presented for slaughter;

''(2) ensure that appropriate measures are taken to control and reduce the presence and growth of human pathogens and other potentially harmful substances on poultry or poultry products prepared in any official establishment;

''(3) ensure that all ready-to-eat poultry or poultry products prepared in any official establishment preparing the poultry or poultry products for distribution in commerce are processed in such a manner as to destroy any human pathogens and other potentially harmful substances that are likely to cause foodborne illness; and

''(4) ensure that poultry and poultry products, other than the poultry and products referred to in paragraph (3), prepared at any official establishment preparing the poultry or poultry products for distribution in commerce are labeled with instructions for handling and preparation for consumption that, when adhered to, will destroy any human pathogens or other potentially harmful substances that are likely to cause foodborne illness.

''(b) NONCOMPLIANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), poultry or a poultry product prepared at any official establishment preparing the poultry or poultry product for distribution in commerce, that is found not to be in compliance with the regulations issued under paragraph (2), (3), or (4) of subsection (a) shall be—

''(A) considered adulterated and determined to be condemned; and

''(B) if no appeal is made to the determination of condemnation, destroyed for human food purposes under the supervision of an inspector.

''(2) REPROCESSING OR LABELING.—Poultry or a poultry product that is not in compliance with paragraph (2), (3), or (4) of subsection (a), but that may by reprocessing or labeling, or both, be made not adulterated, need not be condemned and destroyed if after reprocessing or labeling, or both, as applicable and as determined by the Secretary, under the supervision of an inspector, the poultry or poultry product is subsequently inspected and found to be not adulterated.

''(3) APPEALS.—

''(A) ACTION PENDING APPEAL.—If an appeal is made to a determination of condemnation, the poultry or poultry product shall be appropriately marked, segregated, and held by the official establishment pending completion of an appeal inspection.

''(B) CONDEMNATION SUSTAINED.—If the determination of condemnation is sustained, the poultry or poultry product if not reprocessed or labeled, or both, under paragraph (2) so as to be made not adulterated, shall be destroyed for human food purposes under the supervision of a duly authorized representative of the Secretary.

''(c) HUMAN PATHOGENS AND OTHER HARMFUL SUBSTANCES.—Not later than 1 year after the date of enactment of this section, the Secretary shall issue regulations that—

''(1) require poultry and poultry products in an official establishment to be tested, in such manner and with such frequency as the Secretary considers necessary, to identify human pathogens, or markers for the pathogens, and other potentially harmful substances in the poultry and poultry products;

''(2) require that the results of any test conducted in accordance with paragraph (1) be reported to the Secretary, in such manner and with such frequency as the Secretary considers necessary;

''(3)(A) establish interim limits for human pathogens and other potentially harmful substances that, when found on poultry or poultry products, may present a threat to public health; and

''(B) in carrying out subparagraph (A)—

''(i) establish interim limits that are below the industry mean as determined by the Secretary for the pathogen or other potentially harmful substance established through national baseline studies; and

''(ii) reestablish the interim limits every two years after the initial interim limits until the regulatory limits referred to in subsection (d)(2), tolerances, or other standards are established under this Act or other applicable law; and

''(4) prohibit or restrict the sale, transportation, offer for sale or transportation, or receipt for transportation of any poultry or poultry products that—

''(A) are capable of use as human food; and

''(B) exceed the regulatory limits, interim limits, tolerances, or other standards established under this Act or other applicable law for human pathogens or other potentially harmful substances.

''(d) RESEARCH AND REGULATORY LIMITS.—

''(1) RESEARCH ON FOOD SAFETY.—The Secretary, acting through the Under Secretary of Agriculture for Food Safety, shall conduct or support appropriate research on food safety, including—

''(A) developing and reevaluating appropriate limits for human pathogens or other potentially harmful substances that when found on poultry and poultry products prepared in official establishments may present a threat to public health;

''(B) developing efficient, rapid, and sensitive methods for determining and detecting the presence of microbial contamination, chemical residues, and animal diseases that have an adverse impact on human health;

''(C) conducting baseline studies on the prevalence of human pathogens or other potentially harmful substances in processing facilities; and

''(D) conducting risk assessments to determine the human pathogens and other potentially harmful substances that pose the greatest risk to human health.

''(2) REGULATORY LIMITS FOR HUMAN PATHOGENS AND OTHER HARMFUL SUBSTANCES.—

''(A) IN GENERAL.—Not later than 2 years after the date of enactment of this section, the Secretary of Health and Human Services shall establish regulatory limits, to the maximum extent scientifically supportable, for human pathogens and other potentially harmful substances, including heavy metals, that, when found as a component of poultry or poultry products prepared in official establishments, may present a threat to public health.

''(B) RISK TO HUMAN HEALTH.—In establishing the regulatory limits, the Secretary of Health and Human Services shall consider the risk to human health, including the risk to children, the elderly, individuals whose immune systems are compromised, and other population subgroups, posed by consumption of the poultry or poultry products containing the human pathogen or other potentially harmful substance.

''(C) FUNDING.—The Secretary of Agriculture shall annually transfer to the Secretary of Health and Human Services an amount, to be determined by the Secretaries, to defray the cost of establishing the regulatory limits.

''(e) SURVEILLANCE AND SAMPLING SYSTEMS.—

''(1) SURVEILLANCE SYSTEM.—In conjunction with the Director of the Centers for Disease Control and Prevention and the Commissioner of Food and Drugs, the Secretary shall develop and administer an active surveillance system for foodborne illness, that is based on a representative sample of the population of the United States, to assess more accurately the frequency and sources of human disease in the United States associated with the consumption of poultry and poultry products.

''(2) SAMPLING SYSTEM.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary shall establish a sampling system, using data collected under subsection (c)(2) and other sources, to analyze the nature, frequency of occurrence, and quantities of human pathogens and other potentially harmful substances in poultry and poultry products.

''(B) INFORMATION.—The sampling system shall provide—

''(i) statistically valid monitoring, including market basket studies, on the nature, frequency of occurrence, and quantity of human pathogens and other potentially harmful substances in poultry and poultry products available to consumers; and

''(ii) such other information as the Secretary determines may be useful in assessing the occurrence of human pathogens and other potentially harmful substances in poultry and poultry products.

''(C) NONCOMPLIANCE.—If a sample is found to exceed regulatory limits, interim limits, tolerances, or standards established under this Act or other applicable law, the Secretary shall take action to prevent violative products from entering commerce or to remove the violative products from the market.

''(f) REVIEW AND CONSULTATION.—

''(1) REVIEW.—The Secretary shall review, at least every 2 years, all regulations, processes, procedures, and methods designed to limit and control human pathogens and other potentially harmful substances present on or in poultry and poultry products. The ongoing review shall include, as necessary, epidemiologic and other scientific studies to ascertain the efficiency and efficacy of the regulations, processes, procedures, and methods.

''(2) CONSULTATION.—In carrying out paragraphs (1) and (3) of subsection (c), subsection (d), subsection (e)(1), and paragraph (1), the Secretary shall consult with the Assistant Secretary for Health, the Director of the Centers for Disease Control and Prevention, the Commissioner of Food and Drugs, and the heads of such other Federal and State public health agencies as the Secretary considers appropriate.

''SEC. 31. HAZARD CONTROLS.

''(a) REGULATIONS.—

''(1) ISSUANCE.—Not later than 1 year after the date of enactment of this section, the Secretary shall issue regulations that require an official establishment to—

''(A) adopt processing controls that are adequate to protect public health; and

''(B) limit the presence and growth of human pathogens and other potentially harmful substances in poultry and poultry products prepared in the establishment.

''(2) CONTENT.—The regulations shall—

''(A) set standards for sanitation;

''(B) set interim limits for biological, chemical, and physical hazards, as appropriate;

''(C) require processing controls to ensure that relevant regulatory standards are met;

''(D) require recordkeeping to monitor compliance;

''(E) require sampling to ensure that processing controls are effective and that regulatory standards are being met; and

''(F) provide for agency access to records kept by official establishments and submission of copies of the records to the Secretary as the Secretary considers appropriate.

''(3) PUBLIC ACCESS.—Public access to records that relate to the adequacy of measures taken by an official establishment to protect the public health, and to limit the presence and growth of human pathogens and other potentially harmful substances, shall be subject to section 552 of title 5, United States Code.

''(4) PROCESSING CONTROLS.—The Secretary may, as the Secretary considers necessary, require any person with responsibility for, or control over, any poultry or poultry products intended for human consumption to adopt processing controls, if the processing controls are needed to ensure the protection of public health.

''(b) ADVISORY BOARD.—On the issuance of regulations under subsection (a), the Secretary shall convene an advisory board on meat and poultry safety in accordance with section 502(b) of the Federal Meat Inspection Act.

''(c) LABELING.—Notwithstanding any other provision of this Act, if the Secretary discontinues carcass-by-carcass inspection of poultry, the 'USDA Inspected for Wholesomeness' seal, or a similar seal, shall not be affixed to any poultry and poultry products derived from the poultry prepared in any official establishment.

''SEC. 32. VOLUNTARY GUIDELINES FOR RETAIL ESTABLISHMENTS.

''(a) STANDARDS.—

''(1) IN GENERAL.—In consultation with representatives of States, the Conference for Food Protection, the Association of Food and Drug Officials, and Federal agencies, the Secretary shall establish minimum standards for the handling, processing, and storage of poultry and poultry products at retail stores, restaurants, and similar types of retail establishments (collectively referred to in this section as 'retail establishments').

''(2) CONTENT.—The standards shall—

''(A) be designed to ensure that poultry and poultry products sold by the retail establishments are safe for human consumption;

''(B) be based on the principles of preventive controls; and

''(C) include—

''(i) safe food product processing and handling practices for retail establishments, including time and temperature controls on poultry and poultry products sold by the establishments;

''(ii) equipment handling practices, including standards for the cleaning and sanitization of food equipment and utensils;

''(iii) minimum personnel hygiene requirements; and

''(iv) requirements for the use of temperature warning devices on raw poultry or poultry products to alert consumers to inadequate temperature controls.

''(b) GUIDELINES.—

''(1) ISSUANCE.—Not later than 18 months after the date of enactment of this section, the Secretary, after notice and opportunity for comment, shall issue guidelines for retail establishments that offer poultry and poultry products that include the standards established under subsection (a).

''(2) COMPLIANCE.—Not later than 18 months after the date of enactment of this section, the Secretary shall issue a final regulation defining the circumstances that constitute substantial compliance by retail establishments with the guidelines issued under paragraph (1). The regulation shall provide that there is not substantial compliance if a significant number of retail establishments have failed to comply with the guidelines.

''(3) REPORT.—

''(A) IN GENERAL.—Not later than 3 years after the date of enactment of this section, the Secretary shall issue a report to Congress on actions taken by retail establishments to comply with the guidelines. The report shall include a determination of whether there is substantial compliance with the guidelines.

''(B) SUBSTANTIAL COMPLIANCE.—If the Secretary determines that there is substantial compliance with the guidelines, the Secretary shall issue a report and make a determination in accordance with subparagraph (A) not less than every 2 years.

''(C) NO SUBSTANTIAL COMPLIANCE.—If the Secretary determines that there is not substantial compliance with the guidelines, the Secretary shall (at the time the determination is made) issue proposed regulations requiring that retail establishments comply with the guidelines. The Secretary shall issue final regulations imposing the requirement not later than 180 days after issuance of any proposed regulations. Any final regulations shall become effective 180 days after the date of the issuance of the final regulations.

''(c) ENFORCEMENT.—A State may bring, in the name of the State and within the jurisdiction of the State, a proceeding for the civil enforcement, or to restrain a violation, of final regulations issued pursuant to subsection (b)(3)(C) if the food that is the subject of the proceeding is located in the State.

''SEC. 33. LIVESTOCK TRACEBACK.

''(a) IN GENERAL.—

''(1) IDENTIFICATION.—For the purpose of understanding the nature of foodborne illness and minimizing the risks of foodborne illness from poultry and poultry products distributed in commerce, the Secretary shall, as the Secretary considers necessary, prescribe by regulation that poultry presented for slaughter for human food purposes be identified in a manner prescribed by the Secretary to enable the Secretary to trace each poultry to any premises at which the poultry has been held for such period prior to slaughter as the Secretary considers necessary to carry out this Act.

''(2) PROHIBITION OR RESTRICTION ON ENTRY.—The Secretary may prohibit or restrict entry into any slaughtering establishment inspected under this Act of any poultry not identified as prescribed by the Secretary.

''(b) RECORDS.—

''(1) IN GENERAL.—The Secretary may require that a person required to identify poultry pursuant to subsection (a) maintain accurate records, as prescribed by the Secretary, regarding the purchase, sale, and identification of the poultry.

''(2) ACCESS.—A person subject to paragraph (1) shall, at all reasonable times, on notice by a duly authorized representative of the Secretary, afford the representative access to the place of business of the person and an opportunity to examine the records of the person and copy the records.

''(3) DURATION.—Any record required to be maintained under this subsection shall be maintained for such period of time as the Secretary prescribes.

''(c) FALSE INFORMATION.—No person shall falsify or misrepresent to the Secretary or any other person any information concerning the premises at which any poultry were held.

''(d) MAINTENANCE OF RECORDS.—No person shall, without authorization from the Secretary, alter, detach, or destroy any records or other means of identification prescribed by the Secretary for use in determining the premises at which were held any poultry.

''(e) HUMAN PATHOGENS OR OTHER HARMFUL SUBSTANCES.—

''(1) IDENTIFICATION OF SOURCE.—If the Secretary finds any human pathogen or any other potentially harmful substance in any poultry at the time the poultry is presented for slaughter or in any poultry or poultry products prepared in an official establishment and the Secretary finds that there is a reasonable probability that human consumption of any poultry or poultry product containing the human pathogen or other potentially harmful substance presents a threat to public health, the Secretary may take such action as the Secretary considers necessary to determine the source of the human pathogen or other potentially harmful substance.

''(2) ACTION.—If the Secretary identifies the source of any human pathogen or other potentially harmful substance referred to in paragraph (1), the Secretary may prohibit or restrict the movement of any poultry or poultry products, or any other article from any source of the human pathogen or other potentially harmful substance until the Secretary determines that the human pathogen or other potentially harmful substance at the source no longer presents a threat to public health.

''(f) PRODUCERS AND HANDLERS.—

''(1) USE OF METHODS.—The Secretary shall use any means of identification and recordkeeping methods utilized by producers or handlers of poultry whenever the Secretary determines that the means of identification and recordkeeping methods will enable the Secretary to carry out this section.

''(2) COOPERATION.—The Secretary may cooperate with producers or handlers of poultry in which any human pathogen or other potentially harmful substance described in subsection (e)(1) is found, to develop and carry out methods to limit or eliminate the human pathogen or other potentially harmful substance at the source.

''SEC. 34. NOTIFICATION AND RECALL OF NONCONFORMING ARTICLES.

''(a) NOTIFICATION.—Any person preparing poultry or poultry products for distribution in commerce who obtains knowledge that provides a reasonable basis for believing that any poultry or poultry products—

''(1) are unsafe for human consumption, adulterated, or not produced in accordance with section 30(a); or

''(2) are misbranded;

shall immediately notify the Secretary, in such manner and by such means as the Secretary may by regulation prescribe, of the identity and location of the articles.

''(b) RECALL.—

''(1) IN GENERAL.—If the Secretary finds, on notification or otherwise, that any poultry or poultry products—

''(A) are unsafe for human consumption, adulterated, or not produced in accordance with section 30(a); or

''(B) are misbranded;

the Secretary shall by order require any person engaged in the processing, handling, transportation, storage, importation, distribution, or sale of poultry or poultry products to immediately cease any distribution of the poultry or poultry products, and to recall the poultry or poultry products from commercial distribution and use, if the Secretary determines that there is a reasonable probability that the product is unsafe for human consumption, adulterated, or misbranded, unless the person is engaged in a voluntary recall of the poultry or poultry products that the Secretary considers adequate.

''(2) ORDER.—The order shall—

''(A) include a timetable during which the recall shall occur;

''(B) require periodic reports by the person to the Secretary describing the progress of the recall; and

''(C) require notice to consumers to whom the articles were, or may have been, distributed as to how the consumers should treat the article.

''(c) INFORMAL HEARING.—

''(1) IN GENERAL.—The order shall provide any person subject to the order with an opportunity for an informal hearing, to be held not later than 5 days after the date of issuance of the order, on the actions required by the order.

''(2) VACATION OF ORDER.—If, after providing an opportunity for the hearing, the Secretary determines that inadequate grounds exist to support the actions required by the order, the Secretary shall vacate the order.

''(d) JUDICIAL RECALL.—A district court of the United States may order any person engaged in the processing, handling, transportation, storage, importation, distribution, or sale of poultry or a poultry product to recall the poultry or product if the court finds that there is a reasonable probability that the poultry or poultry product is unsafe for human consumption, adulterated, or misbranded.

''SEC. 35. REFUSAL OR WITHDRAWAL OF INSPECTION.

''(a) IN GENERAL.—The Secretary may, for such period or indefinitely as the Secretary considers necessary to carry out this Act, refuse to provide, or withdraw, inspections under this Act with respect to any official establishment if the Secretary determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, the service that the applicant or recipient, or any person connected with the applicant or recipient, has repeatedly failed to comply with this Act.

''(b) INSPECTIONS PENDING REVIEW.—The Secretary may direct that, pending opportunity for an expedited hearing in the case of any refusal or withdrawal of inspections and the final determination and order under subsection (a) and any judicial review of the determination and order, inspections shall be denied or suspended if the Secretary considers the action necessary in the public interest in order to protect the health or welfare of consumers or to ensure the safe and effective performance of official duties under this Act.

''(c) JUDICIAL REVIEW.—

''(1) IN GENERAL.—The determination and order of the Secretary with respect to refusal or withdrawal of inspections under this section shall be final and conclusive unless the applicant for, or recipient of, inspections files an application for judicial review not later than 30 days after the effective date of the order.

''(2) INSPECTIONS PENDING REVIEW.—Inspections shall be refused or withdrawn as of the effective date of the order pending any judicial review of the order unless the Secretary or the Court of Appeals directs otherwise.

''(3) VENUE; RECORD.—Judicial review of the order shall be—

''(A) in the United States Court of Appeals for the circuit in which the applicant for, or the recipient of, inspections has the principal place of business of the applicant or recipient or in the United States Court of Appeals for the District of Columbia Circuit; and

''(B) based on the record on which the determination and order are based.

''(4) PROCESS.—Section 204 of the Packers and Stockyards Act, 1921 (7 U.S.C. 194), shall be applicable to appeals taken under this section.

''(d) ADDITIONAL AUTHORITY.—This section shall be in addition to, and not derogate from, any provision of this Act for refusal, withdrawal, or suspension of inspections under this Act.

''SEC. 36. CIVIL PENALTIES.

''(a) IN GENERAL.—

''(1) ASSESSMENT.—A person who violates any of sections 30 through 37, a regulation issued under any of the sections, or an order issued under subsection (b) or (d) of section 34 may be assessed a civil penalty by the Secretary of not more than $100,000 for each day of violation.

''(2) SEPARATE VIOLATION.—Each offense described in paragraph (1) shall considered to be a separate violation.

''(3) NOTICE AND OPPORTUNITY FOR HEARING.—No penalty may be assessed against a person under this section unless the person is given notice and an opportunity for a hearing on the record before the Secretary in accordance with sections 554 and 556 of title 5, United States Code.

''(4) AMOUNT.—The amount of the civil penalty shall be assessed by the Secretary by written order, taking into account the gravity of the violation, the degree of culpability, and any history of prior offenses. The amount may be reviewed only as provided in subsection (b).

''(b) REVIEW.—

''(1) IN GENERAL.—A person against whom a violation is found and a civil penalty assessed by order of the Secretary under subsection (a) may obtain review of the order in the United States Court of Appeals for the circuit in which the party resides or has a place of business or in the United States Court of Appeals for the District of Columbia Circuit by filing a notice of appeal in the court not later than 30 days after the date of the order and by simultaneously sending a copy of the notice by certified mail to the Secretary.

''(2) RECORD.—The Secretary shall promptly file in the court a certified copy of the record on which the violation was found and the penalty assessed.

''(3) FINDINGS.—The findings of the Secretary shall be set aside only if found to be unsupported by substantial evidence on the record as a whole.

''(c) CIVIL ACTION TO RECOVER ASSESSMENT.—

''(1) IN GENERAL.—If a person fails to pay an assessment of a civil penalty after the penalty has become a final and unappealable order, or after the appropriate Court of Appeals has entered final judgment in favor of the Secretary, the Secretary shall refer the matter to the Attorney General, who shall institute a civil action to recover the amount assessed in any appropriate district court of the United States.

''(2) SCOPE OF REVIEW.—In a recovery action under paragraph (1), the validity and appropriateness of the order of the Secretary imposing the civil penalty shall not be subject to review.

''(d) DISPOSITION OF AMOUNTS.—All amounts collected under this section shall be paid into the Treasury of the United States.

''(e) EQUITABLE RELIEF.—

''(1) RELATIONSHIP TO OTHER ACTIONS.—Nothing in this Act requires the Secretary to report for criminal prosecution, or for the institution of a injunction or other proceeding, a violation of this Act, if the Secretary believes that the public interest will be adequately served by assessment of civil penalties.

''(2) MODIFICATION OF PENALTY.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty assessed under this section.

''SEC. 37. WHISTLEBLOWER PROTECTION.

''(a) IN GENERAL.—No person subject to this Act may harass, prosecute, hold liable, or discriminate against any employee or other person because the person—

''(1) is assisting or demonstrating an intent to assist in achieving compliance with any Federal or State law (including a rule or regulation);

''(2) is refusing to violate or assist in the violation of any Federal or State law (including a rule or regulation); or

''(3) has commenced, caused to be commenced, or is about to commence a proceeding, has testified or is about to testify at a proceeding, or has assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the functions or responsibilities of any agency, office, or unit of the Department of Agriculture.

''(b) PROCEDURES AND PENALTIES.—The procedures and penalties applicable to prohibited acts under subsection (a) shall be governed by the applicable provisions of section 31105 of title 49, United States Code.

''(c) BURDENS OF PROOF.—The legal burdens of proof with respect to prohibited acts under subsection (a) shall be governed by the applicable provisions of sections 1214 and 1221 of title 5, United States Code.''.

SUMMARY OF THE FAMILY FOOD PROTECTION ACT

The laws governing meat and poultry safety, first developed in the early 1900's, need to be brought up-to-date to assure that new systems to reduce foodborne illness from meat and poultry are as effective as possible. Current programs for inspecting meat and poultry must be supplemented with more modern methods that control and test for the substances that cause foodborne illness and death.

Harmfull bacteria on meat and poultry products are responsible for at least five million illnesses and 4000 deaths each year. Yet, under the current law, the government can't stop contaminated meat from reaching consumer's tables. The Family Food Protection Act will require the United States Department of Agriculture [USDA] to use scientific standards and testing to prevent contaminated food from reaching consumers and gives the agency modern enforcement tools like recall and traceback to get contaminated food off the market and to trade it to its source.

The Family Food Protection Act adds a new Title V to the Federal Meat Inspection Act and new sections 30 through 37 to the Poultry Products Inspection Act. These sections are parallel between the two Acts. Unless otherwise noted, ''the Secretary'' refers to the Secretary of Agriculture.

REDUCING ADULTERATION OF MEAT AND POULTRY PRODUCTS

Under this section, the Secretary would be required to control and reduce the presence and growth of human pathogens and other harmful substances in meat and poultry products. Modern microbial testing for such contaminants would be required within two years of enactment of the Act. Results of the tests would be reported to the USDA.

Interim limits would be established by the Secretary for human pathogens and other harmful substances until regulatory limits, tolerances or other standards are set by the Secretary of Health and Human Services. The Secretary would conduct or support appropriate research. Meat or poultry that exceeds the limits would be prohibited from sale or transportation. Regulatory limits set by the Secretary of Health and Human Services would protect all consumers including

children, the elderly and the immune compromised.

The Secretary, in conjunction with the Centers of Disease Control and Prevention and the Food and Drug Administration, would administer an active surveillance system for foodborne illnesses and a sampling system to analyze the nature and frequency of human pathogens and other harmful substances in meat and poultry products. The Secretary shall review all regulations every two years and consult with relevant federal and state public health agencies as appropriate.

HAZARD CONTROLS

The Secretary shall require slaughter and processing plants to adopt processing controls adequate to protect public health and to limit the presence and growth of human pathogens and other harmful substances in meat and poultry. The regulations will include standards for sanitation; interim limits for biological, chemical and physical hazards; process controls to assure the limits are met; record keeping requirements; sampling requirements; and agency access to records. Public access to records is assured through the Freedom of Information Act. The Secretary may require other processing controls as deemed necessary to assure the protection of public health.

Once processing controls are required, an advisory board shall be appointed, consisting of consumer and victim representatives, processors, producers, retail outlets, inspectors, plant workers, and public health officials, to recommend other changes to the existing inspection programs, including improvements in and alternatives to the current programs.

The Secretary is directed to discontinue use of the existing inspection seals if, at any time, the Secretary discontinues the carcass-by-carcass inspection of meat. The seal for meat and meat food products says ''Inspected and passed.'' The seal for poultry and poultry products says ''Inspected for wholesomeness by U.S. Department of Agriculture.''

VOLUNTARY GUIDELINES FOR RETAIL ESTABLISHMENTS

The Secretary is directed to develop minimum standards for the handling, processing and storage of meat and poultry products by retail stores, restaurants, and similar establishments to assure that food sold by such establishments is safe for human consumption. Following notice and comment, guidelines are established within 18 months after enactment of the Act. So long as there is substantial compliance by retailers, the guidelines remain voluntary. If substantial compliance is not achieved, the guidelines may become regulations. States may bring actions against retailers to restrain violation of any final regulations under the Act.

LIVESTOCK TRACEBACK

Traceback of animal and animal carcasses is allowed for the purpose of understanding the nature of foodborne illness and minimizing the risks of such illness. The Secretary shall prescribe methods that permit animal identification sufficient to accomplish traceback to the farm or other places where livestock or poultry are held.

If animals are presented for slaughter that contain human pathogens or other harmful substances sufficient to pose a threat to health, the Secretary may take action to determine the source of the human pathogen or other harmful substance. The Secretary may prohibit or restrict the movement of animals, carcasses, meat or meat food products containing the human pathogen or other harmful substance.

NOTIFICATION AND RECALL OF NONCONFORMING ARTICLES

Under this section, any person, firm or corporation preparing meat or poultry products for distribution with a reasonable basis for believing that the products are unsafe for human consumption, adulterated or misbranded shall immediately notify the Secretary of the identity and location of such products.

If the Secretary finds the products are unsafe for human consumption, adulterated or misbranded, the Secretary shall order the recall of such products and all further distribution shall be halted, unless the products are subject to a voluntary recall that the Secretary deems adequate. The person, firm or corporation subject to the order has the opportunity for a hearing within 5 days after the date of the order.

Any district court may order any person, firm or corporation to recall any meat or poultry product if the court finds that there is a reasonable probability that the product is unsafe for human consumption, adulterated or misbranded.

REFUSAL OR WITHDRAWAL OF INSPECTION

The Secretary may refuse to provide or withdraw inspection services if the Secretary determines, after providing the opportunity for a hearing, that the recipient of the service has repeatedly failed to comply with the requirements of the Federal Meat Inspection Act, the Poultry Products Inspection Act or corresponding regulations.

Inspection can be withdrawn prior to a hearing if such action is necessary in order to protect the health and welfare of consumers or to assure the safe and effective performance of official duties.

Judical review of these orders shall be in the United States Court of Appeals.

CIVIL PENALTIES

Civil penalties may be assessed against persons, firms or corporations that violate provisions of the Federal Meat Inspection Act, the Poultry Products Inspection Act or relevant orders. Civil penalties are limited to $100,000 per day of violation. The amount of the penalty shall be assessed by written order following consideration of the gravity of the violation, degree of culpability, and the history of prior offenses.

Judicial review of these orders shall be in the United States Court of Appeals. Penalties collected under this section shall be paid into the United States Treasury.

CORPORATE WHISTLEBLOWER PROTECTION

Employees are protected against harassment, discrimination, prosecution and liability by employers because the employee is assisting in achieving compliance with federal or state laws, rules or regulations; refusing to violate federal or state laws, rules or regulations; or otherwise attempting to carry out the functions of or responsibilities of the USDA. This section is governed by the Surface Transportation Act and the Whistleblower Protection Act.

By Mr. HEFLIN (for himself and Mr. SHELBY):

S. 516. A bill to transfer responsibility for the aquaculture research program under Public Law 85–342 from the Secretary of the Interior to the Secretary of Agriculture, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL AQUACULTURE RESEARCH CENTER ACT

Mr. HEFLIN. Mr. President, I am pleased to introduce the National Aquaculture Research Center Act of 1995.

The first major provision within my legislation transfers responsibility for the aquaculture research program from the Secretary of the Interior to the Secretary of Agriculture. This transfer simply recognizes the reality that the vast majority of aquaculture research and funding comes through the U.S. Department of Agriculture. This is a long-overdue streamlining measure that will greatly improve the overall efficiency and timeliness of aquaculture research.

The second provision stipulates that the Southeastern Fish Culture Laboratory in Marion, AL be named and designated as the ''Claude Harris National Aquaculture Research Center.'' Many of my colleagues remember former Congressman Claude Harris, who passed away last fall after a battle with lung cancer. He spent 6 years in the House of Representatives from the Seventh District of Alabama, and was an outstanding Member of Congress. At the time of his death, he was serving as the U.S. attorney for the northern district of Alabama. He was honest and amiable and never took his political accomplishments for granted.

During his time in Congress, Claude Harris was a strong supporter of aquaculture research, and was instrumental in promoting it through his hard work on the House Energy and Commerce Committee. The fish culture laboratory in Marion is located in Claude's former district.

This designation will serve as a proper and fitting tribute to the memory of Congressman Claude Harris, whose drive, determination, and energy did so much to advance the important science of aquaculture in this country.

ADDITIONAL COSPONSORS

S. 50

At the request of Mr. LOTT, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 50, a bill to repeal the increase in tax on Social Security benefits.

S. 104

At the request of Mr. D'AMATO, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 104, a bill to establish the position of Coordinator for Counter-Terrorism within the office of the Secretary of State.

S. 212

At the request of Mr. KERRY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 212, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shamrock V*.

S. 213

At the request of Mr. KERRY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor

of S. 213, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Endeavour*.

S. 244

At the request of Mr. LUGAR, his name was added as a cosponsor of S. 244, a bill to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes.

S. 275

At the request of Mr. GRASSLEY, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 275, a bill to establish a temporary moratorium on the Interagency Memorandum of Agreement Concerning Wetlands Determinations until enactment of a law that is the successor to the Food, Agriculture, Conservation, and Trade Act of 1990, and for other purposes.

S. 303

At the request of Mr. LIEBERMAN, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 303, a bill to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes.

S. 328

At the request of Mr. SANTORUM, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 328, a bill to amend the Clean Air Act to provide for an optional provision for the reduction of work-related vehicle trips and miles traveled in ozone nonattainment areas designated as severe, and for other purposes.

S. 351

At the request of Mr. HATCH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 351, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for increasing research activities.

S. 469

At the request of Mr. GREGG, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 469, a bill to eliminate the National Education Standards and Improvement Council and opportunity-to-learn standards.

S. 476

At the request of Mr. NICKLES, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 476, a bill to amend title 23, United States Code, to eliminate the national maximum speed limit, and for other purposes.

S. 500

At the request of Mr. JOHNSTON, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 500, a bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of school bus drivers shall be allowable in computing adjusted gross income.

AMENDMENTS SUBMITTED

PAPERWORK REDUCTION ACT

LEVIN (AND OTHERS) AMENDMENT NO. 319

Mr. LEVIN (for himself, Mr. COHEN, Mr. ROTH, and Mr. GLENN) proposed an amendment to the bill (S. 244) to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes; as follows:

On page 2, insert between lines 2 and 3 the following:

TITLE I—PAPERWORK REDUCTION

On page 2, line 3, strike out ''**SECTION 1**.'' and insert in lieu thereof ''**SEC. 101.**''.

On page 2, line 4, strike out ''Act'' and insert in lieu thereof ''title''.

On page 2, line 6, strike out ''**SEC. 2**.'' and insert in lieu thereof ''**SEC. 102**.''.

On page 58, strike out lines 3 through 5 and insert in lieu thereof the following:

SEC. 103. EFFECTIVE DATE.

The provisions of this title and the amendments made by this title shall take effect on June 30, 1995.

On page 58, add after line 5 the following new title:

TITLE II—FEDERAL REPORT ELIMINATION AND MODIFICATION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Federal Report Elimination and Modification Act of 1995''.

SEC. 202. TABLE OF CONTENTS.

The table of contents for this title is as follows:

Subtitle I—Departments

CHAPTER 1—DEPARTMENT OF AGRICULTURE

SEC. 1011. REPORTS ELIMINATED.

(a) REPORT ON MONITORING AND EVALUATION.—Section 1246 of the Food Security Act of 1985 (16 U.S.C. 3846) is repealed.

(b) REPORT ON RETURN ON ASSETS.—Section 2512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421b) is amended—

(1) in subsection (a), by striking ''(a) IMPROVING'' and all that follows through ''FORECASTS.—''; and

(2) by striking subsection (b).

(c) REPORT ON FARM VALUE OF AGRICULTURAL PRODUCTS.—Section 2513 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421c) is repealed.

(d) REPORT ON ORIGIN OF EXPORTS OF PEANUTS.—Section 1558 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 958) is repealed.

(e) REPORT ON REPORTING OF IMPORTING FEES.—Section 407 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736a) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (h) as subsections (b) through (g), respectively.

(f) REPORT ON AGRICULTURAL INFORMATION EXCHANGE WITH IRELAND.—Section 1420 of the Food Security Act of 1985 (Public Law 99–198; 99 Stat. 1551) is amended—

(1) in subsection (a), by striking ''(a)''; and

(2) by striking subsection (b).

(g) REPORT ON POTATO INSPECTION.—Section 1704 of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 499n note) is amended by striking the second sentence.

(h) REPORT ON TRANSPORTATION OF FERTILIZER AND AGRICULTURAL CHEMICALS.—Section 2517 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 104 Stat. 4077) is repealed.

(i) REPORT ON UNIFORM END-USE VALUE TESTS.—Section 307 of the Futures Trading Act of 1986 (Public Law 99–641; 7 U.S.C. 76 note) is amended by striking subsection (c).

(j) REPORT ON PROJECT AREAS WITH HIGH FOOD STAMP PAYMENT ERROR RATES.—Section 16(i) of the Food Stamp Act of 1977 (7 U.S.C. 2025(i)) is amended by striking paragraph (3).

(k) REPORT ON EFFECT OF EFAP DISPLACEMENT ON COMMERCIAL SALES.—Section 203C(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking the last sentence.

(l) REPORT ON WIC EXPENDITURES AND PARTICIPATION LEVELS.—Section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)) is amended—

(1) by striking paragraphs (8) and (9); and

(2) by redesignating paragraphs (10) and (11) as paragraphs (8) and (9), respectively.

(m) REPORT ON WIC MIGRANT SERVICES.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsection (j).

(n) REPORT ON DEMONSTRATIONS INVOLVING INNOVATIVE HOUSING UNITS.—Section 506(b) of the Housing Act of 1949 (42 U.S.C. 1476(b)) is amended by striking the last sentence.

(o) REPORT ON ANNUAL UPWARD MOBILITY PROGRAM ACTIVITY.—Section 2(a)(6)(A) of the Act of June 20, 1936 (20 U.S.C. 107a(a)(6)(A)), is amended by striking ''including upward mobility'' and inserting ''excluding upward mobility''.

(p) REPORT ON LAND EXCHANGES IN COLUMBIA RIVER GORGE NATIONAL SCENIC AREA.—Section 9(d)(3) of the Columbia River Gorge National Scenic Area Act (16 U.S.C. 544g(d)(3)) is amended by striking the second sentence.

(q) REPORT ON INCOME AND EXPENDITURES OF CERTAIN LAND ACQUISITIONS.—Section 2(e) of Public Law 96–586 (94 Stat. 3382) is amended by striking the second sentence.

(r) REPORT ON SPECIAL AREA DESIGNATIONS.—Section 1506 of the Agriculture and Food Act of 1981 (16 U.S.C. 3415) is repealed.

(s) REPORT ON EVALUATION OF SPECIAL AREA DESIGNATIONS.—Section 1510 of the Agriculture and Food Act of 1981 (16 U.S.C. 3419) is repealed.

(t) REPORT ON AGRICULTURAL PRACTICES AND WATER RESOURCES DATA BASE DEVELOPMENT.—Section 1485 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5505) is amended—

(1) in subsection (a), by striking ''(a) REPOSITORY.—''; and

(2) by striking subsection (b).

(u) REPORT ON PLANT GENOME MAPPING.—Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

(v) REPORT ON APPRAISAL OF PROPOSED BUDGET FOR FOOD AND AGRICULTURAL SCIENCES.—Section 1408(g) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(g)) is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

(w) REPORT ON ECONOMIC IMPACT OF ANIMAL DAMAGE ON AQUACULTURE INDUSTRY.—Section 1475(e) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(e)) is amended—

(1) in paragraph (1), by striking ''(1)''; and

(2) by striking paragraph (2).

(x) REPORT ON AWARDS MADE BY THE NATIONAL RESEARCH INITIATIVE AND SPECIAL GRANTS.—Section 2 of the Act of August 4, 1965 (7 U.S.C. 450i), is amended—

(1) by striking subsection (l); and

(2) by redesignating subsection (m) as subsection (l).

(y) REPORT ON PAYMENTS MADE UNDER RESEARCH FACILITIES ACT.—Section 8 of the Research Facilities Act (7 U.S.C. 390i) is repealed.

(z) REPORT ON FINANCIAL AUDIT REVIEWS OF STATES WITH HIGH FOOD STAMP PARTICIPATION.—The first sentence of section 11(l) of the Food Stamp Act of 1977 (7 U.S.C. 2020(*l*)) is amended by striking '', and shall, upon completion of the audit, provide a report to Congress of its findings and recommendations within one hundred and eighty days''.

(aa) REPORT ON RURAL TELEPHONE BANK.—Section 408(b)(3) of the Rural Electrification Act of 1936 (7 U.S.C. 948(b)(3)) is amended by striking out subparagraph (I) and redesignating subparagraph (J) as subparagraph (I).

SEC. 1012. REPORTS MODIFIED.

(a) REPORT ON ANIMAL WELFARE ENFORCEMENT.—The first sentence of section 25 of the Animal Welfare Act (7 U.S.C. 2155) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(5) the information and recommendations described in section 11 of the Horse Protection Act of 1970 (15 U.S.C. 1830).''.

(b) REPORT ON HORSE PROTECTION ENFORCEMENT.—Section 11 of the Horse Protection Act of 1970 (15 U.S.C. 1830) is amended by striking ''On or before the expiration of thirty calendar months following the date of enactment of this Act, and every twelve calendar months thereafter, the Secretary shall submit to the Congress a report upon'' and inserting the following: ''As part of the report submitted by the Secretary under section 25 of the Animal Welfare Act (7 U.S.C. 2155), the Secretary shall include information on''.

(c) REPORT ON AGRICULTURAL QUARANTINE INSPECTION FUND.—The Secretary of Agriculture shall not be required to submit a report to the appropriate committees of Congress on the status of the Agricultural Quarantine Inspection fund more frequently than annually.

(d) REPORT ON ESTIMATED EXPENDITURES UNDER FOOD STAMP PROGRAM.—The third sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended—

(1) by striking ''by the fifteenth day of each month'' and inserting ''for each quarter or other appropriate period''; and

(2) by striking ''the second preceding month's expenditure'' and inserting ''the expenditure for the quarter or other period''.

(e) REPORT ON COMMODITY DISTRIBUTION.—Section 3(a)(3)(D) of the Commodity Distribution Reform Act and WIC Amendments of 1987 (Public Law 100–237; 7 U.S.C. 612c note) is amended by striking ''annually'' and inserting ''biennially''.

(f) REPORT ON PRIORITIES FOR RESEARCH, EXTENSION, AND TEACHING.—Section 1407(f)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(f)(1)) is amended—

(1) in the paragraph heading, by striking ''ANNUAL REPORT'' and inserting ''REPORT''; and

(2) by striking ''Not later than June 30 of each year'' and inserting ''At such times as the Joint Council determines appropriate''.

(g) 5-YEAR PLAN FOR FOOD AND AGRICULTURAL SCIENCES.—Section 1407(f)(2) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(f)(2)) is amended by striking the second sentence.

(h) REPORT ON EXAMINATION OF FEDERALLY SUPPORTED AGRICULTURAL RESEARCH AND EXTENSION PROGRAMS.—Section 1408(g)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(g)(1)) is amended by inserting ''may provide'' before ''a written report''.

(i) REPORT ON EFFECTS OF FOREIGN OWNERSHIP OF AGRICULTURAL LAND.—Section 5(b) of the Agricultural Foreign Investment Disclosure Act of 1978 (7 U.S.C. 3504(b)) is amended to read as follows:

''(b) An analysis and determination shall be made, and a report on the Secretary's findings and conclusions regarding such analysis and determination under subsection (a) shall be transmitted within 90 days after the end of—

''(1) the calendar year in which the Federal Report Elimination and Modification Act of 1995 is enacted; and

''(2) the calendar year which occurs every ten years thereafter.''.

CHAPTER 2—DEPARTMENT OF COMMERCE

SEC. 1021. REPORTS ELIMINATED.

(a) REPORT ON VOTING REGISTRATION.—Section 207 of the Voting Rights Act of 1965 (42 U.S.C. 1973aa–5) is repealed.

(b) REPORT ON ESTIMATE OF SPECIAL AGRICULTURAL WORKERS.—Section 210A(b)(3) of the Immigration and Nationality Act (8 U.S.C. 1161(b)(3)) is repealed.

(c) REPORT ON LONG RANGE PLAN FOR PUBLIC BROADCASTING.—Section 393A(b) of the Communications Act of 1934 (47 U.S.C. 393a(b)) is repealed.

(d) REPORT ON STATUS, ACTIVITIES, AND EFFECTIVENESS OF UNITED STATES COMMERCIAL CENTERS IN ASIA, LATIN AMERICA, AND AFRICA AND PROGRAM RECOMMENDATIONS.—Section 401(j) of the Jobs Through Exports Act of 1992 (15 U.S.C. 4723a(j)) is repealed.

(e) REPORT ON KUWAIT RECONSTRUCTION CONTRACTS.—Section 606(f) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 is repealed.

(f) REPORT ON UNITED STATES-CANADA FREE TRADE AGREEMENT.—Section 409(a)(3)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (19 U.S.C. 2112 note) is amended to read as follows:

''(3) The United States members of the working group established under article 1907 of the Agreement shall consult regularly with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and advisory committees established under section 135 of the Trade Act of 1974 regarding—

''(A) the issues being considered by the working group; and

''(B) as appropriate, the objectives and strategy of the United States in the negotiations.''.

(g) REPORT ON ESTABLISHMENT OF AMERICAN BUSINESS CENTERS AND ON ACTIVITIES OF THE INDEPENDENT STATES BUSINESS AND AGRICULTURE ADVISORY COUNCIL.—Section 305 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5825) is repealed.

(h) REPORT ON FISHERMAN'S CONTINGENCY FUND REPORT.—Section 406 of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1846) is repealed.

(i) REPORT ON USER FEES ON SHIPPERS.—Section 208 of the Water Resources Development Act of 1986 (33 U.S.C. 2236) is amended by—

(1) striking subsection (b); and

(2) redesignating subsections (c), (d), (e), and (f) as subsections (b), (c), (d), and (e), respectively.

SEC. 1022. REPORTS MODIFIED.

(a) REPORT ON FEDERAL TRADE PROMOTION STRATEGIC PLAN.—Section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f) is amended to read as follows:

''(f) REPORT TO THE CONGRESS.—The chairperson of the TPCC shall prepare and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Foreign Affairs of the House of Representatives, not later than September 30, 1995, and annually thereafter, a report describing—

''(1) the strategic plan developed by the TPCC pursuant to subsection (c), the implementation of such plan, and any revisions thereto; and

''(2) the implementation of sections 303 and 304 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5823 and 5824) concerning funding for export promotion activities and the interagency working groups on energy of the TPCC.''.

(b) REPORT ON EXPORT POLICY.—Section 2314(b)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4729(b)(1)) is amended—

(1) in subparagraph (E) by striking out ''and'' after the semicolon;

(2) in subparagraph (F) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new subparagraphs:

''(G) the status, activities, and effectiveness of the United States commercial centers established under section 401 of the Jobs Through Exports Act of 1992 (15 U.S.C. 4723a);

''(H) the implementation of sections 301 and 302 of the Freedom for Russia and Emerging Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5821 and 5822) concerning American Business Centers and the Independent States Business and Agriculture Advisory Council;

''(I) the programs of other industrialized nations to assist their companies with their efforts to transact business in the independent states of the former Soviet Union; and

''(J) the trading practices of other Organization for Economic Cooperation and Development nations, as well as the pricing practices of transitional economies in the independent states, that may disadvantage United States companies.''.

CHAPTER 3—DEPARTMENT OF DEFENSE

SEC. 1031. REPORTS ELIMINATED.

(a) REPORT ON SEMATECH.—Section 274 of The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1071) is amended—

(1) in section 6 by striking out the item relating to section 274; and

(2) by striking out section 274.

(b) REPORT ON REVIEW OF DOCUMENTATION IN SUPPORT OF WAIVERS FOR PEOPLE ENGAGED IN ACQUISITION ACTIVITIES.—

(1) IN GENERAL.—Section 1208 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 1701 note) is repealed.

(2) CLERICAL AMENDMENT TO TABLE OF CONTENTS.—Section 2(b) of such Act is amended by striking out the item relating to section 1208.

CHAPTER 4—DEPARTMENT OF EDUCATION

SEC. 1041. REPORTS ELIMINATED.

(a) REPORT ON PERSONNEL REDUCTION AND ANNUAL LIMITATIONS.—Subsection (a) of section 403 of the Department of Education Organization Act (20 U.S.C. 3463(a)) is amended—

(1) in paragraph (2), by striking all beginning with ''and shall,'' through the end thereof and inserting a period; and

(2) by redesignating paragraph (3) as paragraph (2).

(b) REPORT ON PROJECTS FUNDED BY THE FUND FOR THE IMPROVEMENT AND REFORM OF SCHOOLS AND TEACHING.—Section 3232 of the Fund for the Improvement and Reform of Schools and Teaching Act (20 U.S.C. 4832) is amended—

(1) in the section heading, by striking ''**AND REPORTING**'';

(2) in subsection (a), by striking ''(a) EXEMPLARY PROJECTS.—''; and

(3) by striking subsections (b) and (c).

(c) REPORT ON THE SUCCESS OF FIRST ASSISTED PROGRAMS IN IMPROVING EDUCATION.—Section 6215 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4832 note) is amended—

(1) by amending the section heading to read as follows:

''**SEC. 6215. EXEMPLARY PROJECTS.**'';

(2) in subsection (a), by striking ''(a) EXEMPLARY PROJECTS.—''; and

(3) by striking subsections (b) and (c).

(d) REPORT ON SUPPORTED EMPLOYMENT ACTIVITIES.—Subsection (c) of section 311 of the Rehabilitation Act of 1973 (20 U.S.C. 777a(c) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(e) REPORT ON THE CLIENT ASSISTANCE PROGRAM.—Subsection (g) of section 112 of the Rehabilitation Act of 1973 (20 U.S.C. 732(g)) is amended—

(1) by striking paragraphs (4) and (5); and

(2) in paragraph (6), by striking ''such report or for any other'' and inserting ''any''.

(f) REPORT ON THE SUMMARY OF LOCAL EVALUATIONS OF COMMUNITY EDUCATION EMPLOYMENT CENTERS.—Section 370 of the Carl D. Perkins Vocational and Applied Technology Act (20 U.S.C. 2396h) is amended—

(1) in the section heading, by striking ''**AND REPORT**'';

(2) in subsection (a), by striking ''(a) LOCAL EVALUATION.—''; and

(3) by striking subsection (b).

(g) REPORT ON THE ADMINISTRATION OF THE VOCATIONAL EDUCATION ACT OF 1917.—Section 18 of the Vocational Education Act of 1917 (20 U.S.C. 28) is repealed.

(h) REPORT BY THE INTERDEPARTMENTAL TASK FORCE ON COORDINATING VOCATIONAL EDUCATION AND RELATED PROGRAMS.—Subsection (d) of section 4 of the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 (20 U.S.C. 2303(d)) is repealed.

(i) REPORT ON THE EVALUATION OF THE GATEWAY GRANTS PROGRAM.—Subparagraph (B) of section 322(a)(3) of the Adult Education Act (20 U.S.C. 1203a(a)(3)(B)) is amended by striking ''and report the results of such evaluation to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate''.

(j) REPORT ON THE BILINGUAL VOCATIONAL TRAINING PROGRAM.—Paragraph (3) of section 441(e) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2441(e)(3)) is amended by striking the last sentence thereof.

(k) REPORT ON ADVISORY COUNCILS.—Section 448 of the General Education Provisions Act (20 U.S.C. 1233g) is repealed.

SEC. 1042. REPORTS MODIFIED.

(a) REPORT ON THE CONDITION OF BILINGUAL EDUCATION IN THE NATION.—Section 6213 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 3303 note) is amended—

(1) in the section heading, by striking ''**REPORT ON**'' and inserting ''**INFORMATION REGARDING**''; and

(2) by striking the matter preceding paragraph (1) and inserting ''The Secretary shall collect data for program management and accountability purposes regarding—''.

(b) REPORT TO CONGRESS ON THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Subsection (b) of section 724 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11434(b)) is amended by striking paragraph (4) and the first paragraph (5) and inserting the following:

''(4) The Secretary shall prepare and submit a report to the appropriate committees of the Congress at the end of every other fiscal year. Such report shall—

''(A) evaluate the programs and activities assisted under this part; and

''(B) contain the information received from the States pursuant to section 722(d)(3).''.

(c) REPORT TO GIVE NOTICE TO CONGRESS.—Subsection (d) of section 482 of the Higher Education Act of 1965 (20 U.S.C. 1089(d)) is amended—

(1) in the first sentence by striking ''the items specified in the calendar have been

completed and provide all relevant forms, rules, and instructions with such notice'' and inserting ''a deadline included in the calendar described in subsection (a) is not met''; and

(2) by striking the second sentence.

(d) ANNUAL REPORT ON ACTIVITIES UNDER THE REHABILITATION ACT OF 1973.—Section 13 of the Rehabilitation Act of 1973 (20 U.S.C. 712) is amended by striking ''twenty'' and inserting ''eighty''.

(e) REPORT TO THE CONGRESS REGARDING REHABILITATION TRAINING PROGRAMS.—The second sentence of section 302(c) of the Rehabilitation Act of 1973 (20 U.S.C. 774(c)) is amended by striking ''simultaneously with the budget submission for the succeeding fiscal year for the Rehabilitation Services Administration'' and inserting ''by September 30 of each fiscal year''.

(f) REPORT PREPARED BY THE DEPARTMENT OF THE INTERIOR ON INDIAN CHILDREN AND THE BILINGUAL EDUCATION ACT.—

(1) REPEAL.—Subsection (c) of section 7022 of the Bilingual Education Act (20 U.S.C. 3292) is repealed.

(2) ANNUAL REPORT.—Paragraph (3) of section 7051(b)(3) of the Bilingual Education Act (20 U.S.C. 3331(b)(3)) is amended—

(A) in subparagraph (D), by striking ''and'' after the semicolon;

(B) in subparagraph (E), by striking the period and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(F) the needs of the Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those tribes and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq.); and

''(G) the extent to which the needs described in subparagraph (F) are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.''.

(g) ANNUAL EVALUATION REPORTS.—Section 417 of the General Education Provisions Act (20 U.S.C. 1226c) is amended—

(1) in the section heading, by striking ''ANNUAL'' and inserting ''BIENNIAL''; and

(2) in subsection (a)—

(A) by striking ''December'' and inserting ''March'';

(B) by striking ''each year,'' and inserting ''every other year''; and

(C) by striking ''an annual'' and inserting ''a biennial'';

(3) in subparagraph (B), by striking ''previous fiscal year'' and inserting ''2 preceding fiscal years''; and

(4) in subparagraph (C), by striking ''previous fiscal year'' and inserting ''2 preceding fiscal years''.

(h) ANNUAL AUDIT OF STUDENT LOAN INSURANCE FUND.—Section 432(b) of the Higher Education Act of 1965 (20 U.S.C. 1082(b)) is amended to read as follows:

''(b) FINANCIAL OPERATIONS RESPONSIBILITIES.—The Secretary shall, with respect to the financial operations arising by reason of this part prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31, United States Code. The transactions of the Secretary, including the settlement of insurance claims and of claims for payments pursuant to section 1078 of this title, and transactions related thereto and vouchers approved by the Secretary in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.''.

CHAPTER 5—DEPARTMENT OF ENERGY

SEC. 1051. REPORTS ELIMINATED.

(a) REPORTS ON PERFORMANCE AND DISPOSAL OF ALTERNATIVE FUELED HEAVY DUTY VEHICLES.—Paragraphs (3) and (4) of section 400AA(b) of the Energy Policy and Conservation Act (42 U.S.C. 6374(b)(3), 6374(b)(4)) are repealed.

(b) REPORT ON WIND ENERGY SYSTEMS.—Section 9(a)(3) of the Wind Energy Systems Act of 1980 (42 U.S.C. 9208(a)(3)) is repealed.

(c) REPORT ON COMPREHENSIVE PROGRAM MANAGEMENT PLAN FOR OCEAN THERMAL ENERGY CONVERSION.—Section 3(d) of the Ocean Thermal Energy Conversion Research, Development, and Demonstration Act (42 U.S.C. 9002(d)) is repealed.

(d) REPORTS ON SUBSEABED DISPOSAL OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—Subsections (a) and (b)(5) of section 224 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10204(a), 10204(b)(5)) are repealed.

(e) REPORT ON FUEL USE ACT.—Sections 711(c)(2) and 806 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421(c)(2), 8482) are repealed.

(f) REPORT ON TEST PROGRAM OF STORAGE OF REFINED PETROLEUM PRODUCTS WITHIN THE STRATEGIC PETROLEUM RESERVE.—Section 160(g)(7) of the Energy Policy and Conservation Act (42 U.S.C. 6240(g)(7)) is repealed.

(g) REPORT ON NAVAL PETROLEUM AND OIL SHALE RESERVES PRODUCTION.—Section 7434 of title 10, United States Code, is repealed.

(h) REPORT ON EFFECTS OF PRESIDENTIAL MESSAGE ESTABLISHING A NUCLEAR NONPROLIFERATION POLICY ON NUCLEAR RESEARCH AND DEVELOPMENT COOPERATIVE AGREEMENTS.—Section 203 of the Department of Energy Act of 1978—Civilian Applications (22 U.S.C. 2429 note) is repealed.

(i) REPORT ON WRITTEN AGREEMENTS REGARDING NUCLEAR WASTE REPOSITORY SITES.—Section 117(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10137(c)) is amended by striking the following: ''If such written agreement is not completed prior to the expiration of such period, the Secretary shall report to the Congress in writing not later than 30 days after the expiration of such period on the status of negotiations to develop such agreement and the reasons why such agreement has not been completed. Prior to submission of such report to the Congress, the Secretary shall transmit such report to the Governor of such State or the governing body of such affected Indian tribe, as the case may be, for their review and comments. Such comments shall be included in such report prior to submission to the Congress.''.

(j) QUARTERLY REPORT ON STRATEGIC PETROLEUM RESERVES.—Section 165(b) of the Energy Policy and Conservation Act (42 U.S.C. 6245(b)) is repealed.

(k) REPORT ON THE DEPARTMENT OF ENERGY.—The Federal Energy Administration Act of 1974 (15 U.S.C. 790d), is amended by striking out section 55.

SEC. 1052. REPORTS MODIFIED.

(a) REPORTS ON PROCESS-ORIENTED INDUSTRIAL ENERGY EFFICIENCY AND INDUSTRIAL INSULATION AUDIT GUIDELINES.—

(1) Section 132(d) of the Energy Policy Act of 1992 (42 U.S.C. 6349(d)) is amended—

(A) in the language preceding paragraph (1), by striking ''Not later than 2 years after October 24, 1992, and annually thereafter'' and inserting ''Not later than October 24, 1995, and biennially thereafter'';

(B) in paragraph (4), by striking ''and'' at the end;

(C) in paragraph (5), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following new paragraph:

''(6) the information required under section 133(c).''.

(2) Section 133(c) of the Energy Policy Act of 1992 (42 U.S.C. 6350(c)) is amended—

(A) by striking, ''October 24, 1992'' and inserting ''October 24, 1995''; and

(B) by inserting ''as part of the report required under section 132(d),'' after ''and biennially thereafter,''.

(b) REPORT ON AGENCY REQUESTS FOR WAIVER FROM FEDERAL ENERGY MANAGEMENT REQUIREMENTS.—Section 543(b)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8253(b)(2)) is amended—

(1) by inserting '', as part of the report required under section 548(b),'' after ''the Secretary shall''; and

(2) by striking ''promptly''.

(c) REPORT ON THE PROGRESS, STATUS, ACTIVITIES, AND RESULTS OF PROGRAMS REGARDING THE PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.—Section 161(d) of the Energy Policy Act of 1992 (42 U.S.C. 8262g(d)) is amended by striking ''of each year thereafter,''; and inserting ''thereafter as part of the report required under section 548(b) of the National Energy Conservation Policy Act,''.

(d) REPORT ON THE FEDERAL GOVERNMENT ENERGY MANAGEMENT PROGRAM.—Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''and'' after the semicolon;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

''(B) the information required under section 543(b)(2); and'';

(2) in paragraph (2), by striking ''and'' after the semicolon;

(3) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following new paragraph:

''(4) the information required under section 161(d) of the Energy Policy Act of 1992.''.

(e) REPORT ON ALTERNATIVE FUEL USE BY SELECTED FEDERAL VEHICLES.—Section 400AA(b)(1)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6374(b)(1)(B)) is amended by striking ''and annually thereafter''.

(f) REPORT ON THE OPERATION OF STATE ENERGY CONSERVATION PLANS.—Section 365(c) of the Energy Policy and Conservation Act (42 U.S.C. 6325(c)) is amended by striking ''report annually'' and inserting '', as part of the report required under section 657 of the Department of Energy Organization Act, report''.

(g) REPORT ON THE DEPARTMENT OF ENERGY.—Section 657 of the Department of Energy Organization Act (42 U.S.C. 7267) is amended by inserting after ''section 15 of the Federal Energy Administration Act of 1974,'' the following: ''section 365(c) of the Energy Policy and Conservation Act, section 304(c) of the Nuclear Waste Policy Act of 1982,''.

(h) REPORT ON COST-EFFECTIVE WAYS TO INCREASE HYDROPOWER PRODUCTION AT FEDERAL WATER FACILITIES.—Section 2404 of the Energy Policy Act of 1992 (16 U.S.C. 797 note) is amended—

(1) in subsection (a), by striking ''The Secretary, in consultation with the Secretary of the Interior and the Secretary of the Army,'' and inserting ''The Secretary of the Interior and the Secretary of the Army, in consultation with the Secretary,''; and

(2) in subsection (b), by striking ''the Secretary'' and inserting ''the Secretary of the Interior, or the Secretary of the Army,''.

(i) REPORT ON PROGRESS MEETING FUSION ENERGY PROGRAM OBJECTIVES.—Section 2114(c)(5) of the Energy Policy Act of 1992 (42 U.S.C. 13474(c)(5)) is amended by striking out the first sentence and inserting in lieu thereof ''The President shall include in the budget submitted to the Congress each year under section 1105 of title 31, United States Code, a report prepared by the Secretary describing the progress made in meeting the program objectives, milestones, and schedules established in the management plan.''.

(j) REPORT ON HIGH-PERFORMANCE COMPUTING ACTIVITIES.—Section 203(d) of the High-Performance Computing Act of 1991 (15 U.S.C. 5523(d)) is amended to read as follows:

''(d) REPORTS.—Not later than 1 year after the date of enactment of this subsection, and thereafter as part of the report required under section 101(a)(3)(A), the Secretary of Energy shall report on activities taken to carry out this Act.''.

(k) REPORT ON NATIONAL HIGH-PERFORMANCE COMPUTING PROGRAM.—Section 101(a)(4) of the High-Performance Computing Act of 1991 (15 U.S.C. 5511(a)(4)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following new subparagraph:

''(E) include the report of the Secretary of Energy required by section 203(d); and''.

(l) REPORT ON NUCLEAR WASTE DISPOSAL PROGRAM.—Section 304(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10224(d)) is amended to read as follows:

''(d) AUDIT BY GAO.—If requested by either House of the Congress (or any committee thereof) or if considered necessary by the Comptroller General, the General Accounting Office shall conduct an audit of the Office, in accord 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 a report on the results of each audit conducted under this section.''.

CHAPTER 6—DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 1061. REPORTS ELIMINATED.

(a) REPORT ON THE EFFECTS OF TOXIC SUBSTANCES.—Subsection (c) of section 27 of the Toxic Substance Control Act (15 U.S.C. 2626(c)) is repealed.

(b) REPORT ON COMPLIANCE WITH THE CONSUMER-PATIENT RADIATION HEALTH AND SAFETY ACT.—Subsection (d) of section 981 of the Consumer-Patient Radiation Health and Safety Act of 1981 (42 U.S.C. 10006(d)) is repealed.

(c) REPORT ON EVALUATION OF TITLE VIII PROGRAMS.—Section 859 of the Public Health Service Act (42 U.S.C. 298b–6) is repealed.

(d) REPORT ON MODEL SYSTEM FOR PAYMENT FOR OUTPATIENT HOSPITAL SERVICES.—Paragraph (6) of section 1135(d) of the Social Security Act (42 U.S.C. 1320b–5(d)(6)) is repealed.

(e) REPORT ON MEDICARE TREATMENT OF UNCOMPENSATED CARE.—Paragraph (2) of section 603(a) of the Social Security Amendments of 1983 (42 U.S.C. 1395ww note) is repealed.

(f) REPORT ON PROGRAM TO ASSIST HOMELESS INDIVIDUALS.—Subsection (d) of section 9117 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 1383 note) is repealed.

SEC. 1062. REPORTS MODIFIED.

(a) REPORT OF THE SURGEON GENERAL.—Section 239 of the Public Health Service Act (42 U.S.C. 238h) is amended to read as follows:

''BIANNUAL REPORT

''SEC. 239. The Surgeon General shall transmit to the Secretary, for submission to the Congress, on January 1, 1995, and on January 1, every 2 years thereafter, a full report of the administration of the functions of the Service under this Act, including a detailed statement of receipts and disbursements.''.

(b) REPORT ON HEALTH SERVICE RESEARCH ACTIVITIES.—Subsection (b) of section 494A of the Public Health Service Act (42 U.S.C. 289c–1(b)) is amended by striking ''September 30, 1993, and annually thereafter'' and inserting ''December 30, 1993, and each December 30 thereafter''.

(c) REPORT ON FAMILY PLANNING.—Section 1009(a) of the Public Health Service Act (42 U.S.C. 300a–7(a)) is amended by striking ''each fiscal year'' and inserting ''fiscal year 1995, and each second fiscal year thereafter,''.

(d) REPORT ON THE STATUS OF HEALTH INFORMATION AND HEALTH PROMOTION.—Section 1705(a) of the Public Health Service Act (42 U.S.C. 300u–4) is amended in the first sentence by striking out ''annually'' and inserting in lieu thereof ''biannually''.

CHAPTER 7—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 1071. REPORTS ELIMINATED.

(a) REPORTS ON PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(f) of the United States Housing Act of 1937 (42 U.S.C. 1437s(f)) is repealed.

(b) INTERIM REPORT ON PUBLIC HOUSING MIXED INCOME NEW COMMUNITIES STRATEGY DEMONSTRATION.—Section 522(k)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is repealed.

(c) BIENNIAL REPORT ON INTERSTATE LAND SALES REGISTRATION PROGRAM.—Section 1421 of the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1719a) is repealed.

(d) QUARTERLY REPORT ON ACTIVITIES UNDER THE FAIR HOUSING INITIATIVES PROGRAM.—Section 561(e)(2) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a(e)(2)) is repealed.

(e) COLLECTION OF AND ANNUAL REPORT ON RACIAL AND ETHNIC DATA.—Section 562(b) of the Housing and Community Development Act of 1987 (42 U.S.C. 3608a(b)) is repealed.

SEC. 1072. REPORTS MODIFIED.

(a) REPORT ON HOMEOWNERSHIP OF MULTIFAMILY UNITS PROGRAM.—Section 431 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12880) is amended—

(1) in the section heading, by striking ''**ANNUAL**''; and

(2) by striking ''The Secretary shall annually'' and inserting ''The Secretary shall no later than December 31, 1995,''.

(b) TRIENNIAL AUDIT OF TRANSACTIONS OF NATIONAL HOMEOWNERSHIP FOUNDATION.—Section 107(g)(1) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701y(g)(1)) is amended by striking the last sentence.

(c) REPORT ON LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM.—Section 2605(h) of the Low-Income Home Energy Assistance Act of 1981 (Public Law 97–35; 42 U.S.C. 8624(h)), is amended by striking out ''(but not less frequently than every three years),''.

CHAPTER 8—DEPARTMENT OF THE INTERIOR

SEC. 1081. REPORTS ELIMINATED.

(a) REPORT ON AUDITS IN FEDERAL ROYALTY MANAGEMENT SYSTEM.—Section 17(j) of the Mineral Leasing Act (30 U.S.C. 226(j)) is amended by striking the last sentence.

(b) REPORT ON DOMESTIC MINING, MINERALS, AND MINERAL RECLAMATION INDUSTRIES.—Section 2 of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a) is amended by striking the last sentence.

(c) REPORT ON PHASE I OF THE HIGH PLAINS STATES GROUNDWATER DEMONSTRATION PROJECT.—Section 3(d) of the High Plains States Groundwater Demonstration Program Act of 1983 (43 U.S.C. 390g–1(d)) is repealed.

(d) REPORT ON RECLAMATION REFORM ACT COMPLIANCE.—Section 224(g) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(g)) is amended by striking the last 2 sentences.

(e) REPORT ON GEOLOGICAL SURVEYS CONDUCTED OUTSIDE THE DOMAIN OF THE UNITED STATES.—Section 2 of Public Law 87–626 (43 U.S.C. 31(c)) is repealed.

(f) REPORT ON RECREATION USE FEES.—Section 4(h) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–6a(h)) is repealed.

(g) REPORT ON FEDERAL SURPLUS REAL PROPERTY PUBLIC BENEFIT DISCOUNT PROGRAM FOR PARKS AND RECREATION.—Section 203(o)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)(1)) is amended by striking ''subsection (k) of this section and''.

SEC. 1082. REPORTS MODIFIED.

(a) REPORT ON LEVELS OF THE OGALLALA AQUIFER.—Title III of the Water Resources Research Act of 1984 (42 U.S.C. 10301 note) is amended—

(1) in section 306, by striking ''annually'' and inserting ''biennially''; and

(2) in section 308, by striking ''intervals of one year'' and inserting ''intervals of 2 years''.

(b) REPORT ON EFFECTS OF OUTER CONTINENTAL SHELF LEASING ACTIVITIES ON HUMAN, MARINE, AND COASTAL ENVIRONMENTS.—Section 20(e) of the Outer Continental Shelf Lands Act (43 U.S.C. 1346(e)) is amended by striking ''each fiscal year'' and inserting ''every 3 fiscal years''.

CHAPTER 9—DEPARTMENT OF JUSTICE

SEC. 1091. REPORTS ELIMINATED.

(a) REPORT ON CRIME AND CRIME PREVENTION.—(1) Section 3126 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 206 of title 18, United States Code, is amended by striking out the item relating to section 3126.

(b) REPORT ON DRUG INTERDICTION TASK FORCE.—Section 3301(a)(1)(C) of the National Drug Interdiction Act of 1986 (21 U.S.C. 801 note; Public Law 99–570; 100 Stat. 3207–98) is repealed.

(c) REPORT ON EQUAL ACCESS TO JUSTICE.—Section 2412(d)(5) of title 28, United States Code, is repealed.

(d) REPORT ON FEDERAL OFFENDER CHARACTERISTICS.—Section 3624(f)(6) of title 18, United States Code, is repealed.

(e) REPORT ON COSTS OF DEATH PENALTY.—The Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4395; 21 U.S.C. 848 note) is amended by striking out section 7002.

(f) MINERAL LANDS LEASING ACT.—Section 8B of the Mineral Lands Leasing Act (30 U.S.C. 208–2) is repealed.

(g) SMALL BUSINESS ACT.—Subsection (c) of section 10 of the Small Business Act (15 U.S.C. 639(c)) is repealed.

(h) ENERGY POLICY AND CONSERVATION ACT.—Section 252(i) of the Energy Policy Conservation Act (42 U.S.C. 6272(i)) is amended by striking '', at least once every 6 months, a report'' and inserting '', at such intervals as are appropriate based on significant developments and issues, reports''.

(i) REPORT ON FORFEITURE FUND.—Section 524(c) of title 28, United States Code, is amended—

(1) by striking out paragraph (7); and

(2) by redesignating paragraphs (8) through (12) as paragraphs (7) through (11), respectively.

CHAPTER 10—DEPARTMENT OF LABOR

SEC. 1101. REPORTS ELIMINATED.

Section 408(d) of the Veterans Education and Employment Amendments of 1989 (38 U.S.C. 4100 note) is repealed.

SEC. 1102. REPORTS MODIFIED.

(a) REPORT ON THE ACTIVITIES CONDUCTED UNDER THE FAIR LABOR STANDARDS ACT OF 1938.—Section 4(d)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(d)(1)) is amended—

(1) by striking ''annually'' and inserting ''biannually''; and

(2) by striking ''preceding year'' and inserting ''preceding two years''.

(b) ANNUAL REPORT OF THE OFFICE OF WORKERS' COMPENSATION.—

(1) REPORT ON THE ADMINISTRATION OF THE LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT.—Section 42 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 942) is amended—

(A) by striking ''beginning of each'' and all that follows through ''Amendments of 1984'' and inserting ''end of each fiscal year''; and

(B) by adding the following new sentence at the end: ''Such report shall include the annual reports required under section 426(b) of the Black Lung Benefits Act (30 U.S.C. 936(b)) and section 8194 of title 5, United States Code, and shall be identified as the Annual Report of the Office of Workers' Compensation Programs.''.

(2) REPORT ON THE ADMINISTRATION OF THE BLACK LUNG BENEFITS PROGRAM.—Section 426(b) of the ''Black Lung Benefits Act (30 U.S.C. 936(b)) is amended—

(A) by striking ''Within'' and all that follows through ''Congress the'' and inserting ''At the end of each fiscal year, the''; and

(B) by adding the following new sentence at the end: ''Each such report shall be prepared and submitted to Congress in accordance with the requirement with respect to submission under section 42 of the Longshore Harbor Workers' Compensation Act (33 U.S.C. 942).''.

(3) REPORT ON THE ADMINISTRATION OF THE FEDERAL EMPLOYEES' COMPENSATION ACT.—(A) Subchapter I of chapter 81 of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§ 8152. Annual report

''The Secretary of Labor shall, at the end of each fiscal year, prepare a report with respect to the administration of this chapter. Such report shall be submitted to Congress in accordance with the requirement with respect to submission under section 42 of the Longshore Harbor Workers' Compensation Act (33 U.S.C. 942).''.

(B) The table of sections for chapter 81 of title 5, United States Code, is amended by inserting after the item relating to section 8151 the following:

''8152. Annual report.''.

(c) ANNUAL REPORT ON THE DEPARTMENT OF LABOR.—Section 9 of an Act entitled ''An Act to create a Department of Labor'', approved March 4, 1913 (29 U.S.C. 560) is amended by striking ''make a report'' and all that follows through ''the department'' and inserting ''prepare and submit to Congress the financial statements of the Department that have been audited''.

CHAPTER 11—DEPARTMENT OF STATE

SEC. 1111. REPORTS ELIMINATED.

Section 8 of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2606) is amended by striking subsection (b), and redesignating subsection (c) as subsection (b).

CHAPTER 12—DEPARTMENT OF TRANSPORTATION

SEC. 1121. REPORTS ELIMINATED.

(a) REPORT ON DEEPWATER PORT ACT OF 1974.—Section 20 of the Deepwater Port Act of 1974 (33 U.S.C. 1519) is repealed.

(b) REPORT ON COAST GUARD LOGISTICS CAPABILITIES CRITICAL TO MISSION PERFORMANCE.—Sections 5(a)(2) and 5(b) of the Coast Guard Authorization Act of 1988 (10 U.S.C. 2304 note) are repealed.

(c) REPORT ON MARINE PLASTIC POLLUTION RESEARCH AND CONTROL ACT OF 1987.—Section 2201(a) of the Marine Plastic Pollution Research and Control Act of 1987 (33 U.S.C. 1902 note) is amended by striking ''biennially'' and inserting ''triennially''.

(d) REPORT ON APPLIED RESEARCH AND TECHNOLOGY PROGRAM.—Section 307(e)(11) of title 23, United States Code, is repealed.

(e) REPORTS ON HIGHWAY SAFETY IMPROVEMENT PROGRAMS.—

(1) REPORT ON RAILWAY-HIGHWAY CROSSINGS PROGRAM.—Section 130(g) of title 23, United States Code, is amended by striking the last 3 sentences.

(2) REPORT ON HAZARD ELIMINATION PROGRAM.—Section 152(g) of title 23, United States Code, is amended by striking the last 3 sentences.

(f) REPORT ON HIGHWAY SAFETY PERFORMANCE—FATAL AND INJURY ACCIDENT RATES ON PUBLIC ROADS IN THE UNITED STATES.—Section 207 of the Highway Safety Act of 1982 (23 U.S.C. 401 note) is repealed.

(g) REPORT ON HIGHWAY SAFETY PROGRAM STANDARDS.—Section 402(a) of title 23, United States Code, is amended by striking the fifth sentence.

(h) REPORT ON RAILROAD-HIGHWAY DEMONSTRATION PROJECTS.—Section 163(o) of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is repealed.

(i) REPORT ON UNIFORM RELOCATION ACT AMENDMENTS OF 1987.—Section 103(b)(2) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4604(b)(2)) is repealed.

(j) REPORT ON FEDERAL RAILROAD SAFETY ACT OF 1970.—Section 211 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440) is repealed.

(k) REPORT ON RAILROAD FINANCIAL ASSISTANCE.—Section 308(d) of title 49, United States Code, is repealed.

(l) REPORT ON USE OF ADVANCED TECHNOLOGY BY THE AUTOMOBILE INDUSTRY.—Section 305 of the Automotive Propulsion Research and Development Act of 1978 (15 U.S.C. 2704) is amended by striking the last sentence.

(m) REPORT ON OBLIGATIONS.—Section 4(b) of the Federal Transit Act (49 U.S.C. App. 1603(b)) is repealed.

(n) REPORT ON SUSPENDED LIGHT RAIL SYSTEM TECHNOLOGY PILOT PROJECT.—Section 26(c)(11) of the Federal Transit Act (49 U.S.C. App. 1622(c)(11)) is repealed.

(o) REPORT ON SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION.—Section 10(a) of the Act of May 13, 1954 (68 Stat. 96, chapter 201; 33 U.S.C. 989(a)) is repealed.

(p) REPORTS ON PIPELINES ON FEDERAL LANDS.—Section 28(w)(4) of the Mineral Leasing Act (30 U.S.C. 185(w)(4)) is repealed.

(q) REPORTS ON PIPELINE SAFETY.—

(1) REPORT ON NATURAL GAS PIPELINE SAFETY ACT OF 1968.—Section 16(a) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1683(a)) is amended in the first sentence by striking ''of each year'' and inserting ''of each odd-numbered year''.

(2) REPORT ON HAZARDOUS LIQUID PIPELINE SAFETY ACT OF 1979.—Section 213 of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2012) is amended in the first sentence by striking ''of each year'' and inserting ''of each odd-numbered year''.

SEC. 1122. REPORTS MODIFIED.

(a) REPORT ON MAJOR ACQUISITION PROJECTS.—Section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1993 (Public Law 102–338; 106 Stat. 1551) is amended—

(1) by striking ''quarter of any fiscal year beginning after December 31, 1992, unless the Commandant of the Coast Guard first submits a quarterly report'' and inserting ''half of any fiscal year beginning after December 31, 1995, unless the Commandant of the Coast Guard first submits a semiannual report''; and

(2) by striking ''quarter.'' and inserting ''half-fiscal year.''.

(b) REPORT ON OIL SPILL LIABILITY TRUST FUND.—The quarterly report regarding the Oil Spill Liability Trust Fund required to be submitted to the House and Senate Committees on Appropriations under House Report 101–892, accompanying the appropriations for the Coast Guard in the Department of Transportation and Related Agencies Appropriations Act, 1991, shall be submitted not later than 30 days after the end of the fiscal year in which this Act is enacted and annually thereafter.

(c) REPORT ON JOINT FEDERAL AND STATE MOTOR FUEL TAX COMPLIANCE PROJECT.—Section 1040(d)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note) is amended by striking ''September 30 and''.

(d) REPORT ON PUBLIC TRANSPORTATION.—Section 308(e)(1) of title 49, United States Code, is amended by striking ''January of each even-numbered year'' and inserting ''March 1995, March 1996, and March of each odd-numbered year thereafter''.

(e) REPORT ON NATION'S HIGHWAYS AND BRIDGES.—Section 307(h) of title 23, United States Code, is amended by striking ''January 1983, and in January of every second year thereafter'' and inserting ''March 1995, March 1996, and March of each odd-numbered year thereafter''.

CHAPTER 13—DEPARTMENT OF THE TREASURY

SEC. 1131. REPORTS ELIMINATED.

(a) REPORT ON THE OPERATION AND STATUS OF STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND.—Paragraph (8) of section 14001(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (31 U.S.C. 6701 note) is repealed.

(b) REPORT ON THE ANTIRECESSION PROVISIONS OF THE PUBLIC WORKS EMPLOYMENT ACT OF 1976.—Section 213 of the Public Works Employment Act of 1976 (42 U.S.C. 6733) is repealed.

(c) REPORT ON THE ASBESTOS TRUST FUND.—Paragraph (2) of section 5(c) of the Asbestos Hazard Emergency Response Act of 1986 (20 U.S.C. 4022(c)) is repealed.

SEC. 1132. REPORTS MODIFIED.

(a) REPORT ON THE WORLD CUP USA 1994 COMMEMORATIVE COIN ACT.—Subsection (g) of section 205 of the World Cup USA 1994 Commemorative Coin Act (31 U.S.C. 5112 note) is amended by striking ''month'' and inserting ''calendar quarter''.

(b) REPORTS ON VARIOUS FUNDS.—Subsection (b) of section 321 of title 31, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (5),

(2) by striking the period at the end of paragraph (6) and inserting ''; and'', and

(3) by adding after paragraph (6) the following new paragraph:

''(7) notwithstanding any other provision of law, fulfill any requirement to issue a report on the financial condition of any fund on the books of the Treasury by including the required information in a consolidated report, except that information with respect

to a specific fund shall be separately reported if the Secretary determines that the consolidation of such information would result in an unwarranted delay in the availability of such information.''.

(c) REPORT ON THE JAMES MADISON-BILL OF RIGHTS COMMEMORATIVE COIN ACT.—Subsection (c) of section 506 of the James Madison-Bill of Rights Commemorative Coin Act (31 U.S.C. 5112 note) is amended by striking out ''month'' and inserting in lieu thereof ''calendar quarter''.

CHAPTER 14—DEPARTMENT OF VETERANS AFFAIRS

SEC. 1141. REPORTS ELIMINATED.

(a) REPORT ON FURNISHING CONTRACT CARE SERVICES.—Section 1703(c) of title 38, United States Code, is repealed.

(b) REPORT ON ADEQUACY OF RATES FOR STATE HOME CARE.—Section 1741 of such title is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) REPORT ON LOANS TO PURCHASE MANUFACTURED HOMES.—Section 3712 of such title is amended—

(1) by striking out subsection (l); and

(2) by redesignating subsection (m) as subsection (l).

(d) REPORT ON LEVEL OF TREATMENT CAPACITY.—Section 8110(a)(3) of such title is amended—

(1) in subparagraph (A)—

(A) by striking out ''(A)''; and

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(2) by striking out subparagraph (B).

(e) REPORT ON COMPLIANCE WITH FUNDED PERSONNEL CODING.—

(1) REPEAL OF REPORT REQUIREMENT.—Section 8110(a)(4) of title 38, United States Code, is amended by striking out subparagraph (C).

(2) CONFORMING AMENDMENTS.—Section 8110(a)(4) of title 38, United States Code, is amended by—

(A) redesignating subparagraph (C) as subparagraph (D);

(B) in subparagraph (A), by striking out ''subparagraph (D)'' and inserting in lieu thereof ''subparagraph (C)''; and

(C) in subparagraph (B), by striking out ''subparagraph (D)'' and inserting in lieu thereof ''subparagraph (C)''.

Subtitle II—Independent Agencies

CHAPTER 1—ACTION

SEC. 2011. REPORTS ELIMINATED.

Section 226 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5026) is amended—

(1) by striking subsection (b); and

(2) in subsection (a)—

(A) in paragraph (2), by striking ''(2)'' and inserting ''(b)''; and

(B) in paragraph (1)—

(i) by striking ''(1)(A)'' and inserting ''(1)''; and

(ii) in subparagraph (B)—

(I) by striking ''(B)'' and inserting ''(2)''; and

(II) by striking ''subparagraph (A)'' and inserting ''paragraph (1)''.

CHAPTER 2—ENVIRONMENTAL PROTECTION AGENCY

SEC. 2021. REPORTS ELIMINATED.

(a) REPORT ON ALLOCATION OF WATER.—Section 102 of the Federal Water Pollution Control Act (33 U.S.C. 1252) is amended by striking subsection (d).

(b) REPORT ON VARIANCE REQUESTS.—Section 301(n) of the Federal Water Pollution Control Act (33 U.S.C. 1311(n)) is amended by striking paragraph (8).

(c) REPORT ON IMPLEMENTATION OF CLEAN LAKES PROJECTS.—Section 314(d) of the Federal Water Pollution Control Act (33 U.S.C. 1324(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(d) REPORT ON USE OF MUNICIPAL SECONDARY EFFLUENT AND SLUDGE.—Section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375) (as amended by subsection (g)) is further amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(e) REPORT ON CERTAIN WATER QUALITY STANDARDS AND PERMITS.—Section 404 of the Water Quality Act of 1987 (Public Law 100–4; 33 U.S.C. 1375 note) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(f) REPORT ON CLASS V WELLS.—Section 1426 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–5) is amended—

(1) in subsection (a), by striking ''(a) MONITORING METHODS.—''; and

(2) by striking subsection (b).

(g) REPORT ON SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM.—Section 1427 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–6) is amended—

(1) by striking subsection (l); and

(2) by redesignating subsections (m) and (n) as subsections (l) and (m), respectively.

(h) REPORT ON SUPPLY OF SAFE DRINKING WATER.—Section 1442 of title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300h–6) is amended—

(1) by striking subsection (c);

(2) by redesignating subsection (d) as subsection (c); and

(3) by redesignating subsections (f) and (g) as subsections (d) and (e), respectively.

(i) REPORT ON NONNUCLEAR ENERGY AND TECHNOLOGIES.—Section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5910) is repealed.

(j) REPORT ON EMISSIONS AT COAL-BURNING POWERPLANTS.—

(1) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8455) is repealed.

(2) The table of contents in section 101(b) of such Act (42 U.S.C. prec. 8301) is amended by striking the item relating to section 745.

(k) 5-YEAR PLAN FOR ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—

(1) Section 5 of the Environmental Research, Development, and Demonstration Authorization Act of 1976 (42 U.S.C. 4361) is repealed.

(2) Section 4 of the Environmental Research, Development, and Demonstration Authorization Act of 1978 (42 U.S.C. 4361a) is repealed.

(3) Section 8 of such Act (42 U.S.C. 4365) is amended—

(A) by striking subsection (c); and

(B) by redesignating subsections (d) through (i) as subsections (c) through (h), respectively.

(l) PLAN ON ASSISTANCE TO STATES FOR RADON PROGRAMS.—Section 305 of the Toxic Substances Control Act (15 U.S.C. 2665) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

CHAPTER 3—EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SEC. 2031. REPORTS MODIFIED.

Section 705(k)(2)(C) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4(k)(2)(C)) is amended—

(1) in the matter preceding clause (i), by striking ''including'' and inserting ''including information, presented in the aggregate, relating to'';

(2) in clause (i), by striking ''the identity of each person or entity'' and inserting ''the number of persons and entities'';

(3) in clause (ii), by striking ''such person or entity'' and inserting ''such persons and entities''; and

(4) in clause (iii)—

(A) by striking ''fee'' and inserting ''fees''; and

(B) by striking ''such person or entity'' and inserting ''such persons and entities''.

CHAPTER 4—FEDERAL AVIATION ADMINISTRATION

SEC. 2041. REPORTS ELIMINATED.

Section 7207(c)(4) of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4428; 49 U.S.C. App. 1354 note) is amended—

(1) by striking out ''GAO''; and

(2) by striking out ''the Comptroller General'' and inserting in lieu thereof ''the Department of Transportation Inspector General''.

CHAPTER 5—FEDERAL COMMUNICATIONS COMMISSION

SEC. 2051. REPORTS ELIMINATED.

(a) REPORT TO THE CONGRESS UNDER THE COMMUNICATIONS SATELLITE ACT OF 1962.—Section 404(c) of the Communications Satellite Act of 1962 (47 U.S.C. 744(c)) is repealed.

(b) REIMBURSEMENT FOR AMATEUR EXAMINATION EXPENSES.—Section 4(f)(4)(J) of the Communications Act of 1934 (47 U.S.C. 154(f)(4)(J)) is amended by striking out the last sentence.

CHAPTER 6—FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 2061. REPORTS ELIMINATED.

Section 102(b)(1) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242; 105 Stat. 2237; 12 U.S.C. 1825 note) is amended to read as follows:

''(1) QUARTERLY REPORTING.—Not later than 90 days after the end of any calendar quarter in which the Federal Deposit Insurance Corporation (hereafter in this section referred to as the 'Corporation') has any obligations pursuant to section 14 of the Federal Deposit Insurance Act outstanding, the Comptroller General of the United States shall submit a report on the Corporation's compliance at the end of that quarter with section 15(c) of the Federal Deposit Insurance Act to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives. Such a report shall be included in the Comptroller General's audit report for that year, as required by section 17 of the Federal Deposit Insurance Act.''.

CHAPTER 7—FEDERAL EMERGENCY MANAGEMENT AGENCY

SEC. 2071. REPORTS ELIMINATED.

Section 201(h) of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2281(h)) is amended by striking the second proviso.

CHAPTER 8—FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

SEC. 2081. REPORTS ELIMINATED.

Section 9503 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

''(c) The requirements of this section are satisfied with respect to the Thrift Savings Plan described under subchapter III of chapter 84 of title 5, by preparation and transmission of the report described under section 8439(b) of such title.''.

CHAPTER 9—GENERAL SERVICES ADMINISTRATION

SEC. 2091. REPORTS ELIMINATED.

(a) REPORT ON PROPERTIES CONVEYED FOR HISTORIC MONUMENTS AND CORRECTIONAL FACILITIES.—Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended—

(1) by striking out paragraph (1);

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(3) in paragraph (2) (as so redesignated) by striking out ''paragraph (2)'' and inserting in lieu thereof ''paragraph (3)''.

(b) REPORT ON PROPOSED SALE OF SURPLUS REAL PROPERTY AND REPORT ON NEGOTIATED SALES.—Section 203(e)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(e)(6)) is repealed.

(c) REPORT ON PROPERTIES CONVEYED FOR WILDLIFE CONSERVATION.—Section 3 of the Act entitled ''An Act authorizing the transfer of certain real property for wildlife, or other purposes.'', approved May 19, 1948 (16 U.S.C. 667d; 62 Stat. 241) is amended by striking out ''and shall be included in the annual budget transmitted to the Congress''.

CHAPTER 10—INTERSTATE COMMERCE COMMISSION

SEC. 2101. REPORTS ELIMINATED.

Section 10327(k) of title 49, United States Code, is amended to read as follows:

''(k) If an extension granted under subsection (j) is not sufficient to allow for completion of necessary proceedings, the Commission may grant a further extension in an extraordinary situation if a majority of the Commissioners agree to the further extension by public vote.''.

CHAPTER 11—LEGAL SERVICES CORPORATION

SEC. 2111. REPORTS MODIFIED.

Section 1009(c)(2) of the Legal Services Corporation Act (42 U.S.C. 2996h(c)(2)) is amended by striking out ''The'' and inserting in lieu thereof ''Upon request, the''.

CHAPTER 12—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 2121. REPORTS ELIMINATED.

Section 21(g) of the Small Business Act (15 U.S.C. 648(g)) is amended to read as follows:

''(g) NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AND INDUSTRIAL APPLICATION CENTERS.—The National Aeronautics and Space Administration and industrial application centers supported by the National Aeronautics and Space Administration are authorized and directed to cooperate with small business development centers participating in the program.''.

CHAPTER 13—NATIONAL COUNCIL ON DISABILITY

SEC. 2131. REPORTS ELIMINATED.

Section 401(a) of the Rehabilitation Act of 1973 (29 U.S.C. 781(a)) is amended—

(1) by striking paragraph (9); and

(2) by redesignating paragraphs (10) and (11) as paragraphs (9) and (10), respectively.

CHAPTER 14—NATIONAL SCIENCE FOUNDATION

SEC. 2141. REPORTS ELIMINATED.

(a) STRATEGIC PLAN FOR SCIENCE AND ENGINEERING EDUCATION.—Section 107 of the Education for Economic Security Act (20 U.S.C. 3917) is repealed.

(b) BUDGET ESTIMATE.—Section 14 of the National Science Foundation Act of 1950 (42 U.S.C. 1873) is amended by striking subsection (j).

CHAPTER 15—NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 2151. REPORTS MODIFIED.

Section 305 of the Independent Safety Board Act of 1974 (49 U.S.C. 1904) is amended—

(1) in paragraph (2) by adding ''and'' after the semicolon;

(2) in paragraph (3) by striking out ''; and'' and inserting in lieu thereof a period; and

(3) by striking out paragraph (4).

CHAPTER 16—NEIGHBORHOOD REINVESTMENT CORPORATION

SEC. 2161. REPORTS ELIMINATED.

Section 607(c) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8106(c)) is amended by striking the second sentence.

CHAPTER 17—NUCLEAR REGULATORY COMMISSION

SEC. 2171. REPORTS MODIFIED.

Section 208 of the Energy Reorganization Act of 1974 (42 U.S.C. 5848) is amended by striking ''each quarter a report listing for that period'' and inserting ''an annual report listing for the previous fiscal year''.

CHAPTER 18—OFFICE OF PERSONNEL MANAGEMENT

SEC. 2181. REPORTS ELIMINATED.

(a) REPORT ON CAREER RESERVED POSITIONS.—(1) Section 3135 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 31 of title 5, United States Code, is amended by striking out the item relating to section 3135.

(b) REPORT ON PERFORMANCE AWARDS.—Section 4314(d)(3) of title 5, United States Code, is repealed.

(c) REPORT ON TRAINING PROGRAMS.—(1) Section 4113 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 41 of title 5, United States Code, is amended by striking out the item relating to section 4113.

(d) REPORT ON PREVAILING RATE SYSTEM.—Section 5347 of title 5, United States Code, is amended by striking out the fourth and fifth sentences.

(e) REPORT ON ACTIVITIES OF THE MERIT SYSTEMS PROTECTION BOARD AND THE OFFICE OF PERSONNEL MANAGEMENT.—Section 2304 of title 5, United States Code, is amended—

(1) in subsection (a) by striking out ''(a)''; and

(2) by striking subsection (b).

SEC. 2182. REPORTS MODIFIED.

(a) REPORT ON SENIOR EXECUTIVE SERVICE POSITIONS.—Section 3135(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out '', and the projected number of Senior Executive Service positions to be authorized for the next 2 fiscal years, in the aggregate and by agency'';

(2) by striking out paragraphs (3) and (8); and

(3) by redesignating paragraphs (4), (5), (6), (7), (9), and (10) as paragraphs (3), (4), (5), (6), (7), and (8), respectively.

(b) REPORT ON DISTRICT OF COLUMBIA RETIREMENT FUND.—Section 145 of the District of Columbia Retirement Reform Act (Public Law 96–122; 93 Stat. 882) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking out ''(1)'';

(ii) by striking out ''and the Comptroller General shall each'' and inserting in lieu thereof ''shall''; and

(iii) by striking out ''each''; and

(B) by striking out paragraph (2); and

(2) in subsection (d), by striking out ''the Comptroller General and'' each place it appears.

(c) REPORT ON REVOLVING FUND.—Section 1304(e)(6) of title 5, United States Code, is amended by striking out ''at least once every three years''.

CHAPTER 19—OFFICE OF THRIFT SUPERVISION

SEC. 2191. REPORTS MODIFIED.

Section 18(c)(6)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1438(c)(6)(B)) is amended—

(1) by striking out ''annually'';

(2) by striking out ''audit, settlement,'' and inserting in lieu thereof ''settlement''; and

(3) by striking out '', and the first audit'' and all that follows through ''enacted''.

CHAPTER 20—PANAMA CANAL COMMISSION

SEC. 2201. REPORTS ELIMINATED.

(a) REPORTS ON PANAMA CANAL.—Section 1312 of the Panama Canal Act of 1979 (Public Law 96–70; 22 U.S.C. 3722) is repealed.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended by striking out the item relating to section 1312.

CHAPTER 21—POSTAL SERVICE

SEC. 2211. REPORTS MODIFIED.

(a) REPORT ON CONSUMER EDUCATION PROGRAMS.—Section 4(b) of the mail Order Consumer Protection Amendments of 1983 (39 U.S.C. 3001 note; Public Law 98–186; 97 Stat. 1318) is amended to read as follows:

''(b) A summary of the activities carried out under subsection (a) shall be included in the first semiannual report submitted each year as required under section 5 of the Inspector General Act of 1978 (5 U.S.C. App.).''.

(b) REPORT ON INVESTIGATIVE ACTIVITIES.—Section 3013 of title 39, United States Code, is amended in the last sentence by striking out ''the Board shall transmit such report to the Congress'' and inserting in lieu thereof ''the information in such report shall be included in the next semiannual report required under section 5 of the Inspector General Act of 1978 (5 U.S.C. App.)''.

CHAPTER 22—RAILROAD RETIREMENT BOARD

SEC. 2221. REPORTS MODIFIED.

Section 502 of the Railroad Retirement Solvency Act of 1983 (45 U.S.C. 231f–1) is amended by striking ''On or before July 1, 1985, and each calendar year thereafter'' and inserting ''As part of the annual report required under section 22(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231u(a))''.

CHAPTER 23—THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD

SEC. 2231. REPORTS MODIFIED.

Section 21A(k)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(k)(9)) is amended by striking out ''the end of each calendar quarter'' and inserting in lieu thereof ''June 30 and December 31 of each calendar year''.

CHAPTER 24—UNITED STATES INFORMATION AGENCY

SEC. 2241. REPORTS ELIMINATED.

Notwithstanding section 601(c)(4) of the Foreign Service Act of 1980 (22 U.S.C. 4001(c)(4)), the reports otherwise required under such section shall not cover the activities of the United States Information Agency.

Subtitle III—Reports by All Departments and Agencies

SEC. 3001. REPORTS ELIMINATED.

(a) REPORT ON PART-TIME EMPLOYMENT.—(1) Section 3407 of title 5, United States Code, is repealed.

(2) The table of sections for chapter 34 of title 5, United States Code, is amended by striking out the item relating to section 3407.

(b) BUDGET INFORMATION ON CONSULTING SERVICES.—(1) Section 1114 of title 31, United States Code, is repealed.

(2) The table of sections for chapter 11 of title 31, United States Code, is amended by striking out the item relating to section 1114.

(c) SEMIANNUAL REPORT ON LOBBYING.—Section 1352 of title 31, United States Code, is amended by—

(1) striking out subsection (d); and

(2) redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

(d) REPORTS ON PROGRAM FRAUD AND CIVIL REMEDIES.—(1) Section 3810 of title 31, United States Code, is repealed.

(2) The table of sections for chapter 38 of title 31, United States Code, is amended by striking out the item relating to section 3810.

(e) REPORT ON RIGHT TO FINANCIAL PRIVACY ACT.—Section 1121 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421) is repealed.

(f) REPORT ON FOREIGN LOAN RISKS.—Section 913(d) of the International Lending Supervision Act of 1983 (12 U.S.C. 3912(d)) is repealed.

(g) REPORT ON PLANS TO CONVERT TO THE METRIC SYSTEM.—Section 12 of the Metric Conversion Act of 1975 (15 U.S.C. 205j–1) is repealed.

(h) REPORT ON TECHNOLOGY UTILIZATION AND INTELLECTUAL PROPERTY RIGHTS.—Section 11(f) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(f)) is repealed.

(i) REPORT ON EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE.—Section 4(a) of the Act entitled ''An Act to authorize the making, amendment, and modification of contracts to facilitate the national defense'', approved August 28, 1958 (50 U.S.C. 1434(a)), is amended by striking out ''all such actions taken'' and inserting in lieu thereof ''if any such action has been taken''.

(j) REPORTS ON DETAILING EMPLOYEES.—Section 619 of the Treasury, Postal Service, and General Government Appropriations Act, 1993 (Public Law 102–393; 106 Stat. 1769), is repealed.

SEC. 3002. REPORTS MODIFIED.

Section 552b(j) of title 5, United States Code, is amended to read as follows:

''(j) Each agency subject to the requirements of this section shall annually report to the Congress regarding the following:

''(1) The changes in the policies and procedures of the agency under this section that have occurred during the preceding 1-year period.

''(2) A tabulation of the number of meetings held, the exemptions applied to close meetings, and the days of public notice provided to close meetings.

''(3) A brief description of litigation or formal complaints concerning the implementation of this section by the agency.

''(4) A brief explanation of any changes in law that have affected the responsibilities of the agency under this section.''.

Subtitle IV—Effective Date

SEC. 4001. EFFECTIVE DATE.

Except as otherwise provided in this title, the provisions of this title and amendments made by this title shall take effect on the date of the enactment of this Act.

WELLSTONE AMENDMENT NO. 320

Mr. WELLSTONE proposed an amendment to the bill, S. 244, supra; as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF CONGRESS.

It is the sense of Congress that Congress should not enact or adopt any legislation that will increase the number of children who are hungry or homeless.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

BINGAMAN (AND OTHERS) AMENDMENT NO. 321

Mr. BINGAMAN (for himself, Mr. NUNN, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. KERREY, Mr. KENNEDY, and Mr. DODD) proposed an amendment to the bill, (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes; as follows:

At the end of the amendment add the following:

SEC. 110. It is the sense of the Senate that (1) cost-shared partnerships between the Department of Defense and the private sector to develop dual-use technologies (technologies that have applications both for defense and for commercial markets, such as computers, electronics, advanced materials, communications, and sensors) are increasingly important to ensure efficient use of defense procurement resources, and (2) such partnerships, including Sematech and the Technology Reinvestment Project, need to become the norm for conducting such applied research by the Department of Defense.

MCCAIN AMENDMENT NO. 322

Mr. MCCAIN proposed an amendment to the bill H.R. 889, supra; as follows:

On page 21, line 9, strike out ''$300,000,000'' and insert in lieu thereof ''$150,000,000''.

On page 22, line 15, strike out ''$351,000,000'' and insert in lieu thereof ''$653,000,000''.

MCCONNELL (AND OTHERS) AMENDMENT NO. 323

Mr. HATFIELD (for Mr. MCCONNELL, for himself, Mr. LEAHY, Mr. JEFFORDS, and Mr. LAUTENBERG) proposed an amendment to the bill H.R. 889, supra; as follows:

On page 27, between lines 6 and 7, insert the following:

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–306, $70 million are rescinded.

In lieu of the Committee amendment on page 27, lines 21 through 25, insert the following:

DEVELOPMENT ASSISTANCE FUND

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $13,000,000 are rescinded.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $9,000,000 are rescinded.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $18,000,000 are rescinded, of which not less than $12,000,000 shall be derived from funds allocated for Russia.

GRAMM (AND HOLLINGS) AMENDMENT NO. 324

Mr. HATFIELD (for Mr. GRAMM for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 889, supra; as follows:

On page 25 of the Committee bill, strike line 14 through line 12 on page 26, and insert in lieu thereof the following:

''DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $10,000,000 are rescinded.

DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

INDUSTRIAL TECHNOLOGY SERVICES

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317 for the Advanced Technology Program, $32,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $2,500,000 are rescinded.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

INFORMATION INFRASTRUCTURE GRANTS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $34,000,000 are rescinded.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $40,000,000 are rescinded.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for tree-planting grants pursuant to section 24 of the Small Business Act, as amended, $15,000,000 are rescinded.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $15,000,000 are rescinded.

DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

(RESCISSION)

Of unobligated balances available under this heading, $28,500,000 are rescinded.

HELMS (AND FAIRCLOTH) AMENDMENT NO. 325

Mr. HELMS (for himself and Mr. FAIRCLOTH) proposed an amendment to the bill H.R. 889, supra; as follows:

At the end of title I, insert the following:

SEC. 1 . FORT BRAGG, NORTH CAROLINA.

Notwithstanding any other law, for fiscal year 1995 and each fiscal year thereafter, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) shall not apply with respect to land under the jurisdiction of the Department of the Army at Fort Bragg, North Carolina.

HELMS (AND OTHERS) AMENDMENT NO. 326

Mr. HELMS (for himself, Mr. DOLE, Mr. MACK, Mr. COVERDELL, Mr. GRAHAM, Mr. D'AMATO, Mr. HATCH, Mr. GRAMM, Mr. THURMOND, Mr. FAIRCLOTH, Mr. GREGG, Mr. INHOFE, Mr. HOLLINGS, Ms. SNOWE, Mr. KYL, Mr. THOMAS, Mr. SMITH, Mr. LIEBERMAN, Mr. WARNER, Mr. NICKLES, and Mr. ROBB) proposed an amendment to the bill H.R. 889, supra; as follows:

At the end of the bill, add the following:

TITLE __—CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1995

SEC. __01. SHORT TITLE.

This title may be cited as the ''Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995''.

SEC. __02. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of approximately 60 percent in the last 5 years as a result of—

(A) the reduction in its subsidization by the former Soviet Union;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the precipitous decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba predominantly on commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of Cuba's economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba or to adopt any economic or political reforms that would lead to democracy, a market economy, or an economic recovery.

(3) The repression of the Cuban people, including a ban on free and fair democratic elections and the continuing violation of fundamental human rights, has isolated the Cuban regime as the only nondemocratic government in the Western Hemisphere.

(4) As long as no such economic or political reforms are adopted by the Cuban government, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(5) Fidel Castro has defined democratic pluralism as ''pluralistic garbage'' and has made clear that he has no intention of permitting free and fair democratic elections in Cuba or otherwise tolerating the democratization of Cuban society.

(6) The Castro government, in an attempt to retain absolute political power, continues to utilize, as it has from its inception, torture in various forms (including psychiatric abuse), execution, exile, confiscation, political imprisonment, and other forms of terror and repression as most recently demonstrated by the massacre of more than 70 Cuban men, women, and children attempting to flee Cuba.

(7) The Castro government holds hostage in Cuba innocent Cubans whose relatives have escaped the country.

(8) The Castro government has threatened international peace and security by engaging in acts of armed subversion and terrorism, such as the training and arming of groups dedicated to international violence.

(9) The Government of Cuba engages in illegal international narcotics trade and harbors fugitives from justice in the United States.

(10) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(11) Attempts to escape from Cuba and courageous acts of defiance of the Castro regime by Cuban pro-democracy and human rights groups have ensured the international community's continued awareness of, and concern for, the plight of Cuba.

(12) The Cuban people deserve to be assisted in a decisive manner in order to end the tyranny that has oppressed them for 36 years.

(13) Radio Marti and Television Marti have both been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the Cubans living under tyranny.

(14) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in isolating the totalitarian Castro regime.

SEC. __03. PURPOSES.

The purposes of this title are—

(1) to strengthen international sanctions against the Castro government;

(2) to encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers;

(3) to provide a policy framework for United States support to the Cuban people in response to the formation of a transition government or a democratically elected government in Cuba; and

(4) to protect the rights of United States persons who own claims to confiscated property abroad.

SEC. __04. DEFINITIONS.

As used in this title—

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(2) CONFISCATED.—The term ''confiscated'' refers to the nationalization, expropriation, or other seizure of ownership or control of property by governmental authority—

(A) without adequate and effective compensation or in violation of the law of the place where the property was situated when the confiscation occurred; and

(B) without the claim to the property having been settled pursuant to an international claims settlement agreement.

(3) CUBAN GOVERNMENT.—The term ''Cuban government'' includes the government of any political subdivision, agency, or instrumentality of the Government of Cuba.

(4) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term ''democratically elected government in Cuba'' means a government described in section __26.

(5) ECONOMIC EMBARGO OF CUBA.—The term ''economic embargo of Cuba'' refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act, and the Export Administration Act of 1979.

(6) PROPERTY.—The term ''property'' means—

(A) any property, right, or interest, including any leasehold interest,

(B) debts owed by a foreign government or by any enterprise which has been confiscated by a foreign government; and

(C) debts which are a charge on property confiscated by a foreign government.

(7) TRAFFICS.—The term ''traffics'' means selling, transferring, distributing, dispensing, or otherwise disposing of property, or purchasing, receiving, possessing, obtaining control of, managing, or using property.

(8) TRANSITION GOVERNMENT IN CUBA.—The term ''transition government in Cuba'' means a government described in section __25.

(9) UNITED STATES PERSON.—The term ''United States person'' means—

(A) any United States citizen, including, in the context of claims to confiscated property, any person who becomes a United States citizen after the property was confiscated but before final resolution of the claim to that property; and

(B) any corporation, trust, partnership, or other juridical entity 50 percent or more beneficially owned by United States citizens.

PART A—STRENGTHENING INTERNATIONAL SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. __11. STATEMENT OF POLICY.

It is the sense of the Congress that—

(1) the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, are a threat to international peace;

(2) the President should advocate, and should instruct the United States Permanent Representative to the United Nations to propose and seek within the Security Council a mandatory international embargo against the totalitarian government of Cuba pursuant to chapter VII of the Charter of the United Nations, which is similar to consultations conducted by United States representatives with respect to Haiti; and

(3) any resumption of efforts by any independent state of the former Soviet Union to make operational the nuclear facility at Cienfuegos, Cuba, will have a detrimental impact on United States assistance to such state.

SEC. __12. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) POLICY.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992, which states the President should encourage foreign countries to restrict trade and credit relations with Cuba.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b)(1) of such Act against countries assisting Cuba.

(b) DIPLOMATIC EFFORTS.—The Secretary of State should ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials are—

(1) communicating the reasons for the United States economic embargo of Cuba; and

(2) urging foreign governments to cooperate more effectively with the embargo.

(c) EXISTING REGULATIONS.—The President shall instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations in part 515 of title 31, Code of Federal Regulations.

(d) VIOLATIONS OF RESTRICTIONS ON TRAVEL TO CUBA.—The penalties provided for in section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16) shall apply to all violations of the Cuban Assets Control Regulations (part 515 of title 31, Code of Federal Regulations) involving transactions incident to travel to and within Cuba.

SEC. __13. PROHIBITION AGAINST INDIRECT FINANCING OF CUBA.

(a) PROHIBITION.—Effective upon the date of enactment of this title, it is unlawful for any United States person, including any officer, director, or agent thereof and including any officer or employee of a United States agency, knowingly to extend any loan, credit, or other financing to a foreign person that traffics in any property confiscated by the Cuban government the claim to which is owned by a United States person.

(b) TERMINATION OF PROHIBITION.—The prohibition of subsection (a) shall cease to apply on the date of termination of the economic embargo of Cuba.

(c) PENALTIES.—Violations of subsection (a) shall be punishable by the same penalties as are applicable to similar violations of the Cuban Assets Control Regulations in part 515 of title 31, Code of Federal Regulations.

(d) DEFINITIONS.—As used in this section—

(1) the term ''foreign person'' means (A) an alien, and (B) any corporation, trust, partnership, or other juridical entity that is not 50 percent or more beneficially owned by United States citizens; and

(2) the term ''United States agency'' has the same meaning given to the term ''agency'' in section 551(1) of title 5, United States Code.

SEC. __14. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) CONTINUED OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against the admission of Cuba as a member of such institution until Cuba holds free and fair, democratic elections, conducted under the supervision of internationally recognized observers.

(2) During the period that a transition government in Cuba is in power, the President shall take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power.

(b) REDUCTION IN UNITED STATES PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS.—If any international financial institution approves a loan or other assistance to Cuba over the opposition of the United States, then the Secretary of the Treasury shall withhold from payment to such institution an amount equal to the amount of the loan or other assistance, with respect to each of the following types of payment:

(1) The paid-in portion of the increase in capital stock of the institution.

(2) The callable portion of the increase in capital stock of the institution.

(c) DEFINITION.—For purposes of this section, the term ''international financial institution'' means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. __15. UNITED STATES OPPOSITION TO READMISSION OF THE GOVERNMENT OF CUBA TO THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to vote against the readmission of the Government of Cuba to membership in the Organization until the President determines under section __23(c) that a democratically elected government in Cuba is in power.

SEC. __16. ASSISTANCE BY THE INDEPENDENT STATES OF THE FORMER SOVIET UNION OF THE GOVERNMENT OF CUBA.

(a) REPORTING REQUIREMENT.—Not later than 90 days after the date of enactment of this title, the President shall submit to the appropriate congressional committees a report detailing progress towards the withdrawal of personnel of any independent state of the former Soviet Union (within the meaning of section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), including advisers, technicians, and military personnel, from the Cienfuegos nuclear facility in Cuba.

(b) CRITERIA FOR ASSISTANCE.—Section 498A(a)(11) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(a)(1)) is amended by striking ''of military facilities'' and inserting ''military and intelligence facilities, including the military and intelligence facilities at Lourdes and Cienfuegos,''.

(c) INELIGIBILITY FOR ASSISTANCE.—(1) Section 498A(b) of that Act (22 U.S.C. 2295a(b)) is amended—

(A) by striking ''or'' at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

''(5) for the government of any independent state effective 30 days after the President has determined and certified to the appropriate congressional committees (and Congress has not enacted legislation disapproving the determination within the 30-day period) that such government is providing assistance for, or engaging in nonmarket based trade (as defined in section 498B(k)(3)) with, the Government of Cuba; or''.

(2) Subsection (k) of section 498B of that Act (22 U.S.C. 2295b(k)), is amended by adding at the end the following:

''(3) NONMARKET BASED TRADE.—As used in section 498A(b)(5), the term 'nonmarket based trade' includes exports, imports, exchanges, or other arrangements that are provided for goods and services (including oil and other petroleum products) on terms more favorable than those generally available in applicable markets or for comparable commodities, including—

''(A) exports to the Government of Cuba on terms that involve a grant, concessional price, guarantee, insurance, or subsidy;

''(B) imports from the Government of Cuba at preferential tariff rates; and

''(C) exchange arrangements that include advance delivery of commodities, arrangements in which the Government of Cuba is not held accountable for unfulfilled exchange contracts, and arrangements under which Cuba does not pay appropriate transportation, insurance, or finance costs.''.

(d) FACILITIES AT LOURDES, CUBA.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to $200,000,000 in support of the intelligence facility at Lourdes, Cuba, in November 1994.

(2) Section 498A of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a) is amended by adding at the end the following new subsection:

''(d) REDUCTION IN ASSISTANCE FOR SUPPORT OF MILITARY AND INTELLIGENCE FACILITIES IN CUBA.—(1) Notwithstanding any other provision of law, the President shall withhold from assistance allocated for an independent state of the former Soviet Union under this chapter an amount equal to the sum of assistance and credits, if any, provided by such state in support of military and intelligence facilities in Cuba, such as the intelligence facility at Lourdes, Cuba.

''(2) Nothing in this subsection may be construed to apply to—

''(A) assistance provided under the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228) or the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160); or

''(B) assistance to meet urgent humanitarian needs under section 498(1), including disaster assistance described in subsection (c)(3) of this section.''.

SEC. __17. TELEVISION BROADCASTING TO CUBA.

(a) CONVERSION TO UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) PERIODIC REPORTS.—Not later than 45 days after the date of enactment of this title, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

SEC. __18. REPORTS ON COMMERCE WITH, AND ASSISTANCE TO, CUBA FROM OTHER FOREIGN COUNTRIES.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of enactment of this title, and every year thereafter, the President shall submit a report to the appropriate congressional committees on commerce with, and assistance to, Cuba from other foreign countries during the preceding 12-month period.

(b) CONTENTS OF REPORTS.—Each report required by subsection (a) shall, for the period covered by the report, contain—

(1) a description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance;

(2) a description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade;

(3) a description of the joint ventures completed, or under consideration, by foreign nationals and business firms involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved;

(4) a determination as to whether or not any of the facilities described in paragraph (3) is the subject of a claim against Cuba by a United States person;

(5) a determination of the amount of Cuban debt owed to each foreign country, including the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals or businesses; and

(6) a description of the steps taken to assure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals or businesses do not enter the United States market, either directly or through third countries or parties.

SEC. __19. IMPORTATION SANCTION AGAINST CERTAIN CUBAN TRADING PARTNERS.

(a) SANCTION.—Notwithstanding any other provision of law, sugars, syrups, and molasses, that are the product of a country that the President determines has imported sugar, syrup, or molasses that is the product of Cuba, shall not be entered, or withdrawn from warehouse for consumption, into the customs territory of the United States, unless the condition set forth in subsection (b) is met.

(b) CONDITION FOR REMOVAL OF SANCTION.—The sanction set forth in subsection (a) shall cease to apply to a country if the country certifies to the President that the country will not import sugar, syrup, or molasses that is the product of Cuba until free and fair elections, conducted under the supervision of internationally recognized observers, are held in Cuba. Such certification shall cease to be effective if the President makes a subsequent determination under subsection (a) with respect to that country.

(c) REPORTS TO CONGRESS.—The President shall report to the appropriate congressional committees all determinations made under subsection (a) and all certifications made under subsection (b).

(d) REALLOCATION OF SUGAR QUOTAS.—During any period in which a sanction under subsection (a) is in effect with respect to a country, the President may reallocate to other countries the quota of sugars, syrups, and molasses allocated to that country, before the prohibition went into effect, under chapter 17 of the Harmonized Tariff Schedule of the United States.

PART B—SUPPORT FOR A FREE AND INDEPENDENT CUBA

SEC. __21. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

It is the policy of the United States—

(1) to support the self-determination of the Cuban people;

(2) to facilitate a peaceful transition to representative democracy and a free market economy in Cuba;

(3) to be impartial toward any individual or entity in the selection by the Cuban people of their future government;

(4) to enter into negotiations with a democratically elected government in Cuba regarding the status of the United States Naval Base at Guantanamo Bay;

(5) to restore diplomatic relations with Cuba, and support the reintegration of Cuba into entities of the Inter-American System, when the President determines that there exists a democratically elected government in Cuba;

(6) to remove the economic embargo of Cuba when the President determines that there exists a democratically elected government in Cuba; and

(7) to pursue a mutually beneficial trading relationship with a democratic Cuba.

SEC. __22. AUTHORIZATION OF ASSISTANCE FOR THE CUBAN PEOPLE.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The President may provide assistance under this section for the Cuban people after a transition government, or a democratically elected government, is in power in Cuba, as determined under section __23 (a) and (c).

(2) EFFECT ON OTHER LAWS.—

(A) SUPERSEDING OTHER LAWS.—Subject to subparagraph (B), assistance may be provided under this section notwithstanding any other provision of law.

(B) DETERMINATION REQUIRED REGARDING PROPERTY TAKEN FROM UNITED STATES PERSONS.—Subparagraph (A) shall not apply to section 620(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)(2)).

(b) RESPONSE PLAN.—

(1) DEVELOPMENT OF PLAN.—The President shall develop a plan detailing the manner in which the United States would provide and implement support for the Cuban people in response to the formation of—

(A) a transition government in Cuba; and

(B) a democratically elected government in Cuba.

(2) TYPES OF ASSISTANCE.—Support for the Cuban people under the plan described in paragraph (1) shall include the following types of assistance:

(A) TRANSITION GOVERNMENT.—Assistance under the plan to a transition government in Cuba shall be limited to such food, medicine, medical supplies and equipment, and other assistance as may be necessary to meet emergency humanitarian needs of the Cuban people.

(B) DEMOCRATICALLY ELECTED GOVERNMENT.—Assistance under the plan for a democratically elected government in Cuba shall consist of assistance to promote free market development, private enterprise, and a mutually beneficial trade relationship between the United States and Cuba. Such assistance should include—

(i) financing, guarantees, and other assistance provided by the Export-Import Bank of the United States;

(ii) insurance, guarantees, and other assistance provided by the Overseas Private Investment Corporation for investment projects in Cuba;

(iii) assistance provided by the Trade and Development Agency;

(iv) international narcotics control assistance provided under chapter 8 of part I of the Foreign Assistance Act of 1961; and

(v) Peace Corps activities.

(c) CARIBBEAN BASIN INITIATIVE.—(1) The President shall determine, as part of the plan developed under subsection (b), whether or not to designate Cuba as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act.

(2) Any designation of Cuba as a beneficiary country under section 212 of such Act may only be made after a democratically elected government in Cuba is in power. Such designation may be made notwithstanding any other provision of law.

(3) The table contained in section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)) is amended by inserting ''Cuba'' between ''Costa Rica'' and ''Dominica''.

(d) TRADE AGREEMENTS.—Notwithstanding any other provision of law, the President, upon transmittal to Congress of a determination under section __23(c) that a democratically elected government in Cuba is in power, should—

(1) take the steps necessary to extend nondiscriminatory trade treatment (most-favored-nation status) to the products of Cuba; and

(2) take such other steps as will encourage renewed investment in Cuba.

(e) COMMUNICATION WITH THE CUBAN PEOPLE.—The President should take the necessary steps to communicate to the Cuban people the plan developed under this section.

(f) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this title, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

SEC. __23. IMPLEMENTATION; REPORTS TO CONGRESS.

(a) IMPLEMENTATION WITH RESPECT TO TRANSITION GOVERNMENT.—Upon making a determination that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and should, subject to the availability of appropriations, commence the provision of assistance to such transition government under the plan developed under section __22(b).

(b) REPORTS TO CONGRESS.—(1) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance described in section __22(b)(2)(A) to the transition government in Cuba under the plan of assistance developed under section __22(b), the types of such assistance, and the extent to which such assistance has been distributed in accordance with the plan.

(2) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall transmit the report in preliminary form not later than 15 days after making that determination.

(c) IMPLEMENTATION WITH RESPECT TO DEMOCRATICALLY ELECTED GOVERNMENT.—The President shall, upon determining that a democratically elected government in Cuba is in power, transmit that determination to the appropriate congressional committees and should, subject to the availability of appropriations, commence the provision of assistance to such democratically elected government under the plan developed under section __22(b)(2)(B).

(d) ANNUAL REPORTS TO CONGRESS.—Not later than 60 days after the end of each fiscal year, the President shall transmit to the appropriate congressional committees a report on the assistance provided under the plan developed under section __22(b), including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

SEC. __24. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) TERMINATION.—Upon the effective date of this section—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking ''Republic of Cuba'';

(3) the prohibitions on transactions described in part 515 of title 31, Code of Federal Regulations, shall cease to apply; and

(4) the President shall take such other steps as may be necessary to rescind any other regulations in effect under the economic embargo of Cuba.

(b) EFFECTIVE DATE.—This section shall take effect upon transmittal to Congress of a determination under section __23(c) that a democratically elected government in Cuba is in power.

SEC. __25. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

For purposes of this title, a transition government in Cuba is a government in Cuba that—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(3) has dissolved the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades;

(4) has publicly committed itself to, and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights, to which Cuba is a signatory nation;

(C) effectively guaranteeing the rights of free speech and freedom of the press;

(D) permitting the reinstatement of citizenship to Cuban-born nationals returning to Cuba;

(E) organizing free and fair elections for a new government—

(i) to be held within 1 year after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be conducted under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other elections monitors;

(F) assuring the right to private property;

(G) taking appropriate steps to return to United States citizens and entities property taken by the Government of Cuba from such citizens and entities on or after January 1, 1959, or to provide equitable compensation to such citizens and entities for such property;

(H) having a currency that is fully convertible domestically and internationally;

(I) granting permits to privately owned telecommunications and media companies to operate in Cuba; and

(J) allowing the establishment of an independent labor movement and of independent social, economic, and political associations;

(5) does not include Fidel Castro or Raul Castro;

(6) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people; and

(7) permits the deployment throughout Cuba of independent and unfettered international human rights monitors.

SEC. __26. REQUIREMENTS FOR A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of this title, a democratically elected government in Cuba, in addition to continuing to comply with the requirements of section __25, is a government in Cuba which—

(1) results from free and fair elections—

(A) conducted under the supervision of internationally recognized observers;

(B) in which opposition parties were permitted ample time to organize and campaign for such elections, and in which all candidates in the elections were permitted full access to the media;

(2) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(3) has established an independent judiciary;

(4) is substantially moving toward a market-oriented economic system based on the right to own and enjoy property;

(5) is committed to making constitutional changes that would ensure regular free and fair elections that meet the requirements of paragraph (2); and

(6) has returned to United States citizens, and entities which are 50 percent or more beneficially owned by United States citizens, property taken by the Government of Cuba from such citizens and entities on or after January 1, 1959, or provided full compensation in accordance with international law standards and practice to such citizens and entities for such property.

PART C—PROTECTION OF AMERICAN PROPERTY RIGHTS ABROAD

SEC. __31. EXCLUSION FROM THE UNITED STATES OF ALIENS WHO HAVE CONFISCATED PROPERTY CLAIMED BY UNITED STATES PERSONS.

(a) ADDITIONAL GROUNDS FOR EXCLUSION.—Section 212(a)(9) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) is amended by adding at the end the following:

''(D) ALIENS WHO HAVE CONFISCATED AMERICAN PROPERTY ABROAD AND RELATED PERSONS.—(i) Any alien who—

''(I) has confiscated, or has directed or overseen the confiscation of, property the claim to which is owned by a United States person, or converts or has converted for personal gain confiscated property, the claim to which is owned by a United States person;

''(II) traffics in confiscated property, the claim to which is owned by a United States person;

''(III) is a corporate officer, principal, or shareholder of an entity which the Secretary of State determines or is informed by competent authority has been involved in the confiscation, trafficking in, or subsequent unauthorized use or benefit from confiscated property, the claim to which is owned by a United States person, or

''(IV) is a spouse or dependent of a person described in subclause (I),

is excludable.

''(ii) The validity of claims under this subparagraph shall be established in accordance with section 303 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995.

''(iii) For purposes of this subparagraph, the terms 'confiscated', 'traffics', and 'United States person' have the same meanings given to such terms under section 4 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals seeking to enter the United States on or after the date of enactment of this title.

SEC. __32. LIABILITY FOR TRAFFICKING IN CONFISCATED PROPERTY CLAIMED BY UNITED STATES PERSONS.

(a) CIVIL REMEDY.—(1) Except as provided in paragraphs (2) and (3), any person or government that traffics in property confiscated by a foreign government shall be liable to the United States person who owns the claim to the confiscated property for money damages in an amount which is the greater of—

(A) the amount certified by the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949, plus interest at the commercially recognized normal rate;

(B) the amount determined under section __33(a)(2); or

(C) the fair market value of that property, calculated as being the then current value of the property, or the value of the property when confiscated plus interest at the commercially recognized normal rate, whichever is greater.

(2) Except as provided in paragraph (3), any person or government that traffics in confiscated property after having received (A) notice of a claim to ownership of the property by the United States person who owns the claim to the confiscated property, and (B) a copy of this section, shall be liable to such United States person for money damages in an amount which is treble the amount specified in paragraph (1).

(3)(A) Actions may be brought under paragraph (1) with respect to property confiscated before, on, or after the date of enactment of this title.

(B) In the case of property confiscated before the date of enactment of this title, no United States person may bring an action under this section unless such person acquired ownership of the claim to the confiscated property before such date.

(C) In the case of property confiscated on or after the date of enactment of this title, in order to maintain the action, the United States person who is the plaintiff must demonstrate to the court that the plaintiff has taken reasonable steps to exhaust all available local remedies.

(b) JURISDICTION.—Chapter 85 of title 28, United States Code, is amended by inserting after section 1331 the following new section:

''§ 1331a. Civil actions involving confiscated property

''The district courts shall have exclusive jurisdiction, without regard to the amount in controversy, of any action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995.''.

(c) WAIVER OF SOVEREIGN IMMUNITY.—Section 1605 of title 28, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; or''; and

(3) by adding at the end the following:

''(7) in which the action is brought with respect to confiscated property under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995.''.

SEC. __33. DETERMINATION OF CLAIMS TO CONFISCATED PROPERTY.

(a) EVIDENCE OF OWNERSHIP.—For purposes of this title, conclusive evidence of ownership by the United States person of a claim to confiscated property is established—

(1) when the Foreign Claims Settlement Commission certifies the claim under title V of the International Claims Settlement Act of 1949, as amended by subsection (b); or

(2) when the claim has been determined to be valid by a court or administrative agency of the country in which the property was confiscated.

(b) AMENDMENT OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949.—Title V of the International Claims Settlement Act of 1949 is amended by adding at the end the following new section:

''ADDITIONAL CLAIMS

''SEC. 514. Notwithstanding any other provision of this title, a United States national may bring a claim to the Commission for determination and certification under this title of the amount and validity of a claim resulting from actions taken by the Government of Cuba described in section 503(a), whether or not the United States national qualified as a United States national at the time of the Cuban government action, except that, in the case of property confiscated after the date of enactment of this section, the claimant must be a United States national at the time of the confiscation.''.

(c) CONFORMING REPEAL.—Section 510 of the International Claims Settlement Act of 1949 (22 U.S.C. 1643i) is repealed.

NOTICE OF HEARING

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing on Wednesday, March 8, 1995, at 9:30 a.m., in room 428A of the Russell Senate Office Building. The subject of the hearing is the Regulatory Flexibility Amendment Act.

For further information, please contact Louis Taylor at 224–5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Tuesday, March 7, 1995, in open session, to receive testimony on the defense authorization request for fiscal year 1996 and the future years defense program.

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

COMMITTEE ON FINANCE

Mr. GREGG. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet Tuesday, March 7, 1995, in room 215 of the Dirksen Senate Office Building, beginning at 9:00 a.m. and continuing through most of the day, to conduct a hearing on the Federal Communications Commission's tax certificate program.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 7, 1995, at 10:00 a.m. to hold a hearing on the consideration of ratification of the convention on conventional weapons (Treaty Doc. 103–25).

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

COMMITTEE ON FOREIGN RELATIONS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 7, 1995, at 2:00 p.m. to hold a hearing on the overview of United States policy toward South Asia.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, March 7, 1995, beginning at 10 a.m., in room 485 of the Russell Senate Office Building on Federal programs authorized to address the challenges facing Indian youth.

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

COMMITTEE ON THE JUDICIARY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday March 7, 1995, at 10:00 a.m. to hold a hearing on the jury and the search for truth.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on health professions consolidation and reauthorization, during the session of the Senate on Tuesday, March 7, 1995 at 9:30 a.m.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. GREGG. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentation of The Veterans of Foreign Wars. The hearing will be held on March 7, 1995, at 9:30 a.m., in room 345 of the Cannon House Office Building.

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

SUBCOMMITTEE ON DRINKING WATER, FISHERIES, AND WILDLIFE

Mr. GREGG. Mr. President, I ask unanimous consent that the Subcommittee on Drinking Water, Fisheries, and Wildlife be granted permission to meet Tuesday, March 7, at 9:30 a.m. to conduct a legislative hearing on S. 191 and other pending proposals to institute a moratorium on certain activities under authority of the Endangered Species Act.

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

SUBCOMMITTEE ON OCEANS AND FISHERIES

Mr. GREGG. Mr. President, I ask unanimous consent that the Oceans and Fisheries Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on March 7, 1995, at 2:30 p.m. on appropriations for the U.S. Coast Guard in fiscal year 1996.

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

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. GREGG. Mr. President, I ask unanimous consent that the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, March 7, 1995, for purposes of conducting a joint hearing with the Subcommittee on National Parks, Forests and Lands, of the House Committee on Resources, which is scheduled to begin at 9:30 a.m. The purpose of the hearing is to receive testimony from officials of the General Accounting Office regarding their on-going study on the health of the National Park System.

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

ADDITIONAL STATEMENTS

BUDGET AMENDMENT'S TIME HAS COME

● Mr. SIMON. Mr. President, there was of a variety of comment before the vote on the balanced budget amendment, one of the more sensible appearing in the Buffalo News, written by Douglas Turner.

I ask that the column be printed in the RECORD.

The column follows:

[From the Buffalo News, Feb. 27, 1995]

BUDGET AMENDMENT'S TIME HAS COME; THE DEMOCRATS ARE MORTGAGING THEIR FUTURE BY OPPOSING IT

(By Douglas Turner)

WASHINGTON.—Sen. Daniel Patrick Moynihan predicted on Friday that the Senate will defeat a proposed amendment to the Constitution calling for a balanced federal budget.

If he's right, and the learned New York Democrat quite often is, that Senate action will squelch the bill that easily passed the House last month.

The crucial Senate vote will probably come Wednesday or Thursday.

Loss of the amendment will not be good for the country. Fighting this idea whose time has come will also be a calamitous loser for the Democrats. They won't get the Senate back in 1996 or 1998 if they win on this week's roll call.

It guarantees returning the Republicans to control of the House after next year's elections.

House GOP Campaign chairman Bill Paxon will say a bigger Republican majority is needed to offer up this amendment again.

If the amendment fails, the states will be denied their opportunity to vote on the measure. This will insult our embattled federal system. Belief in our national system is already under heavy attack from junkyard dog conservatives.

Defeat will be the same as Washington Democrats saying to the nation: ''We know you have a legal right to consider this popular idea, but we don't trust you, not even your sophisticated state legislatures, enough for you to consider it.'' Dumb.

''Popular'' doesn't describe the momentum behind the balanced budget idea. Eighty percent of the nation wants this amendment. Even in liberal New York State, support is overwhelming.

Moynihan is one of the Democrats who does believe voters are smart enough to understand. He has spent days, weeks, honing and delivering his arguments against the amendment. He's published a small booklet about it, and gave a lengthy floor address last week. He talked about it on ''Meet the Press'' again yesterday.

Central to their arguments, and Moynihan's, is their concern for loss of flexibility. The amendment, they say, will deprive Congress of the ability to infuse a sinking economy with enough federal money to restore its vigor.

We'd be inviting a sustained economic Depression, they say. Moynihan devised a chart that shows the big spikes in the national economy before 1940. These show crippling variations in gross national product, up and down by as much as 15 percent in the span of a couple of years.

Post-1940 variations are mild, and generally positive, on this chart. These came after the massive New Deal expansion of the government bureaucracy and the practice of ''counter-cyclical'' federal spending.

The chart is an icon to a generation of politicians and professors steeped in the Keynesian tradition of demand economics.

The chart looks good until you think about it. First, it credits special surges in federal spending for the relative stability of the post-war economy. But it ignores the role of such income support programs as Social Security, and the importance of the labor movement as post-war stabilizers.

It also ignores the fact that the most celebrated ''counter-cyclical'' spending (not

counting defense) was during the New Deal. It did build many fine projects, and it helped hundreds of thousands of individuals. It had little if any lasting effect on the economy as a whole.

The last counter-cyclical experience occurred during the recession of 1982–83. To help the unemployed and help stimulate a flat economy Congress threw a few billion into public works and expanded unemployment benefits.

There is nothing in this proposed amendment that would bar Congress from taking such modest steps again. If a crisis like the Depression occurred again, a three-fifths majority in each house could bypass the amendment's spending restrictions.

If there were a crisis, the people would respond just as they did in the 1930s. They threw out a catatonic GOP and installed Democrats, giving them a three-to-one margin.

The Democrats are on the wrong side of this one. Balancing the budget is a liberal concept, in the classic sense of the word, liberating.

Interest on the debt nearly equals all the government spends on discretionary programs, such as disease control, transit, research, aid to cities, education and foster care.

Interest payments are crowding out aid to the underprivileged just as much as entitlements. Interest payments go to people rich enough to buy government securities in $10,000 and $100,000 lots—not exactly the guy in your neighborhood Legion hall.

It is a loser for the Democrats on demographic lines. It is the young voter—not the aging one—that is going to pay and pay and pay to get this debt off his back.

For every sophisticated argument against it, there is an even stronger common sense argument for balancing the budget—sooner than later.

The people aren't dumb.●

HOMICIDES BY GUNSHOT IN NEW YORK CITY

● Mr. MOYNIHAN. Mr. President, I rise to continue my weekly practice of reporting to the Senate on the death toll by gunshot in New York City. Last week, 12 people lost their lives to bullet wounds, bringing this year's total to 107.●

ALLEGATIONS REGARDING POTENTIAL NUCLEAR EXPLOSIONS IN A GEOLOGIC REPOSITORY FOR SPENT NUCLEAR FUEL

● Mr. JOHNSTON. Mr. President, last Sunday, the New York Times published a front-page story alleging that geologic disposal of spent nuclear fuel in Yucca Mountain could result in an ''atomic explosion of buried waste.'' The story is based on a hypothesis proposed several months ago by two scientists at the Los Alamos National Laboratory, Dr. Charles D. Bowman and Dr. Francisco Venneri. Drs. Bowman and Venneri, neither of whom is a geologist, performed some crude calculations on what might happen to plutonium in a geologic repository. They assumed that 50 to 100 kilograms of pure plutonium-239 would slowly diffuse through nonabsorbing silicon dioxide—not any type of rock actually found under Yucca Mountain—and then gradually reach criticality as various neutron-absorbing elements in the nuclear waste diffused away over the millennia.

We have been told by the New York Times and by both Senators from Nevada yesterday that three teams of scientists at Los Alamos ''have been unable to rebut the assertion'' of Drs. Bowman and Venneri. This is simply not true.

The Los Alamos National Laboratory, in fact, did respond to these allegations. It formed three review teams. A ''Red Team'' was set up to serve in the role of skeptic. A ''Blue Team'' was set up to take the role of defenders of the Bowman-Venneri hypothesis. A ''White Team'' was set up to serve as a neutral judge of the work of the other two teams, and to render an overall judgment as to which was more credible.

What was the conclusion of the White Team? I ask that a two-page ''Summary Critique of Bowman-Venneri Paper by Internal Review Groups at Los Alamos,'' which was publicly released yesterday by the Los Alamos National Laboratory, as well as the complete text of the White Team report, entitled ''Comments on 'Nuclear Excursions' and 'Criticality Issues' '' be printed in the RECORD at the end of this statement.

The White Team report is a devastating critique of the hypothesis of Drs. Bowman and Venneri. It states that:

> The geological situations in the Bowman paper are too idealized to validate the proposed scenario.
>
> The assumption of significant plutonium dispersion into the surrounding medium is without justification.
>
> The amount of water is overestimated by a factor of 1000. . . . There is no steam explosion.
>
> The assumptions about the behavior of the fissile mixture near criticality are not credible.
>
> There is no credible mechanism for releasing energy on a time scale short enough for even a steam explosion.

Even when the White Team started assuming that the impossible would happen, it still could not find the Bowman-Venneri hypothesis credible. For example, the White Team concluded:

> Even if dispersion and criticality are assumed (which is strongly objected to), the conclusion that an explosion would occur is incorrect.
>
> Even if dispersion, criticality, and energy release are assumed, there would be no serious consequences elsewhere in the repository or on the surface.

The florid story in the New York Times and the comments made on the floor yesterday by my distinguished colleagues from Nevada illustrate vividly how to misuse science in public policy debates.

Step No. 1. Ignore peer review. The New York Times clearly knew that an internal laboratory review of the Bowman-Venneri hypothesis had taken place, but got the story of that review completely wrong. Is there any way to characterize the above statements as being ''unable to lay [the Bowman-Venneri hypothesis] to rest,'' as the New York Times reported? I don't see how. And, of course, no external review by a scientific journal of this paper has taken place—it isn't even clear whether Drs. Bowman and Venneri have submitted their calculations to any journal, other than the New York Times, for consideration.

Step No. 2. Do not even bother to get your facts straight. The true story of the internal Los Alamos review of this paper was readily available yesterday to any Member of this body who would have taken the time to call anyone at the laboratory whose name was mentioned in the New York Times story.

Step No. 3. Just jump on any news story that seems to support your preconceived view. Blow up the headline into a big chart, and head directly to the Senate floor.

Unfortunately, this is not the first time that we have seen bad science injected into the debate over a permanent geologic repository for spent nuclear fuel. In 1989, another DOE scientist named Jerry Szymanski interpreted some mineral deposits adjacent to the Yucca Mountain site as evidence that ground water repeatedly had risen well above the level proposed for the repository in the geologically recent past. If such an event were to occur in the lifetime of the repository, it would flood the waste packages and could result in a release of radioactive material to the environment. But before this hypothesis could be properly reviewed by other scientists, Szymanski's report became a media sensation fueled by, among others, the New York Times. Eventually, a distinguished group of scientists from the National Academy of Sciences was asked to evaluate Szymanski's interpretations and the data upon which he had based those interpretations. This panel concluded what the vast majority of DOE and U.S. Geological Survey scientists had concluded already: that the mineral deposits were produced by rainwater at the surface and had nothing to do with fluctuations in the ground water table at all. That was in 1992. Notwithstanding the NAS conclusion, the State of Nevada continues to pay large sums of money to Szymanski, now an independent consultant, to continue beating a dead horse.

So let me respond in detail to the specific charges made yesterday by my distinguished colleagues from Nevada.

The distinguished junior Senator from Nevada charged that a ''discussion has been going on for months and months and months'' involving ''three teams comprised of 10 scientists—that is 30 scientists [that] have been unable to rebut the assertion that there is a genuine fear that an explosion can occur in a geologic repository.'' In fact, the scientists at Los Alamos were able to rebut the assertion, and did.

The distinguished senior Senator from Nevada complained that the Bowman-Venneri hypothesis had not been

mentioned in public hearings or debates. Well, that's how scientific review works. Scientific results ought to get careful peer review within the scientific community before they are served up in the Sunday New York times. If a scientific result can withstand neutral scrutiny—which is what Los Alamos was in the process of doing—then it should be published in the open scientific literature and we can start the debate as to what its relevance to policy might be. None of us is served by fragmentary and distorted accounts of scientific research in the public media.

The distinguished senior Senator from Nevada characterized the Bowman-Venneri calculations as ''evidence by a scientific community that says an explosion could occur.'' Do my colleagues really believe that a crude, theoretical calculation, predicated on all sorts of inaccurate assumptions for example, that the rock under Yucca Mountain is pure silicon dioxide, constitutes evidence? Evidence usually means something real. You can make up any theoretical calculations you like, and if you are not going to be constrained by reality, you can come up with some pretty interesting answers. But you will not get any evidence that way.

The distinguished senior Senator from Nevada stated that ''it is not as if it has not happened before. In the former Soviet Union, they had an explosion from nuclear waste.'' He would have us believe that the Soviet explosion is somehow relevant to geologic disposal of spent nuclear fuel. Not so. The Soviet explosion occurred in a nuclear waste tank at Tomsk, not in a geological repository. The explosion was caused by red oil—a byproduct of reprocessing spent nuclear fuel. The whole idea behind the current DOE waste program, and geologic storage in a location such as Yucca Mountain, is not to reprocess.

The distinguished senior Senator from Nevada says that his information is ''not sensationalism'' and that it ''comes from the scientific community.'' Well, publication in the New York Times hardly constitutes peer review. It is sensationalism, pure and simple.

Finally the distinguished senior Senator from Nevada said that these results came ''from one of the finest scientific labs in the world.'' Now that we can see what Los Alamos actually has to say about the Bowman-Venneri hypothesis, will the Senators from Nevada accept what the Los Alamos review team had to say?

In summary, it is not true that, as both Senators from Nevada tried to tell us yesterday: ''Thirty scientists * * * have tried to prove it wrong for 10 months. They cannot.'' As it turns out, they can shoot this hypothesis full of holes, and they did.

Before we call a halt to all attempts to find a solution to our nuclear waste problems, or before we set up mini-repositories for spent nuclear fuel at every nuclear plant in the Nation, let's see the Bowman-Venneri hypothesis for what it is—a preliminary calculation with a highly questionable connection to the real world. If scientists at Los Alamos want to pursue such calculations, that is their right. But we should not let ourselves be swayed by sensational reports based on sketchy theories. Good policy can and should only be based on good, peer-reviewed science.

The material follows:

[The attached paper is a summary of the work of the three review teams that have examined the paper on possible criticality at the planned Yucca Mountain Repository. It was compiled by the senior manager at Los Alamos National Laboratory who supervises the author of the original paper.]

SUMMARY POINTS OF BOWMAN-VENNERI PAPER—''UNDERGROUND AUTOCATALYTIC CRITICALITY OF PLUTONIUM AND OTHER FISSILE MATERIAL''

(By Charles Bowman and Francesco Venneri)

1. Underground storage as presently recommended could lead to autocatalytic criticality and uncontrolled dispersal of thermally fissile material with significant nuclear energy release and possibly nuclear explosions in the 100-ton range.

2. Fissile material when emplaced underground is subcritical. However, once containment is breached, the fissile material is free to disperse in the underground matrix either through natural (diffusion, earthquakes, water flow) or unnatural means (human intervention).

3. The underground matrix contains good moderators such as water and rock (silicon dioxide) in various proportions. Under certain conditions of fissile material density, radius, water and rock composition, the fissile material can reach criticality due to neutrons moderated in the rock/water mixture. The criticality can have either positive or negative feedback. Negative feedback would mean that the nuclear reactions would decrease as the mixture heated up and expanded and hence go subcritical. Positive feedback means that the nuclear fission is self-enhancing (autocatalytic). Hence the nuclear reactions continue to grow to supercriticality and possibly explosive conditions.

4. Neutron poisons, such as boron, that are added to the spent fuel when emplaced underground to prevent criticality have different solubilities than fissile materials and thus would be leached out from the fissile material area.

5. Without water, 50–100 kg of fissile material is required to reach autocriticality. As small an amount as 1 kg of fissile material can reach autocriticality with water present.

SUMMARY CRITIQUE OF BOWMAN-VENNERI PAPER BY INTERNAL REVIEW GROUPS AT LOS ALAMOS

GEOLOGIC EMPLACEMENT

1. The geological situation in the Bowman paper are too idealized to validate the proposed scenario. Pure silicon dioxide, a weak neutron absorber, is not a common geological material and has not been proposed as a repository material. Other elements present in all proposed geological formations absorb neutrons much more strongly than pure silicon dioxide, which reduces the reactivity of the mixture.

2. For periods less than 10,000 years, the presence of Plutonium 240 (half-life of 6,500 years) would also reduce reactivity strongly.

MATERIAL DISPERSION UNDERGROUND

1. The assumption of significant dispersion of plutonium into the surrounding geologic medium is without justification. Geologic processes take millions of years by which time the plutonium-239 (half-life of 24,000 years) would have decayed to 235 U which is less reactive.

2. The Bowman paper argues that water flowing down through the repository would dissolve glass logs in about 1,000 years and leave a fragile powder of plutonium that could disperse through steam ''explosions'' caused by criticality heating of the water in the vicinity of the Pu log. However, the amount of water is overestimated by a factor of 1,000 so that the correct time scale is on the order of a million years. Also the temperature gradient is over estimated by a factor of ten so that there is no steam ''explosion.'' Also the leaching process could leave a residue as strong as the original log.

3. Material is not likely to be dispersed into symmetric shapes by rather along fractures which would provide more difficult geometries for criticality.

CRITICALITY

1. The assumptions about the behavior of the fissile mixture near criticality are not credible.

2. As the fissile/rock/water mixture approached criticality, it would slowly heat and expand which would drop its reactivity below critical and mixture would cool. Thus the mixture would have a negative temperature coefficient.

EXPLOSIONS/ENERGY RELEASE

1. Even if dispersion and criticality are assumed (which is strongly objected to), the conclusion that an explosion would occur is incorrect.

2. There is no credible mechanism for releasing energy on a time scale short enough for even a steam explosion. A nuclear explosion must make the transition from critical to highly supercritical in a fraction of a second. A credible means to force this transition in a repository has not been found.

3. Even if dispersion, criticality and energy release are assumed, there would be no serious consequences elsewhere in the repository or on the surface.

[The attached paper is the preliminary work of a team of scientists at Los Alamos National Laboratory. The team was asked to review the papers that have been generated dealing with the issue of possible criticality at the planned Yucca Mountain Repository. Further analysis may be conducted, and possible further modifications of the estimates contained in this paper may occur, in the normal process of scientific investigation. The paper of the review team as it stands now does contain considerable work by the team.]

COMMENTS ON ''NUCLEAR EXCURSIONS'' AND ''CRITICALITY ISSUES''

The Laboratory provided a technical review of a paper by Drs. Bowman and Venneri on the ''Nuclear Excursions and Eruptions from Plutonium and Other Fissile Material Stored Underground,'' which argued that the dispersal of plutonium (Pu) stored underground could increase its reactivity to the point where critically, auto-catalytic reaction, and explosive energy release could occur.

The review concluded that the probability of each of these steps is vanishingly small and that the probability of the occurrence of all three is essentially zero. Moreover, even if these steps could occur, any energy release would be too small and slow to produce any significant consequences either in the repository or on the surface.

The authors of ''Nuclear Excursions'' provided responses to the issues raised in that review in the form of a paper entitled ''Criticality Issues for Thermally Fissile Material in Geologic Storage.'' The white team and the leaders of the blue and red teams reviewed the responses in ''Criticality Issues,'' met to discuss them, determined that they are flawed for essentially the same reasons as the original paper, and concluded that they do not significantly impact the conclusion of the review that the probability of the chain of events postulated in ''Nuclear Excursions'' and ''Criticality Issues is essentially zero and that even if they could occur, any energy release would be too small and slow to produce significant consequences.

EMPLACEMENT

The geological situations discussed in ''Nuclear Excursions'' were too idealized to provide a useful framework for analysis or to validate the proposed scenario. That was pointed out in the review, but those situations were still used in ''Criticality Issues.'' ''Nuclear Excursions'' postulates the emplacement of fissile materials in geologic formations of pure silicon dioxide. Pure silicon dioxide is a weak neutron absorber, is not a common geologic material, and has not been proposed as a repository material. Other elements present in all geologic formations that have been proposed absorb neutrons much more strongly than pure silicon dioxide, which reduces the reactivity of the mixture.

Furthermore, ''Nuclear Excursions'' performs most of its yield calculation for pure Pu–239; so does ''Criticality Issues.'' The weapons plutonium of interest has a significant fraction of Pu–240, which is a strong absorber that further reduces reactivity. Even for the maximum loading postulated in ''Nuclear Excursions,'' weapons plutonium could never disperse to a condition of criticality in real, dry repository materials. It is argued that the Pu–240 would decay, leaving the more reactive Pu–239, but that would happen over several times the 6,500 year half life of Pu–240. Even then the Pu–240 would be replaced by its daughter U–236, which is also a strong absorber. Moreover, as noted above, the calculations in both papers ignore minor soil constituents with very large absorption cross sections. When they are properly included, it may not be possible to achieve criticality for the assumed conditions even without the Pu–240.

The assumption of significant dispersion of plutonium into the surrounding geologic medium in ''Nuclear Excursions'' is without justification. Geological processes would take millions of years, by which time plutonium would have decayed to uranium-235, which is less reactive than Pu-239. We have not discovered a credible process that would produce more rapid dispersal. Anthropogenic measures are unlikely and are routinely accounted for in repository analyses. ''Criticality Issues'' argues that water flowing down through the repository would dissolve the glass log in 1,000 years and leave a fragile powder, but its calculation overestimates the amount of rainfall on and water in the repository by factors of 1,000, so the correct time scale for dispersal is again about a million years.

It has also been noted that the temperature gradient driving the process is overestimated by an order of magnitude and that the leaching process could leave a residue as strong as the original log.

CRITICALITY

The assumptions about the behavior of the fissile mixture near criticality are not credible. ''Nuclear Excursions'' assumed that the rock in which the fissile material is placed is rigid and would prevent the expansion of the material and permit the achievement of super criticality. That was based on an improper interpretation of the published equation of state. In reality, rock is compressible, and even at depths of several kilometers, lithostatic stresses are small and anisotropic, so that confining stresses are small. Even if it fractured the rock, it would not do so in a spherically symmetric manner. Even if the mixed material became critical, it would slowly heat and expand, which would drop its reactivity below critical, after which its neutron flux would drop, and the mixture would cool. That is, the mixture has the negative temperature coefficient of many fissile assemblies. This was pointed out in detail in the review.

Nevertheless, ''Criticality Issues'' again argued that fissile material could diffuse through criticality, although it shifted its argument to soils with very high amounts of water, which have higher reactivity. However, the essential physics is the same as for dry rock. The mixed material would slowly heat and expand, which would drop its reactivity, which would cause it to cool. Hydrated mixtures also generally have negative temperature coefficients. Moreover, the first time the mixture underwent this cycle, it would drive off the water, after which it would be left far below critical, dry, and with no mechanism for the reinsertion of water. Thus, there is nothing new in ''Criticality Issues,'' it simply repeats the stability errors made in ''Nuclear Excursions.''

There are some interesting tradeoffs between the negative temperature coefficient of such mixtures from expansion and the potentially small positive coefficient from absorption and Pu-239 resonance broadening, but those effects are delicate and comparable even at high hydration. Unfortunately, they cannot be evaluated from the calculations in ''Criticality Issues,'' which were apparently all performed for cold soil, pure SiO_2, and pure Pu-239. All three of those restrictions would have to be removed to provide an assessment beyond that in ''The Myth of Nuclear Explosions at Waste Disposal Sites.'' Given the simplicity and ease of monitoring for the development of the conditions postulated, that is readily addressed.

ENERGY RELEASE

Even if dispersion and criticality are assumed, the conclusion that an explosion would occur is incorrect. ''Nuclear Excursions'' postulates ''auto-catalytic'' behavior in which the release of energy leads to greater criticality, but the discussion above shows that in dry repository material, the release of energy instead reduces criticality and shuts the reaction off. ''Criticality Issues'' postulates autocatalytic behavior in hydrated mixtures, but the discussion of the previous section shows that to the extent that the phenomena has been quantified by earlier work, the release of energy reduces criticality there, too.

The postulated mechanisms for explosion are not credible; the most that appears possible is heating and evaporation of some water before a smooth shut down. There is no credible mechanism for releasing energy on a time scale short enough for even a steam explosion. A nuclear explosion must make the transition from critical to highly supercritical in a fraction of a second. A credible means to force the transition in a repository has not been found. Thus, the assertion that an explosion would occur is incorrect.

Even if dispersion, criticality, and energy release are assumed, which appear virtually impossible on the basis of the arguments above, there would be no serious consequences elsewhere in the repository or on the surface. Calculations indicate containment volumes very small compared to the nominal spacing between storage elements; thus, there could not be any coupling between storage elements or any possibility of greater energy releases through synergisms.

RELATION WITH OTHER WORK

That the critical mass may be reduced by dilution by moderating material discussed in the paper is well understood by the nuclear community. Fermi used it to full advantage when he assembled the first pile under the grandstand at Stagg Stadium.

Fermi also used the advantages of heterogeneity in minimizing resonance losses in natural uranium, although that is irrelevant to the discussions of Pu reactivity here.

The National Academy of Science report does not suggest emplacement of weapons plutonium in the manner discussed by ''Nuclear Excursions,'' although it did comment on the advantages of higher fissile loading. The Academy was alert to the potential for criticality and qualified its recommendations by stating that further analysis and discussion were needed before deciding on the best and safest geologic disposition of weapons and reactor spent fuel.

SUMMARY

We should always be alert to unintended consequences and open to discussions that illuminate potential dangers in nuclear waste storage. ''Nuclear Excursions'' argued that there were serious dangers in proposed repository concepts. We disagreed with the paper's major assumptions and found its major conclusions to be incorrect for fundamental, technical reasons, which were stated in detail and in writing. ''Criticality Issues'' did not respond to those reasons, but introduced a new scenario, in which it made the same technical errors in a new context. We have pointed those errors out above. At this point we find no technical merit in either paper. However, the papers treat technical matters and apparently contain no classified material; thus, in accord with the laboratory's policy of open and unrestricted research and discussion on unclassified matters, the authors should be free to submit their paper for publication in a peer reviewed journal.

That said, we do not find any value in these two papers that would justify publication in their current form, and we do not see how to produce such a paper from them. They contain fundamental errors in concept and execution. They show no grasp of such elementary concepts as the time scale for the approach to criticality and energy release and the crucial role of the negative temperature coefficient of the mixtures treated. Worse, they show no appreciation of these points even after they were pointed out forcefully in the review. That is compounded by the constantly shifting scenarios in the papers and the alarmist estimates of potential effects, which have become less credible and more shrill throughout this process.

The authors apparently show little interest in technical suggestions or inclination to respond to it. Thus, it would not appear to be useful to continue this one-sided discussion, which we take to be concluded. If this program is continued, and these individuals remain associated with it, the laboratory would be well served by establishing a permanent red team, funded by this program and composed of independent members from the cognizant technical divisions, and giving them the responsibility of checking each calculation done by them.●

Mr. ASHCROFT. Mr. President, the following unanimous consent requests have been agreed to by the minority leadership, as well as the majority.

EXECUTIVE CALENDAR

Mr. ASHCROFT. Mr. President, as if in executive session, I ask unanimous consent that the Senate immediately proceed to the consideration of Executive Calendar Nos. 32 and 33 en bloc; further, that the nominations be confirmed, en bloc; that the motions to reconsider be laid upon the table en bloc; that any statements relating to the nominations appear at the appropriate place in the RECORD; and the President be immediately notified of the Senate's action.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF DEFENSE

Herschelle Challenor, of Georgia, to be a member of the National Security Education Board for a term of 4 years, vice Steven Muller.

Sheila Cheston, of the District of Columbia, to be general counsel of the Department of the Air Force, vice Gilbert F. Casellas.

ORDERS FOR WEDNESDAY, MARCH 8, 1995

Mr. ASHCROFT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10:30 a.m. on Wednesday, March 8, 1995; that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then immediately resume consideration of H.R. 889, the supplemental appropriations bill.

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

PROGRAM

Mr. ASHCROFT. Mr. President, for the information of my colleagues, we hope to complete action on the supplemental bill tomorrow. Therefore, Senators should be aware that rollcall votes are expected throughout tomorrow's session.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ASHCROFT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:34 p.m., recessed until Wednesday, March 8, 1995, at 10:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 7, 1995:

DEPARTMENT OF DEFENSE

HERSCHELLE CHALLENOR, OF GEORGIA, TO BE A MEMBER OF THE NATIONAL SECURITY EDUCATION BOARD FOR A TERM OF 4 YEARS.

SHEILA CHESTON, OF THE DISTRICT OF COLUMBIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE AIR FORCE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

DISLOCATED WORKERS' SELF-HELP TAX RELIEF PACKAGE

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. LAZIO of New York. Mr. Speaker, my congressional district on Long Island, like several others around the country, has been especially hard hit by the downsizing of our Nation's defense production lines. The Pentagon estimates that total defense-related employment has dropped by 1.5 million workers over the last 7 years, and that trend is expected to continue into the foreseeable future.

More than 40 percent of manufacturing on Long Island is dependent on the Defense Department. Consequently, this defense builddown has had a devastating financial effect on many of Long Island's workers and their families.

What can be done to bring much needed economic relief to people who lose their livelihood through no fault of their own? Last August, I introduced two bills designed to help such dislocated workers under these circumstances help themselves get back on their feet. Today, with bipartisan support, I am reintroducing these bills, which would change the tax laws on capital gains and individual retirement accounts to enable dislocated workers to use their hard-earned assets to help them in their time of need.

My first bill would allow unemployed workers to make penalty-free withdrawals from individual retirement accounts [IRA's] and 401(k) retirement plans. IRA's and 401(k) plans allow tax-deferred accumulations of retirement savings. Currently both are subject to a 10-percent penalty tax if funds are withdrawn before retirement. My proposal would let dislocated workers withdraw funds from these accounts and not be charged the 10-percent penalty tax. Allowing these workers to use some of their retirement savings without paying the 10-percent penalty could be of considerable benefit to them at a time when they are in need of money to pay their bills.

My second bill would allow any person eligible for unemployment benefits—or an unemployed person whose benefits have expired—to exclude from taxable income the capital gain from the sale of his or her home.

Under current law, homeowners are taxed on the gain from the sale of a principal residence unless the home is replaced within 2 years with a new one of equal or greater value. Taxpayers aged 55 or over can exclude—on a one-time occurrence—the capital gains from the sale of a principal residence of up to $125,000. This allows such individuals to move into a smaller home and apply the capital gain toward their retirement years.

Dislocated workers are often forced to move into a smaller home—or even rent—just to make ends meet. So, it makes no sense to impose a capital gains tax on someone under those circumstances.

My bill would allow an unemployed worker to claim an exemption from the capital gains tax—up to $125,000—when they sell their home during their period of unemployment. The definition of unemployment corresponds to the definition used in calculating eligibility for unemployment insurance.

These proposals can provide solutions to problems that unemployed workers face: the challenge to meet the daily demands of life—food, shelter, and clothing; and the need to find a new source of income. The money realized by the sale of one's home or withdrawing from an IRA can, in fact, be used as an investment in the future, perhaps even for an entrepreneurial undertaking as a way to start over.

We should not deny dislocated workers who face hard times the ability to use their assets to support themselves and their families. I believe these two measures offer a commonsense approach to help Americans pull themselves out of financial hard times so they can get on with their lives.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. GUTIERREZ. Mr. Speaker, at the end of the afternoon of Tuesday, February 28, 1995, I was unavoidably absent from this Chamber and therefore missed rollcall votes Nos. 178, 179, 180, 181, 182, 183—all votes regarding amendments and final passage of H.R. 1022—the Risk Assessment and Cost Benefit Act of 1995. I want the RECORD to show that if I had had the opportunity to be in this Chamber when these votes were cast, I would have votes the following way: rollcall vote No. 178, ''yea''; roll call vote No. 179, ''nay''; rollcall vote No. 180, ''yea''; rollcall vote No.181, ''yea''; rollcall vote No. 182—''yea''; rollcall vote No. 183, ''nay.''

THE BUDGET FOR CORPORATE FARMERS MUST BE CUT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. OWENS. Mr. Speaker, American Agribusiness is one of the most successful industries on the face of the Earth. Due to the vision and foresight of the Congress which enacted the legislation which created the land grant colleges, the agricultural experiment stations, and the county agents, Government research and development made it possible for our farmers to leap way ahead of the rest of the world. No other nation's agriculture industry is even close to the United States when it comes to farm output and efficiency.

Let us applaud the Department of Agriculture and all of the nameless workers who over the years have done such a magnificent job in supporting our farmers. But now, Mr. Speaker, most of that work has been done. The mission has been accomplished. We have a monumental success and we can relieve the taxpayers of the burden of helping the agriculture industry, especially the rich corporate farmers. Let's have a means test and from now on let's support only the few remaining poor farm families. Let's stop the indiscriminate subsidies. Let's end the crop insurance. Let's stop the special mortgages. Let's leave the marketplace alone and end the crop subsidies and price supports. Let's get the fat farmers off the dole. The time has come to drastically downsize the Department of Agriculture. We must end farm welfare as we know it. We owe it to the American taxpayers. In this Congress let's work hard to get fat farmers off the dole.

The following poem summarizes the seriousness of the situation:

FARMERS ON THE DOLE

Republican patriots
Come play your role
Keep fat farmers
On the dole
Helping cuddly honey bees
Coddling cattle grazing fees
Meat a city orphan
Never eats
Dole for welfare
Dole for cheats
Congress sink your fork
Deep into Republican pork
Hyprocisy over all
Drives you up the wall
O beautiful spacious skies
Small town editorials
Festering full of lies
Farmers on the dole
Farmers on the dole
Hi-ho the dairytake
Rich farmers on the dole
Decades over
And over it repeats
Dole for welfare
Dole for cheats
The story's never told
About farmers on the dole
Seeds not sown
Wheat not grown
Plow the dollars
Deep in the dirt
Hide the shame
Cover hypocrisy's hurt
Farmers on the dole
Farmers on the dole
Confess to free money's role
Rich farmers on the dole
Mortgage the barn
Until it drops
Timid taxpayers
Insure the crops
Rural swindlers
High on the hog
Food for the homeless
Thrown to the dog
The story's never told
About farmers on the dole
Republican patriots
Come play your role
Keep fat farmers
On the dole.

THE SAN DIEGO SUPERCOMPUTER CENTER

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. CUNNINGHAM. Mr. Speaker, I would like to enter into the permanent RECORD of the Congress of the United States the following brief outlining the work of the San Diego Supercomputer Center. This summary, based largely on a ''Site Report'' article by Mr. Peter Taylor, printed in the fall 1994 issue of the periodical ''Computational Science and Engineering,'' is intended to inform my colleagues and other interested citizens of the work of this center in my community.

The San Diego Supercomputer Center (SDSC), one of four supercomputer centers sponsored by the National Science Foundation (NSF), is both a national resource and a tribute to the scientific ingenuity of the people of San Diego County.

SDSC's mission is to advance scientific research through computation, serve as a national focal point of development in key enabling high-performance computational technologies, and enhance American economic competitiveness. With a staff of 100 scientists, software developers, and researcher support personnel, the center serves more than 4,850 researchers from 355 institutions and 52 industrial partners.

In operation since 1986, SDSC is administered by General Atomics and is closely affiliated with the University of California, San Diego. It receives policy guidance from a consortium of 27 leading universities and institutions. Major funding for the SDSC includes grants from the NSC, the State of California, and the University of California.

The center is involved in advanced scientific research, including the fields of macromolecular structure and biomedical computation. It participates in the development of new technologies, such as the simulation of global environmental change, applied computer network research, and operating systems development. Furthermore, it's close ties with the university and the community foster educational and outreach programs, including undergraduate and postgraduate research, curriculum development, and demonstrations for students in grades K–12.

The SDSC's new MetaCenter collaboration with other NSF centers also gives scientific researchers access, through a single portal, to the country's best available technologies and intellectual resources.

IN MEMORY OF REPRESENTATIVE ROY TAYLOR

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TAYLOR of North Carolina. Mr. Speaker, last week, western North Carolina lost a great statesman and a friend. Former Congressman Roy Taylor who served the constituents of North Carolina's 11th District for 16 years died March 2, after years of declining health.

During his tenure on Capitol Hill, Congressman Taylor championed the conservation of natural resource and was known for his exhaustive work on behalf of the people of our district. Those who were here tell of his commitment to 12-hour days and 6-day workweeks.

Roy Taylor was born, January 31, 1910, in Vader, WA, but his parents moved to western North Carolina not long after he was born. He attended the public schools in Buncombe County, spent 2 years at Asheville-Biltsmore College, and then graduated from Maryville College in Tennessee in 1931.

Mr. Taylor began a career as a schoolteacher in 1931 at Black Mountain High School and the next year married Evelyn Reeves of Leicaster. While teaching, Taylor began studying law and in 1936 graduated from Asheville University Law School. Upon passing the bar that same year, he quit his teaching job and began to practice law in Asheville.

In 1943, Taylor left his law practice to serve in combat with the U.S. Navy. Upon fulfilling his duty to the Nation, he was discharged as a lieutenant in 1946.

After returning to western North Carolina, Taylor began his political career as a member of the North Carolina General Assembly from 1947 to 1949. He then served as Buncombe County attorney from 1949 to 1960. During this time, he also served as a member of the board of trustees of Asheville-Biltmore College.

In 1960, Taylor was elected as a Democrat to the 86th Congress, during a special election to fill the vacancy created by the death of Representative David Hall. Taylor was reelected to the eight succeeding Congresses and retired in 1976. Taylor served 10 of those years as chairman of the House Interior Committee's Subcommittee on National Parks and Recreation.

After public service, Congressman Taylor dedicated his time to the church and his community. He was district governor of Lions Clubs in western North Carolina. He also served as a deacon and Sunday school superintendent of Black Mountain First Baptist Church.

Taylor is survived by his wife, Evelyn; daughter, Toni Robinson of Plymouth; son, Alan Taylor of Bent Creek; granddaughter, Stacy Taylor; grandsons, Marshall and Gregg Robinson; sister, Alberta Greene of Enka; great-grandchildren, Katherine Taylor Robinson and Charlotte Whittfield Robinson.

PATIENTS BEWARE: SELF-SERVING PHYSICIANS URGE REPEAL OF PHYSICIAN SELF-REFERRAL LAWS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. STARK. Mr. Speaker, the following list of physician self-referral studies highlights the urgent need to uphold self-referral laws. Greedy physicians, interested more in personal gain than in their patient's welfare, have mounted an effort to repeal these laws.

Physician self-referral is one of the most significant cost drivers in American medicine. According to some experts, billions of dollars are wasted each year on referrals motivated by physicians' financial gains and not strictly by their patients' medical needs. The following studies represent just some of the evidence that demonstrates when physicians are in a self-referring situation, they order more tests and charge more money for services than non-self-referring physicians. The evidence is convincing—patients need protection.

[From the Department of Health and Human Services]

SELF-REFERRAL STUDIES

A. Financial Arrangements Between Physicians and Health Care Businesses: Office of Inspector General—OAI–12–88–01410 (May 1989)

In 1989, the Office of Inspector General (OIG) issued a study on physician ownership and compensation from entities to which they make referrals. The study found that patients of referring physicians who own or invest in independent clinical laboratories received 45 percent more clinical laboratory services than all Medicare patients in general, regardless of place of service. OIG also concluded that patients of physicians known to be owners or investors in independent physiological laboratories use 13 percent more physiological testing services than all Medicare patients in general. Finally, while OIG found significant variation on a State by State basis, OIG concluded that patients of physicians known to be owners or investors in durable medical equipment (DME) suppliers use no more DME service than all Medicare patients in general.

B. Physicians Responses to Financial Incentives—Evidence from a For-Profit Ambulatory Care Center; Hemenway D, Killen A, Cashman SB, Parks CL, Bicknell WJ: New England Journal of Medicine, 1990:322;1059–1063

Health Stop, a chain of for-profit ambulatory care centers, changed its compensation system from a flat hourly wage to a system where doctors could earn bonuses that varied depending upon the gross income they generated individually. A comparison of the practice patterns of fifteen doctors before and after the change revealed that the physicians increased the number of laboratory tests performed per patient visit by 23 percent and the number of x-ray films per visit by 16 percent. The total charges per month, adjusted for inflation, grew 20 percent, largely due to an increase in the number of patient visits per month. The authors concluded that substantial monetary incentives based on individual performance may induce a group of physicians to increase the intensity of their practice, even though not all of them benefit from the incentives.

C. Frequency and Costs of Diagnostic Imaging in Office Practice—A Comparison of Self-Referring and Radiologist-Referring Physicians; Hillman BJ, Joseph CA, Mabry MR, Sunshine JH, Kennedy SD, Noehter M. New England Journal of Medicine, 1990:322;1604–1608

This study compared the frequency and costs of the use diagnostic imaging for four clinical presentations (acute upper respiratory symptoms, pregnancy, low back pain, or (in men) difficulty in urinating) as performed by physicians who used imaging equipment in their offices (self-referring) and as ordered by physicians who always referred patients to radiologists (radiologist-referring). The authors concluded that self-referring physicians use imaging examinations at least four times more often than radiologist-referring physicians and that charges are usually higher when the imaging is done by the self-referring physicians. Those differences could not be attributed to differences in the mix of patients, the specialties of the physicians or the complexity of

the complexity of the imaging examinations performed.

D. Joint Ventures Among Health Care Providers in Florida: State of Florida Cost Containment Board (September 1991)

This study analyzed the effect of joint venture arrangements (defined as any ownership, investment interest or compensation arrangement between persons providing health care) on access, costs, charges, utilization, and quality. The results indicated that problems in one or more of these areas existed in the following types of services: (1) clinical laboratory services; (2) diagnostic imaging services; and (3) physical therapy services— rehabilitation centers. The study concluded that there could be problems or that the results did not allow clear— conclusions with respect to the following health care services; (1) ambulatory surgical centers; (2) durable medical equipment suppliers; (3) home health agencies; and (4) radiation therapy centers. The study revealed no effect on access, costs, charges, utilization, or quality of health care services for; (1) acute care hospitals; and (2) nursing homes.

E. New Evidence of the Prevalence and Scope of Physician Joint Ventures; Mitchell JM, Scott E: Journal of the American Medical Association, 1992:268:80–84

This report examines the prevalence and scope of physician joint ventures in Florida based on data collected under a legislative mandate. The results indicate that physician ownership of health career businesses providing diagnostic testing or other ancillary services is common in Florida. While the study is based on a survey of health care businesses in Florida, it is at least indicative that such arrangements are likely to occur elsewhere.

The study found that at least 40 percent of Florida physicians involved in direct patient care have an investment interest in a health care business to which they may refer their patients for services; over 91 percent of the physician owners are concentrated in specialities that may refer patients for services. About 40 percent of the physician investors have a financial interest in diagnostic imaging centers. These estimates indicate that the proportion of referring physicians involved in direct patient care who participate in joint ventures is much higher than previous estimates suggest.

F. Physicians' Utilization and Charges for Outpatient Diagnostic Imaging in a Medicare Population; Hillman BJ, Olson GT, Griffith PE, Sunshine JH, Joseph CA, Kennedy SD, Nelson WR, Bernhardt LB: Journal of the American Medical Association, 1992:268:2050–2054

This study extends and confirms the previous research discussed in section C, above, by focusing on a broader range of clinical presentations (ten common clinical presentations were included in this study); a mostly elderly, retired population (a patient population that is of particular interest with respect to Medicare reimbursement); and the inclusion of higher-technology imaging examinations. The study concluded that physicians who own imaging technology employ diagnostic imaging in the evaluation of their patients significantly more often and as a result, generate 1.6 to 6.2 times higher average imaging charges per episode of medical care than do physicians who refer imaging examination to radiologists.

G. Physician Ownership of Physical Therapy Services; Effects on Charges, Utilization, Profits, and Service Characteristics; Mitchell JM, Scott E: Journal of the American Medical Association, 1992:268:2055–2059

Using information obtained under a legislative mandate in Florida, the authors evaluated the effects of physician ownership of freestanding physical therapy and rehabilitation facilities (joint venture facilities) on utilization, charges, profits, and service characteristics. The Study found that visits per patient were 39 to 45 percent higher in facilities owned by referring physicians and that both gross and net revenue per patient were 30 to 40 percent higher in such facilities. Percent operating income and percent markup were significantly higher in joint venture physical therapy and rehabilitation facilities. The study concluded that licensed physical therapists and licensed therapist assistants employed in a non-joint venture facilities spend about 60 percent more time per visit treating patients than those licensed workers in joint venture facilities. Finally, the study found that joint ventures also generate more of their revenues from patients with well-paying insurance.

H. Consequences of Physicians' Ownership of Health Care Facilities—Joint Ventures in Radiation Therapy; Mitchell JM, Sunshine, IH; New England Journal of Medicine 1992; 327; 1497–1501

This study examined the effects of the ownership of freestanding radiation therapy centers by referring physicians who do not directly provide services (''joint ventures'') by comparing data from Florida (where 44 percent of such centers were joint ventures during the period of the study) to data from elsewhere (where only 7 percent of such centers were joint ventures). The analysis shows that the joint ventures in Florida provide less access to poorly served populations (rural counties and inner-cities) than non-joint venture facilities. The frequency and costs of radiation therapy treatments at free-standing centers in Florida were 40 to 60 percent higher than in non-joint venture facilities; there was no below-average use of radiation therapy at hospitals or higher cancer rates to explain the higher use or higher costs. Some indicators (amount of time spent by radiation physicians with patients and mortality among patients with cancer) show that joint ventures cause either no improvement in quality or a decline.

I. Increased Costs and Rates of Use in the California Workers' Compensation System as a Result of Self-Referral by Physicians; Swedlow A, Johnson G, Smithline N, Milstein A; New England Journal of Medicine, 1992;327;1502–1506

The authors analyzed the effects of physician self-referral on three high-cost medical services covered under California's workers compensation physical therapy, psychiatric evaluation and magnetic resonance imaging (MRI). They compared the patterns of physicians who referred patients to facilities of which they were owners (self-referral group) to patterns of physicians who referred patients to independent facilities (independent-referral group). The study found that physical therapy was initiated 2.3 times more often by the self-referral group than those in the independent-referral group (which more than offset the slight decrease in cost per case). The mean cost of psychiatric evaluation services was significantly higher in the self-referral group (psychometric testing, 34 percent higher, psychiatric evaluation reports, 22 percent higher) and the total cost per case of psychiatric evaluation services was 26 percent higher in the self-referral group than in the independent-referral group. Finally, the study concluded that of all the MRI scans requested by the self-referring physicians, 38 percent were found to be medically inappropriate, as compared to 28 percent of those requested by physicians in the independent-referral group. There were no significant difference in the cost per case between the two groups.

J. Medicare: Referrals to Physician-Owned Imaging Facilities Warrant HCFA's Scrutiny (GAO Report No. B–253835; October 1994)

The U.S. General Accounting Office (GAO) issued a report regarding: (1) referrals by physicians with a financial interest in joint-venture imaging centers; and (2) referrals for imaging provided within the referring physicians' practice settings. The analyses are based on information collected by researchers in Florida for the Florida Health Care Cost Containment Board and include information on 1990 Medicare claims for imaging services ordered by Florida physicians. GAO analyzed approximately 1.3 million imaging services performed at facilities outside the ordering physicians' practice settings and approximately 1.2 million imaging services provided within the ordering physicians' practice settings. These results are significant because they are based on a large-scale analysis of physician referral practices.

GAO found that physician owners of Florida diagnostic imaging facilities had higher referral rates than nonowners for almost all types of imaging services. The differences in referral rates were greatest for costly, high technology imaging services; physician owners ordered 54 percent more MRI scans, 27 percent more computed tomography (CT) scans, 37 percent more nuclear medicine scans, 27 percent more echocardiograms, 22 percent more ultrasound services, and 22 percent more complex X rays. Referral rates for simple X rays were comparable for owners and nonowners. In addition, while referral practices among specialities differed, physician owners in most specialties had higher referral rates than nonowners in the same specialty.

GAO also compared the imaging rates of physicians who have in-practice imaging patterns (i.e., more than 50 percent of the imaging services they ordered were provided within their practice affiliations) with physicians with referral imaging patterns (i.e., more than 50 percent of the imaging services they ordered were provided at facilities outside their practice affiliations). GAO found that physician with in-practice imaging patterns had significantly higher imaging rates than those with referral imaging patterns—the imaging rates were about 3 times higher for MRI scans; about 2 times higher for CT scans; 4.5 to 5.1 times higher for ultrasound, echocardiography, and diagnostic nuclear medicine imaging, and about 2 times higher for complex and simple X rays.

TRIBUTE TO ROSALIE AND GEORGE EIKENBERG

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. CARDIN. Mr. Speaker, I rise today to pay tribute to Rosalie and George Eikenberg, who were just named first runner-up of the Knights of Columbus' International Family of the Year Program. The Eikenbergs live in Elkridge, MD and their dedication and commitment to their community and their family are truly inspiring.

George Eikenberg worked for American Can Co. for 30 years and the Oles Envelope Co. for 10 years. Rosalie is the cafeteria manager at Thunder Hill Elementary School. They had two natural children and adopted four others. From 1962 to 1985, they opened up their family to care for 42 foster care children, some of whom stayed for long periods of time.

In addition to their commitment to their children and foster children, the Eikenbergs have both volunteered their time to make their community a better place to live. In addition to

their many commitments, George is treasurer of the Grand Knights of Columbus and is a member of the board of directors at Mt. St. Joseph High School. He has served as an adult advisor for the CYO, and coached basketball and little league.

Rosalie has been equally busy. She is the former president of the mother's club at St. Augustine's School, served on their parish council, and so did George, was president of the PTA at Waterloo Middle School and was chairman of the Title I Program at Elkridge Elementary School and St. Augustine's School.

Rosalie and George Eikenberg are an inspiring example to all of us that we can always find the time if we want to make our community a better place. I hope my colleagues will join me in extending congratulations and best wishes to a family that truly is a ''Family of the Year.''

SOLDIER'S MEDAL FOR SGT. JERRY SEABAUGH

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. SKELTON. Mr. Speaker, my congratulations to Sfc. Jerry Seabaugh of Jefferson City, MO, who was recently awarded the prestigious Soldier's Medal, the Army's highest peace time medal for valor. Sergeant Seabaugh, a member of the Missouri National Guard, saved the life of State Representative Sue Shear from flooding waters in Jefferson City. Sergeant Seabaugh rescued Mrs. Shear from her car which was nearly submerged by the high water.

This award, approved by the Secretary of the Army, is rarely given, and I know that the Members of this body join me in saying a job well done to Sergeant First Class Seabaugh. His heroism not only makes the Missouri National Guard proud, but all Missourians as well.

TRIBUTE TO TERESA AUDREY MOORE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, I am pleased to introduce to my colleagues Teresa Audrey Moore, a tireless community servant. Ms. Moore was born in Pittsburgh, PA. She moved to New York in 1941 and worked for Brooklyn Union Gas until her retirement in 1985.

Ms. Moore has been very active since she retired. She has been involved in Area policy board No. 5, is a member of community board No. 5, works on the board of elections, and is treasurer of Central Brooklyn A.A.R.P. chapter No. 4171. Additionally, she is a member of the senior advisory committee for the department of aging and the State of New York. Teresa also volunteers her time at Pink Senior Center and at East Brooklyn High School where she positively impacts the lives of young people.

When she is not performing labors of love, Ms. Moore is attending to the needs of her 3 children, 12 grandchildren, and 8 great-grandchildren. Teresa Moore exemplifies the ideal of public service and community involvement. I am proud to recognize her for devoted and unconditional service.

THE RECYCLING INFORMATION CLEARINGHOUSE ACT OF 1995

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, the Recycling Information Clearinghouse Act calls for the creation of a recycling clearinghouse within the Environmental Protection Agency's [EPA] Office of Solid Waste Management. With the monumental environmental problems this Nation faces in the future, it is imperative we examine all possible solutions to these problems.

America's garbage problem is heavy indeed. Each year we generate over 180 million tons of garbage. We discard enough paper in a year to build a 12-foot high wall stretching from coast to coast. Every hour we dispose of 2.5 million potentially recyclable plastic bottles. The EPA estimates that this amount of waste will continue to increase rapidly through the year 2000.

Our traditional method of disposing of garbage in landfills is becoming obsolete. Ten years ago in Pennsylvania, we had over 1,000 active landfills; today we have under 100. In addition to dwindling capacity, the cost to dump in landfills is skyrocketing. The latest trend in disposal technology is incineration. Unfortunately, this method has proven to be both hazardous and inefficient.

The first step in tackling our waste problem is to convert from a throwaway society to a recycling one, by shifting our focus from waste disposal to waste reduction. Although we possess the technology to recycle 80 to 90 percent of glass and aluminum, we recycle only 13 percent of our garbage annually. Recycling is cleaner and more energy efficient than both landfills and incineration.

Having set up the first comprehensive recycling program in Pennsylvania, I know recycling works at the local level. Our recycling programs have provided substantial savings in county disposal costs. The key to success is information. The success of Delaware County should be made available to other officials who are interested in setting up their own programs.

My legislation would create a clearinghouse of information on the national level in the EPA. The bill would authorize $500,000 to be matched by the private sector. The clearinghouse would provide easy access to information regarding recycling to any interested State or local officials through a toll-free hotline. Technical assistance would be disseminated through seminars and other resources.

Although the clearinghouse will not eliminate the waste problem, it is definitely a step in the right direction. Recycling can be a clean, cost-effective means of dealing with our garbage glut. I urge my colleagues to join me in support of the Recycling Clearinghouse Information Act.

NATIONAL SPORTSMANSHIP DAY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. REED. Mr. Speaker, I rise in honor of National Sportsmanship Day, which is being observed today in America and throughout the world. A national sportsmanship day presents the opportunity to stress the importance of ethics and fair play, both on the playing field and in the classroom.

National Sportsmanship Day was conceived by the Institute for International Sport, which is located in my district at the University of Rhode Island, to create an awareness of the issues of ethics, fair play, and sportsmanship within athletics and society. Since its inception in 1991, over 7,000 schools in all 50 States, have benefited from this program. This year 5,000 schools from all 50 States and 48 countries will join in the National Sportsmanship Day festivities.

The goal of good sportsmanship is an important one. It is worthwhile for us to demonstrate to our children the good values and ethics learned through sports. These same lessons will guide them in all aspects of everyday life.

With the help of Sports Ethics Fellows like Olympic skater Bonnie Blair, the institute is providing an example of the pride young athletes can find in competition. As a result, young athletes learn that while winning is a goal worth working for, it is honesty, integrity, and hard work that is most important.

Mr. Speaker, I ask my colleagues to join the President's Council on Physical Fitness and Sports and the Rhode Island congressional delegation in recognizing this day.

TRIBUTE TO MARIETTA SMALL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, in my district I am fortunate to have people who provide assistance to members of the community who wish to pursue their eduction. Marietta Small is illustrative of that type of educator. Marietta is chairperson of the Husain Institute of Technology [HIT] which provides excellent computer technical training to adults and mathematics and english training to elementary students of the local community.

Marietta was appointed to community board No. 17 in recognition of her assiduous performance and exemplary track record in community affairs. She was elected to the office of State committeewoman of the 42d assembly district in September, 1986, where she served until 1992.

Due to reapportionment she was redistricted into the newly created 58th assembly district, where she successfully ran for State committeewoman and is presently serving her second term. I am honored to recognize Marietta Small for her relentless dedication to helping the community.

HONORING A HOOSIER HERO

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. BURTON of Indiana. Mr. Speaker, I would like to take a moment to honor the life and memory of a young Hoosier soldier who recently fell while serving his country in the U.S. Army.

Capt. Milton Palmer was a bright and committed American soldier pursuing his dream of becoming an Army Ranger and serving his country for the balance of his life. Training in the swamplands of Florida's Eglin Air Force Base, Captain Palmer was just a few days away from completing the grueling 13-week trial that would set him apart as one of America's elite soldiers—a U.S. Army Ranger. The final days of training were understandably the most difficult, the most demanding. During one of these fateful days, the Ranger trainees had to simulate an assault operation in chest-deep, 50-degree waters, which would push any man to the very edge of survival.

Captain Palmer would not join his fellow trainees as they graduated from the Ranger Program in Fort Benning, GA, and solemnly accepted their new monikers. He and three other determined would-be Rangers died of hypothermia during that combat training exercise on February 15.

While I did not know Captain Palmer, I know some of his inspiring story. He was the middle child of three. Along with his older sister Torria and little brother Nathan, Milton grew up in a military family. His parents were able to keep the family close-knit, even during the moves and long tours of duty that are common among Army families. His father, a retired major, dedicated his entire adult life to military service, and Milton planned to follow in his father's footsteps. He was only 27 when he took the last of these steps.

Like other American heroes and leaders, Captain Palmer had an indomitable spirit and a willingness to meet adversity head-on. He attended the Citadel Military Academy, graduating with honors in 1990. Once in the service of his country, Captain Palmer earned several achievement commendations. He was awarded for his skills as an infantryman and parachutist—''leading the way''—to paraphrase the Ranger motto. And not long after graduation, he entered the Ranger Training Program in hopes of realizing one of his ambitious goals. Suffering from exposure and frostbite, Milton was eventually forced to cut short his participation in the demanding and grueling program.

But this would not deter him from pursuing his dream of joining the ranks of the U.S. Army Rangers. Captain Palmer would return to the Ranger Program to inspire his comrades as they pursued the same dream. He would challenge them to overcome both the elements that weakened their bodies and the fears that tried their spirits. It was during this second trial in the Ranger Program that Capt. Milton Palmer would pass away. He died while pursuing his goal, inspiring those who knew him and his story through it all.

However, to remember Captain Palmer and those other fallen trainees only for their pursuit of a common personal goals is not enough, because in the end these brave young men died for something much greater than themselves or any one of us who survive them. Captain Palmer and the three Ranger trainees that died with him laid down their lives so that we might be free. Their deaths were not senseless. The tragedy at Eglin Air Force Base reminds us that our freedom comes at a high price. Readiness and preparedness—ensured by training missions like the one that claimed young Milton and three of his brothers—deter our enemies and prevent war. These men did not die in vain.

And so, it is fitting that Arlington National Cemetery, the eternal home of so many of America's other heroes and martyrs, will serve as Capt. Milton Palmer's final resting place. For Captain Palmer was a hero, epitomizing the American military tradition of fidelity and bravery, preserving our freedom, and challenging us to follow his courageous example.

WINNERS OF BLACK HISTORY COMPETITION

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. HASTINGS of Florida. Mr. Speaker, I would like to take this opportunity to congratulate seven students in my district who won the Black History and Cultural Brain Bowl competition.

These outstanding students are Mickel Anglin, Kevan McIntosh, Kim Jefferson, Latonya Cooper, Jason Gibson, Markease Doe, and Rolando Cooper. All seven attend Plantation High School.

For 6 months these students studied black history during lunch, after school, late at night, and on weekends. They read books by major African-American authors, and learned about the contributions that African-Americans have made to American history, politics, sports, entertainment, the arts, and sciences.

They won the Broward County School district competition in October, and in late February beat out 10 other teams for the trophy and 4-year college scholarships.

I am proud to represent such outstanding young people and I am confident that all of these students will join the next generation of African-American leaders.

TRIBUTE TO ARLENE SUAREZ

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, in my district I am fortunate to have business people who are dedicated to supporting the community. Arlene Suarez is one such person. Arlene was born and raised in New York City and attended Mother Cabrini High. She then attended New York Institute of Technology where she majored in Computer Science and Business Management.

Arlene has been employed by Good Paz Development Corp. [Good Paz] as managing director for commercial properties for the past 7 years. As the liaison between the Good Paz Corp. and the Bedford-Stuyvesant community she has been actively involved in the reopening of the Paz Williamsburg Center.

As a certified New York City Fire Safety Director, Arlene has consistently ensured stellar safety performances by all individuals who work with the Good Paz Development Corp. I am honored to recognize Arlene Suarez for her professionalism and dedication.

TRIBUTE TO JAMES W. GALLAGHER

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to recognize an outstanding constituent, James W. Gallagher, for his service to the Nation and Delaware County, PA.

A resident of Newtown Square, PA, Mr. Gallagher is well known and highly regarded by many people throughout our community for his selfless charitable contributions. A graduate of the University of Pennsylvania's Wharton School and a U.S. Marine Corps veteran, Jim has remained dedicated to his country as an active historian, by preserving our patriotic history like no other.

Jim is best known throughout the region and the Nation as his alter ego, ''George Washington.'' As vice-president of the Washington Crossing Foundation, Jim portrays George Washington as the principal speaker at the Nationwide Bell Ringing Ceremony sponsored by the Pennsylvania Society at Independence Hall in Philadelphia. Jim portrays our first President every Christmas in the reenactment of Gen. George Washington's historic journey during the Revolutionary War. He has promoted the legacy of George Washington by appearing in many parades and in our Nation's Capitol in costume.

Jim, like many throughout our great Nation, has worked to overturn the Supreme Court's decision of 5 years ago that ruled people who burn American flags are entitled to legal protection under the first amendment's provisions regarding free speech. As cosponsor of the flag protection amendment, I am gratified the amendment has been reintroduced and is gaining wide support among Members.

As a member of the General Society Sons of the Revolution, Jim published an eloquent and inspirational piece entitled ''Freedom is a Light for Which Many Men had Died in Darkness.'' I would like to submit this article for the record so that my colleagues can appreciate Jim's keen insight. It is my hope that those who read it will be inspired as I was to reflect upon our rich historic roots.

I have been honored to work with Jim and am pleased to call him a friend. He deserves our recognition and continued support. I ask the Members of the House to join me in honoring this outstanding American.

FREEDOM IS A LIGHT FOR WHICH MANY MEN HAVE DIED IN DARKNESS

(By James W. Gallagher)

Independence Day is a day to remember what transpired here 218 years ago. In July 1776 John Adams wrote a letter to his wife, Abigail, in Massachusetts. He wanted her to know about an important vote that he had just cast in Philadelphia as a member of the Continental Congress. The subject of his letter was the passage that day of something

that we now call the Declaration of Independence. Adams wrote his wife that a single day in July 1776 would be honored ''as the most memorable day in the history of America.''

That is a remarkable prediction to make about a nation that did not even exist then, that first had to free itself from the control of the world's most powerful country. Other predictions that Adams wrote to his wife about a special day in July 1776 were right on target, too. In his letter he said, ''It will be celebrated by succeeding generations as a great anniversary festival. It ought to be solemnized with pomp and parades, with shows, games, sports, guns, bells, bonfires and illuminations . . . from one end of the continent to the other . . . from this time forward . . . forever more.''

John Adams got only one major detail wrong in his amazing prediction—he had the wrong date.

He wrote his wife that he could foresee those parades and fireworks happening every year on July Second. That is because it was on July 2, 1776 that the Continental Congress, meeting in secret session, actually voted on the Declaration of Independence. Two days later, on July 4, the delegates to the Continental Congress signed the Declaration. Also on that day they came out of their secret session and showed the world what they had done.

Does that mean we are wrong in celebrating July Fourth? Should we be having Second of July picnics and Second of July fireworks? No.

Most legal documents take effect when they are signed and July Fourth is the day when signatures were put on a draft of that incredible document written by Thomas Jefferson.

Many historians will tell you it is not because of the signatures that we use July 4 as the official birthday of our country. It is because that is the day people first heard about the Declaration of Independence. In this country the people count. What is important is the involvement of the people in managing their own affairs, not governmental bodies making decisions in secret. For most of human history—and even in large parts of the world today—that is still a revolutionary idea.

We should remember every July Fourth that the rights we often take for granted do not come easily or automatically. Those rights are re-purchased by each generation, often at a terrible price.

Nearby we have the graves of some of our Revolutionary War dead. They know that freedom is not free since they paid with their very lives. On the tombstone [of the Unknown Soldier in Washington Square] is the inscription ''Freedom is a Light for Which Many Men Have Died in Darkness.''

Fifty years ago today the beachhead at Normandy was not quite a month old. Nearly a million men and women from the United States, Great Britain and our wartime allies had landed there. They were beginning to spread out from that small foothold in northern France and each mile of liberated Europe demanded a high price in human lives and suffering. Many terrible struggles were still ahead of the U.S. military 50 years ago today during World War II.

Today our enemies are harder to identify, but they are out there. Our commitment to the men and women in uniform should be as strong today as it was 50 years ago. History has taught us the best way to avoid war is to be better prepared than any adversary. Vigilance is also the watchword in our domestic life. Even the best of governments can forget that government is the servant of the people and that the people should never be the servant of government.

Just five years ago the Supreme Court ruled that people who burn American flags are entitled to legal protection under the First Amendment's provisions safeguarding free speech. This decision outraged many Americans who see the flag as a sacred symbol of the country, as a symbol of our values that ought to be respected and, especially, as a symbol of the brave sacrifices of our men and women in wartime. We want to amend the Constitution to allow the states and the federal government to enact laws prohibiting physical desecration of the flag. If it is in the Constitution then the courts cannot rule it unconstitutional.

''Old Glory'' is precious to me. So is the idea that government should be answerable to the people. We hear more these days about the search for values in America. Some of us do not have to look very far to find values. We start with devotion to God, love of country and respect for the flag. These are solid foundations upon which this country has been built and they are foundations upon which we can grow. If we need to find values, we can start with the values laid down 218 years ago in that remarkable document we honor today, the Declaration of Independence. It says: ''We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights governments are instituted.''

That is still the best statement of who we are as a people, what we hold dear and what we will fight to preserve.

God Bless America.

REFORMING THE WELFARE SYSTEM ''NO STRINGS ATTACHED''

HON. RICHARD "DOC" HASTINGS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. HASTINGS of Washington. Mr. Speaker, I rise today to introduce legislation aimed at reforming our failed Federal welfare system. Reforming welfare is among my top priorities and is supported by a majority of the American people.

The time for reform has come. Since 1965 we have spent $5 trillion on the War on Poverty—yet the poverty rate is higher today than it was then. The current welfare system has failed both the people it was created to help and those whose tax dollars support it. It is a bureaucratic nightmare and it offers the wrong incentives for recipients. It fosters illegitimacy and dependency, rather than strong families and economic independence. We must act now to enact fundamental and far reaching change.

I believe the most important change Congress can make would be to allow States and local communities the flexibility to find creative solutions and determine who should be eligible to receive benefits. The legislation I am introducing empowers States and local communities by shifting the responsibility for welfare to the States in a single block grant—with no strings attached.

I repeat: no strings attached. This isn't just a swap for government control of Medicaid or other assistance programs—it strictly empowers the States and local communities to address the problem in the most effective manner possible. No additional mandates would be imposed on the States. Finally, Federal funding will be reduced by 5 percent per year and will be phased out completely in 20 years.

The States have proven themselves to be more successful than the Federal Government in dealing with welfare and developing innovative and effective solutions. States better understand the problems within their own communities and can more efficiently determine who should be eligible to receive benefits.

Consider, for example, Wisconsin. Governor Tommy Thompson's welfare reform proposal has reduced State welfare rolls by 25 percent and saved the taxpayers $16 million per month. In Michigan, Governor John Engler requires that welfare recipients sign a social contract agreeing to work, receive job training, or volunteer at least 20 hours a week. In just 2 years, the plan has helped almost 50,000 welfare recipients gain independence, and welfare caseloads have fallen to their lowest level in 7 years, saving the taxpayers $100 million.

The urgent need for reform—particularly welfare reform—was exemplified during the November elections. It is time for the Government to return control to the States. My proposal to shift the power to the local level is ambitious—yet it is only at the local level that the most effective solutions and most efficient answers will be found.

TRIBUTE TO BEVERLY TWITTY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, in my district I am fortunate to have individuals dedicated to helping the Brooklyn community. Beverly Twitty personifies this kind of dedication. Beverly is a native New Yorker, educated in the New York City public school system. She attended Brooklyn College and New York University where she earned a B.A. degree and two masters degrees respectively.

Beverly is involved in many community activities and has been very active for many years with the Girl Scouts and the American Red Cross. She is a former member of Operation Bread Basket, the economic arm of the Southern Christian Leadership Conference.

Beverly Twitty is a member of the Cornerstone Baptist Church and continues to be an inspiration to the community. I am proud to recognize Beverly Twitty for her unyielding dedication to the Brooklyn community.

NATIONAL CLEAN WATER TRUST FUND ACT OF 1995

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. VISCLOSKY. Mr. Speaker, today, I am introducing legislation to expedite the cleanup of our Nation's waters. This bill, the National Clean Water Trust Fund Act of 1995, would create a trust fund established from fines, penalties, and other moneys collected through enforcement of the Clean Water Act to help alleviate the problems for which the enforcement

actions were taken. This legislation is identical to a measure I introduced with bipartisan support in the last Congress, and it was the model for a provision I secured in last year's Clean Water Act reauthorization bill, H.R. 3948.

Currently, there is no guarantee that fines or other moneys that result from violations of the Clean Water Act will be used to correct water quality problems. Instead, some of the money goes into the general fund of the U.S. Treasury without any provision that it be used to improve the quality of our Nation's waters.

I am concerned that EPA enforcement activities are extracting large sums of money from industry and others through enforcement of the Clean Water Act, while we ignore the fundamental issue of how to pay for the cleanup of the water pollution problems for which the penalties were levied. If we are really serious about ensuring the successful implementation of the Clean Water Act, we should put these enforcement funds to work and actually clean up our Nation's waters. It does not make sense for scarce resources to go into the bottomless pit of the Treasury's general fund, especially if we fail to solve our serious water quality problems due to lack of funds.

Specifically, my bill would establish a national clean water trust fund within the U.S. Treasury for fines, penalties, and other moneys, including consent decrees, obtained through enforcement of the Clean Water Act that would otherwise be placed into Treasury's general fund. Under my proposal, the EPA Administrator would be authorized to prioritize and carry out projects to restore and recover waters of the United States using the funds collected from violations of the Clean Water Act. However, this legislation would not preempt citizen suits or in any way preclude EPA's authority to undertake and complete supplemental environmental projects [SEP's] as part of settlements related to violations of the Clean Water Act and/or other legislation.

For example, in 1993, Inland Steel announced a $54.5 million multimedia consent decree, which included a $26 million SEP and a $3.5 million cash payment to the U.S. Treasury. I strongly support the use of SEP's to facilitate the cleanup of serious environmental problems, which are particularly prevalent in my congressional district. However, my bill would dedicate the cash payment to the Treasury to the clean water trust fund.

The bill further specifies that remedial projects be within the same EPA region where enforcement action was taken. Northwest Indiana is in EPA region 5, and there are 10 EPA regions throughout the United States. Under my proposal, any funds collected from enforcement of the Clean Water Act in region 5 would go into the national clean water trust fund and, ideally, be used to cleanup environmental impacts associated with the problem for which the fine was levied.

To illustrate how a national clean water trust fund would be effective in cleaning up our Nation's waters, I would like to highlight the magnitude of the fines that have been levied through enforcement of the Clean Water Act. Nationwide, in fiscal year 1994, EPA assessed $35 million in penalties for violations of the Clean Water Act. These penalties represented 27 percent of all penalties assessed by EPA under various environmental statutes.

My bill also instructs EPA to coordinate its efforts with the State in prioritizing specific cleanup projects. Finally, to monitor the implementation of the national clean water trust fund, I have included a reporting requirement in my legislation. One year after enactment, and every 2 years thereafter, the EPA Administrator would make a report to Congress regarding the establishment of the trust fund.

My legislation has garnered the endorsement of several environmental organizations in northwest Indiana, including the Grand Calumet task force, the northwest Indiana chapter of the Izaak Walton League, and the Save the Dunes Council. Further, I am encouraged by the support within the national environmental community and the Northeast-Midwest Institute for the concept of a national clean water trust fund. I would also like to point out that, in a 1992 report to Congress on the Clean Water Act enforcement mechanisms, and Environmental Protection Agency workgroup recommended amending the Clean Water Act to establish a national clean water trust fund.

In reauthorizing the Clean Water Act, we have a unique opportunity to improve the quality of our Nation's waters. The establishment of a national clean water trust fund is an innovative step in that direction. By targeting funds accrued through enforcement of the Clean Water Act—that would otherwise go into the Treasury Department's general fund—we can put scarce resources to work and facilitate the cleanup of problem areas throughout the Great Lakes and across this country. I urge my colleagues to support this important legislation.

BURTON AND TORRICELLI BLAST IDEA OF EASING CUBAN EMBARGO

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Congressman DAN BURTON, chairman of Western Hemisphere Affairs Subcommittee and ROBERT TORRICELLI, ranking minority member of the subcommittee expressed strong opposition to any easing of United States economic sanctions on Cuba.

According to a report in the Washington Post today, several of President Clinton's advisers are recommending that the economic embargo on Cuba be eased, allowing dollar remittances to be sent to Cuba, and making it easier to travel to Cuba. In response, Congressmen BURTON and TORRICELLI have issued the following statement:

We are absolutely dismayed over reports that the Clinton Administration is considering easing certain aspects of the United States economic embargo on Cuba. We believe that any easing of pressure on the Fidel Castro regime will only prolong the suffering of the Cuban people and will send the wrong signal to the dictatorship.

The communist dictatorship in Cuba is one of the most notorious violators of human rights in existence today. Despite the monumental changes in the world over the past six years, Fidel Castro remains as committed as ever in his nefarious, failed ideology.

The loss of over $6 billion a year in subsidies from the Soviet Union has caused the Cuban economy to contract by sixty percent. It is for this reason that Castro, desperate for foreign currency, has been forced to adopt superficial measures aimed at increasing foreign investment. There is no mistaking the fact that Castro is only interested in perpetuating his own dictatorial rule.

At a time when the Castro regime is clearly on its last leg, the United States should maintain pressure and resist any calls to lift the embargo. This was the clear message of the Cuban Democracy Act of 1992, which the President supported; and it is the aim of the Cuban Liberty and Democratic Solidarity Act (Libertad), which we recently introduced.

Any easing of the U.S. embargo at this time would send the absolutely wrong message to Fidel Castro, and to the Cuban people. We will fiercely resist any such move.

PRIVATE PROPERTY PROTECTION ACT OF 1995

SPEECH OF

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 3, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 925) to compensate owners of private property for the effect of certain regulatory restrictions.

Mr. COLEMAN. Mr. Chairman, I rise today in opposition to the bill H.R. 925. I am disappointed because there were a series of important measures that would have modified the legislation in such a way that I could have supported it. Unfortunately, those measures failed, and the bill that we are left with has extremely alarming implications. Were this legislation enacted, the Federal Government would be saddled with a huge new entitlement program, with unknown costs. Not only will this legislation be tremendously expensive in terms of Federal dollars, but the limitations that it will impose upon the regulatory power of Federal agencies could exact a huge toll upon human health and the environment.

Many of the proponents of this bill have tried to argue that the decision before us is essentially a constitutional question. They have frequently read from the fifth amendment provision which bars the Federal Government from taking private property without just compensation. But H.R. 925 raises a constitutional question only insofar as the bill requires us to expand upon how this body chooses to define ''takings.'' In the past, this interpretation has been left to the jurisdiction of the courts. As the takings question is fundamentally one of constitutional interpretation, the court system is probably the most appropriate forum for determining the proper answer to this question.

Yet, the precedent adhered to by the Supreme Court dictates that Government action must reduce the value of private property by almost 90 percent before the owner can be compensated. Many of my colleagues felt that such a threshold was unreasonably high, and wished to take steps to compensate property owners suffering large financial losses as the result of regulatory action. I strongly supported such initiatives. I feel that it is the proper role of the Congress to craft legislation to meet the changing needs of our society in a manner consistent with the intent of the Framers of the Constitution. I firmly believe that property owners should not be subject to undue financial burdens as a result of Government actions.

However, this bill is not crafted simply to set new limitations on Government regulations. Indeed, this bill fundamentally redefines the ''takings'' question, giving it a meaning so broad that it has in effect been rendered meaningless.

Under the provisions of this bill, any property owner who can demonstrate a loss of value to their property of 10 percent or more will be entitled to Federal compensation. Unfortunately, this threshold is absurdly low. Landowners will be tempted under the terms of this provision to subdivide their property to meet the threshold, thereby resulting in a plethora of cases brought against Federal regulatory agencies. The bill makes no provision to prevent this from happening. The bill also fails to make any provisions to prevent speculation. If an individual buys land with the full knowledge of pending regulations that will impact upon the value of their property, they are nonetheless able to seek compensation under the terms of this bill should those regulations go into effect. Although I am certain that this is not an intended result of the bill, it is important to note that efforts to remedy this oversight failed in committee.

Aside from the technical problems of the bill, we must also face the fact that the language of this legislation threatens to vastly increase the size of the Federal Government. In establishing procedural channels for direct negotiations between Federal agencies while simultaneously promising to compensate all property owners who lose even 10 percent of their property value through regulations, we will open up a floodgate of litigations aimed at our various regulatory agencies. This bill will certainly increase the size of these Federal agencies. The agencies will be forced to hire a huge legal staff to help them determine the validity of claims brought against them. In effect, this bill ensures an increased bloating of our Federal bureaucracy. It seems strange to me the very people who are attacking big Government are actively engaged in the process of creating one.

The takings problem is large enough that it deserved a substantial portion of our time and effort toward the creation of an effective solution. Instead, the Republicans in this body acted hastily to present us with a bill that is clumsy and will doubtlessly prove ineffective. Surely there were better ways to address the problem. Instead, we have just established a brand new entitlement program, with uncertain costs and a vast scope. Just as Republicans are attacking Democrats for failing to endorse the balanced budget, they establish a program that may render such a balance impossible. Without calculating the costs of this bill, they have proposed a new program that will certainly cost the American taxpayer billions of dollars. Of course, many of those dollars will go not to small property owners. Under the terms of this bill, we will be taking money out of necessary programs, and using it to line the pockets of many wealthy landowners and industrialists, a new breed of speculators, lawyers for the Government, lawyers for those who file claims, and the Federal bureaucrats who will be central to sorting out this new law long after we are gone. Language to prevent this outcome was presented in the Porter, Farr, Ehlers, and Bryant amendment. Unfortunately, this effort failed.

While I would like to see the role of the Federal Government limited in relation to the rights of the owners of private property, I do not feel that H.R. 925 achieves that goal.

TRIBUTE TO ELINORE MANDELL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, I would like to acknowledge Ms. Elinore Mandell, a native of Brooklyn. Ms. Mandell was born, reared and educated in Brooklyn. Her children are products of the public school system. And her grandchildren currently attend public school. Elinore Mandell has always been concerned about the quality of life for children. Her concern and devotion was quite evident during her children's formative years when she participated in various community activities. She served as an assistant leader for both the Brownies and Girl Scouts, and as a den mother for the Cub Scouts. And she also held a number of positions in the parents association.

In 1980 Elinore moved to East New York/Starrett City and ran successfully for membership on the district 19 school board, where she served for 10 years. She retired from the school board in 1993. Elinore is employed by Assemblyman Anthony Genovesi as his administrative assistant, and has ably served him for the past 20 years.

RECOGNITION OF NATIONAL SPORTSMANSHIP DAY, MARCH 7, 1995

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today in support of March 7, 1995 being recognized as National Sportsmanship Day. Since its inception in 1991, over 7,000 schools nationwide have taken part in celebrating the essential life lessons that are developed through participation in sports. The participants, who range from elementary students right up through the university level will spend the day in constructive competition.

For the past 5 years, the Institute for International Sport, located at the University of Rhode Island, has worked hard to help establish greater awareness in the area of physical fitness. In addition to National Sportsmanship Day, the institute works all year to promote initiatives like the Student-Athlete Outreach Program, where student-athletes from high schools and colleges travel to local elementary and middle schools to serve as positive role models and promote good sportsmanship.

I fully support these initiatives and would like to acknowledge all the individuals who have devoted their time and efforts to broaden participation in the arena of friendly competition and sportsmanship.

TRIBUTE TO JUDGE JUDITH M. ASHMANN

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. BERMAN. Mr. Speaker, we are honored to pay tribute to Judge Judith M. Ashmann, supervising judge of Los Angeles Superior Court's North Valley district, who has been named Judge of the Year by the San Fernando Valley Bar Association. Judge Ashmann, a friend for many years, has a distinguished legal career, including her tenure on the superior court bench, nearly 6 years spent as a municipal court judge in Van Nuys and a decade working in the city, State and Federal attorney offices.

Last year, in the aftermath of the devastating Northridge Earthquake, Judge Ashmann had her finest hour. The San Fernando courthouse suffered severe damage, rendering it uninhabitable. Without quick action by Judge Ashmann, the result could have been chaos.

But she kept her cool under fire, supervising the orderly transfer of judicial duties to other locations, including trailers outside the Van Nuys courthouse. At the same time, Judge Ashmann embarked on an ambitious, time-consuming but absolutely essential project to eliminate the backlog of civil cases created by the earthquake, the most expensive natural disaster in American history.

During a 2-week period, teams of volunteer attorneys and judges assembled by Judge Ashmann disposed of more than 1,000 cases in San Fernando Valley courts. Along with community leaders, Judge Ashmann has been responsible for restoring a sense of normalcy to the earthquake zone.

Mr. Speaker, we ask our colleagues to join us today in saluting Judge Judith Ashmann, who combines a sound legal mind with exceptional qualities of leadership. She is an inspiration to all of us.

TRIBUTE TO SUSAN PINTO

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, I would like to highlight the contributions of Susan Pinto who was born and raised in Brooklyn. Susan is that rare person who travels to the beat of a different drummer. She attended parochial elementary and secondary schools, and graduated from Brooklyn College. After completing college, she began performing drug-free treatment work. Susan helped design and open treatment and prevention programs in East New York, Brownsville, Bed-Stuy, Sheepshead Bay, and Canarsie. She is a certified substance abuse counselor [CSAC].

Susan is a woman of commitment to everything she is involved in, particularly her immediate, extended family, and circle of friends. Her other endeavors include work in real estate sales and management, construction, and

development. Susan Pinto is a member of the Rosetta Gaston Democratic Club, and the interfaith auxiliary. I am proud to commend her to my House colleagues.

OCEAN RADIOACTIVE DUMPING BAN ACT OF 1995

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, currently the ocean dumping of radioactive waste is regulated under the Ocean Dumping Act [ODA] allows dumping of radioactive waste only after Congress has passed a joint resolution authorizing the dumping. Although this provision has been in force since 1985, Congress has yet to authorize any radioactive dumping.

For decades, U.S. law on ocean pollution has been more stringent than international law. At the time of enactment, the radioactive dumping provisions in the ODA were among the most restrictive in the world, going well beyond international treaty obligations. That is no longer the case.

The Ocean Radioactive Dumping Ban Act corrects this, eliminating ODA's current arduous permitting process and replacing it with a simple ban. It ensures that the United States retains its leadership position in protecting the world's marine environment.

The relevance of the United States banning radioactive dumping is far-reaching. Historically, the United States has set international policy on ocean dumping of radioactive waste. Until last year, the United States had resisted an international ban. Through U.S. influence, the issue was left unresolved.

That all changed last November when the Clinton administration, following heavy lobbying from the Global Legislators Organization for a Balanced Environment [GLOBE] and other organizations, reversed U.S. policy and announced its support for a ban.

Prompted largely by the new U.S. position, in November 1993, the parties to the Convention on the Prevention of Marine Pollution by Dumping of Waste and Other Matter of 1972, known as the London Convention, amended annexes I and II to ban the deliberate ocean dumping of low-level radioactive waste. The Convention has always banned the dumping of high-level radioactive waste.

During the 103d Congress, as the ranking Republican on the oceanography, Gulf of Mexico, and Outer Continental Shelf Subcommittee, and the newly appointed chairman of the GLOBE Ocean Protection Working Group, I have spent the last year working to eliminate the threat of radioactive contamination of the sea.

On September 30, 1993, at my request, the Oceanography Subcommittee held a hearing on the threat of contamination from the Russian dumping of nuclear waste. For four decades the former Soviet Union, and now the Russian Federation has been dumping nuclear waste from nuclear submarines and weapons plants into the world's oceans. The information gathered by the subcommittee was sobering.

The West's first concrete evidence on the dumping came last summer following the release of the Yablokov report which was commissioned by President Boris Yeltsin to detail the extent of Soviet nuclear disposal at sea. According to the report, the Soviet Union has dumped over 2.5 million curies of radioactive waste into the Arctic Ocean and other marine environments. By comparison, the accident at Three Mile Island in my home State of Pennsylvania released 15 curies of radiation.

During the hearing, the subcommittee discovered that since 1959, the former Soviet Union dumped into the ocean 18 nuclear reactors and a reactor screen, 11,000 to 17,000 canisters of nuclear waste, and hundreds of thousands of gallons of liquid radioactive waste. It also learned that nuclear waste totaling 10 million curies is currently stored aboard vessels in Murmansk harbor.

Although water quality monitoring in the Arctic suggests that large-scale contamination of the ocean has yet to occur, our knowledge about the possibility of future leakage and transportation is very limited. Significant environmental contamination is a real possibility in the future.

Even after the fall of communism, Moscow has continued to dispose of radioactive waste at sea. In October 1993, Russia dumped 900 tons of low-level radioactive waste in the Sea of Japan in violation of a previously agreed upon international moratorium. According to Japanese press accounts, high ranking Russian officials have admitted that ocean dumping is likely to persist.

The Russian Federation's actions followed the October 1993 dumping have only reinforced these fears. Russia was one of only five nations to abstain from voting to approve the London Convention radioactive dumping ban in November 1993. Then, in February 1994, it became the only nation to declare its intention not to comply with the new international ban on dumping.

Only through strong Western pressure will this change. But before we can pressure Russia, we have to act. That is why I reintroduced the Ocean Radioactive Dumping Ban Act. This act will make U.S. law consistent with the London Convention by amending the ODA to ban the dumping of radioactive waste.

As with the amendments to the Convention's annexes I and II, which contain provisions exempting de minimis radioactive waste from the ban, the Ocean Radioactive Dumping Ban Act exempts de minimis waste from the ban. Since all matter is radioactive to some degree, a de minimis, or negligible, exemption is necessary to ensure that critical commercial activities such as dredging can continue.

Although no uniform definition for de minimis waste currently exists, the International Atomic Energy Agency [IAEA] has produced significant guidance on the issue and is working on an internationally recognized standard. Once an international standard is devised, I expect the U.S. Environmental Protection Agency [EPA] will promulgate regulations on this issue based on the IAEA's efforts.

Hopefully, with pressure from the United States, the Russian Federation can be convinced to change its policy. With 10 million curies of radiation stored aboard ships in Murmansk Harbor and awaiting disposal, the risk to the marine environment is significant if we fail. The Ocean Radioactive Dumping Ban Act will significantly strengthen our position and will set an example as we further discuss such dumping with the Russian Federation.

Clearly the world's oceans should not be used as nuclear disposal sites. I ask my colleagues to join me in sending a strong message to the rest of the world, and support the Ocean Radioactive Dumping Ban Act of 1995.

PROMOTING THE PRIVATE SECTOR IN AFRICA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. BURTON of Indiana. Mr. Speaker, I want to commend the Subcommittee on Africa under the able chairmanship of our colleague ILEANA ROS-LEHTINEN, on their upcoming hearing on promoting the private sector in Africa. As ranking member of that subcommittee over 8 years, I felt very strongly that only through the proper and vigorous encouragement of the private sector will Africa be able to develop and prosper.

In this context, I want to highlight the activities and efforts of the Corporate Council on Africa, which is doing yeoman's work in advancing these goals.

I also want to salute two members of the council. M&W Pump has done fantastic work in Nigeria and elsewhere, through its water pump business which has benefited so many people. Finally, Coca-Cola one of the largest and oldest companies in Africa, has been a very positive force in Africa. Its social responsibility program in South Africa is exemplary, and it has indeed been a positive force on the continent.

TRIBUTE TO SYLVIA STOVALL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, there is a very special woman in Brooklyn named Sylvia Stovall, who is a district administrator in district 13. Sylvia is also a consistent advocate on behalf of children. Her concern for the emotional and academic welfare of students is reflected in the mentoring she has done with young men and women, many of whom have graduated from college and experienced successful careers.

Sylvia attended North Carolina Central University, and graduated respectively from Brooklyn and Bank Street College. She is currently pursuing a doctoral degree.

Ms. Stovall is a member of the board of directors of the Cypress Hills Local Development Corp. located in Brooklyn, and she was recently honored as one of the unsung heroes and heroines of our community by the Harriet Tubman club at the First A.M.E. Zion Church in Brooklyn. It is my pleasure to highlight her contributions to Brooklyn.

BILL TO REQUIRE ALL PROFESSIONAL BOXERS IN UNITED STATES TO WEAR HEADGEAR

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to require all professional boxers to wear headgear during all professional fights held in the United States. Under my bill, all professional fighters in the United States would have to wear headgear that meets the standards established by the International Olympic Committee. Any State or tribal boxing authority that allows a professional boxer to fight in a professional fight without headgear would be subject to a Federal fine of up to $1,000,000.

The recent incident in the super-middleweight championship fight between Gerald McClellan and Nigel Benn is yet another reminder that something must be done to better protect professional boxers from head injuries. After being knocked out in the 10th round of what was described by the British press as one of the most brutal fights of the century, McClellan collapsed in his corner. He was rushed to the hospital and underwent emergency surgery to remove a blood clot in his brain. He is still in critical condition.

While headgear alone will not prevent all head injuries in boxing, it will go a long way in protecting boxers. Amateur boxing requires all fighters to wear headgear, and the number of serious head injuries in amateur boxing is significantly lower than in professional boxing. According to an article that appeared in the British Medical Journal on June 18, 1994,

> During boxing training sessions head protection is regularly worn and is now a feature of the Olympic Games. In countries where headgear is compulsory there has been a reduction in the number of facial cuts and knockouts.

My legislation, Professional Boxing Safety Act of 1995, is a modest measure that will provide professional boxers in this country with some protection against head injuries. I urge my colleagues to cosponsor this bill. The full text of the legislation appears below:

H.R. —

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 ''Professional Boxing Safety Act of 1995''.

SEC. 2. HEADGEAR REQUIREMENT FOR PROFESSIONAL BOXERS.

Any individual who participates as a boxer in a professional boxing match shall, during such participation, wear headgear that meets the standards established by the International Olympic Committee.

SEC. 3. CIVIL PENALTY.

The Attorney General of the United States may impose a civil monetary penalty against any State boxing authority if the Attorney General determines on the record after opportunity for an agency hearing that the State boxing authority has allowed a boxer to participate in a professional boxing match without the headgear required by section 2. The civil monetary penalty may not exceed $1,000,000 for each violation.

SEC. 4. DEFINITIONS.

For purposes of this Act:

(1) PROFESSIONAL BOXING MATCH.—The term ''professional boxing match'' means a boxing contest held in a State between individuals for compensation or a prize, and does not include any amateur boxing match.

(2) STATE.—

(A) IN GENERAL.—The term ''State'' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, Virgin Islands, any other territory or possession of the United States, and any Indian tribe.

(B) INDIAN TRIBE.—The term ''Indian tribe'' means any Indian tribe, band, nation, pueblo, or other organized group or community which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians and is recognized as possessing powers of self-government.

(3) STATE BOXING AUTHORITY.—The term ''State boxing authority'' means a State agency with authority to regulate professional boxing.

SEC. 5. EFFECTIVE DATE.

Sections 2 and 3 shall take effect 90 days after the date of the enactment of this Act.

THE ATTORNEY ACCOUNTABILITY ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. POMEROY. Mr. Chairman, I rise today in opposition to the bill, H.R. 988, the Attorney Accountability Act.

The authors of this bill would have you believe this legislation is intended to reduce the number of frivolous lawsuits. This bill would more likely discourage average Americans—most likely middle-income citizens—from seeking redress in our judicial system. As the bill is written plaintiff's whose cases were found to have merit would actually be punished under this legislation.

This bill alters the playing field between parties to a lawsuit and gives all the benefits to the large financially secure party. While a family would potentially risk all of their assets if a jury would rule against them, a large corporation could easily absorb these costs. Accordingly, the large corporation would have a tremendous advantage in a pretrial settlement conference in light of the dire risks the family would have with an adverse jury ruling.

I wholeheartedly support curtailing frivolous lawsuits. Yesterday we had an opportunity to bring this bill back in line with the rhetoric that surrounds it. An amendment offered by Representative MCHALE, as modified by Representative BERMAN, would have replaced the loser pays provisions in H.R. 988 with provisions awarding attorney's fees to a defendant if the court finds the plaintiff's case to be frivolous. The court would entertain this motion anytime in the first 90 days after the complaint was filed. If found to be meritorious, it would put a halt to the nonsense before the parties under went the costly discovery process. More importantly, the claim would be dismissed and all legal costs would be born by the plaintiff.

The McHale-Berman amendment would have given courts discretion to get rid of frivolous lawsuits that are filed in bad faith or with only the intention to harass.

This bill is appropriately called the loser pays bill. Unfortunately, the real loser here is the American people.

TRIBUTE TO ANN LAWSON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, many of us are public servants, but some of us are God's servant. Mrs. Ann Lawson is indeed one of God's servants. Born in Florence, SC, she later moved to New Jersey.

At an early age she professed her love and devotion to her Lord and joined New Jerusalem Baptist Church. In 1980 she joined New Canaan Baptist Church under the pastorship of the late Dr. Augustus Leon Cunningham. During the same period she met Rev. Richard J. Lawson and they were married. After the death of Dr. Cunningham, Dr. Lawson was installed as the new pastor of the church. As the first lady of New Jerusalem Baptist Church, Mrs. Lawson has been actively involved in various church affairs.

Mrs. Lawson is involved in numerous church activities. She is the acting supervisor for the red circle missionary department, the South Carolina club, and serves as the chairperson for the Woman of the Year Awards. Mrs. Lawson shares her unbridled energy, faith, and love with everyone, especially children. It is my pleasure to recognize the contributions and accomplishments of a remarkable woman, Mrs. Ann Lawson.

THE ATTORNEY ACCOUNTABILITY ACT

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. BAKER of California. Mr. Chairman, as a member of the Leader's Legal Reform Task Force, I rise in support of H.R. 988, the Attorney Accountability Act.

In this historic 100 days of progress, among the most profound reform measures Congress is enacting is legal reform. The threat of predatory lawsuits looms over every business, organization, and individual. Liability insurance alone increases the costs of doing business for all Americans.

H.R. 988 has three major components: a loser pays provision, the prevention of junk science, and new rules of conduct for attorneys.

The loser pays provision puts a stop to get-rich-quick, lottery-style lawsuits where litigants have little to lose and everything to gain. Plaintiffs would be encouraged to accept reasonable pretrial settlements offers. This incentive would free up our courts for meritorious cases and slow the growth of multimillion dollars awards.

The junk science provision prevents the use of so-called experts in a technical field by either side of a lawsuit. Both plaintiffs and defendants hire potentially biased experts who bring unsubstantiated scientific theories for the purpose of influencing the outcome of the

case. The experts are often paid only if their sides wins. Our legislation lists factors for a judge to consider in weighing the admissibility of a scientific opinion.

The attorney accountability rules, mandate previously optional guidelines set for trial lawyers. There rules require that Federal courts punish attorneys who engage in litigation tactics that harass, make frivolous legal arguments, or unwarranted factual assertions. The punishment is not only to deter this conduct, but to compensate injured parties. The court may order the attorney at fault to pay the opposing party for reasonable expenses as a direct result of the violation.

I strongly urge my colleagues to support H.R. 988, the Attorney Accountability Act. This is the first of three bills that make up the Common Sense Legal Reform Act—a major element of the Contract With America.

TRIBUTE TO RUBY WESTON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, I would like to highlight the life of Ruby Weston of Brooklyn, NY. Mrs. Weston is an administrator for the Marcus Garvey Nursing Home in Brooklyn. She toils unselfishly to provide for the needs of the patients at the nursing home. Mrs. Weston's generous and caring nature are reflective in her management style. Prior to serving as a nursing home administrator, Ruby Weston was a realty specialist for the U.S. Department of Housing and Urban Development.

Mrs. Weston received her bachelor's of professional studies from Pace University, and her master's in public administration from Long Island University. She holds licenses in nursing home administration, real estate, and insurance.

Mrs. Weston is married to Dr. Peter Weston, and they are parents to five children. She and her husband reside in Brooklyn. I would like to commend her to my colleagues for her work with the Brooklyn elderly.

THE VOICE OF AMERICA: 53 YEARS AT THE MICROPHONES

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TORRES. Mr. Speaker, as the Voice of America [VOA] steps up to its 53d year at the microphone, it is talking to nearly 100 million people each week in 46 languages plus English—and its listeners are talking back.

With the end of the cold war and the advent of interactive technology, VOA has engaged in a dialog with its listeners, many of whom are living under very different circumstances than just a few years ago. To that end, the Voice of America is experiencing a renewal, or perhaps, more appropriately, a change in its tone of voice to accommodate the many new missions it has to perform, to fulfill the changing needs and interests of its worldwide audience and to take advantage of new technology to allow for better reception and an increasingly vast global reach. Yet despite these changes, VOA remains evergreen, ever retaining its freshness, relevance and diversity—and its importance as America's voice to the world.

As changes continue to occur in many parts of the world with lightning speed paving the way for the information superhighway, VOA has adapted its programming and how it delivers its message to meet the challenges of the competitive global marketplace with innovation and fervor. VOA has initiated a series of exciting broadcast ventures inviting its listeners to be active participants in the new generation of international broadcasting.

With the placement on the Internet of a text version of VOA's English language programs and VOA audio in 15 languages, listeners can connect with VOA instantaneously, 24 hours a day, to offer feedback on its programming. VOA listeners not only want credible and reliable news of happenings in their country, the United States, and the world, but also practical information on how to build and maintain new democracies and free market economies. They look to the United States, the most powerful and successful example of a working democracy, to learn about its institutions, policies, and way of life. They want to know how to set up a city council, how to start a newspaper, how the stock market works, how to organize a school system, how to get a bank loan, and how to write a constitution. And VOA's programs are there—in their living rooms and grass huts, in their castles and caravans—to provide these new societies with the guidance and support to secure their newfound freedom and independence.

VOA now gives its listeners the opportunity to participate regularly in its programming through a new live international call-in show, ''Talk to America,'' which receives calls in English daily from listeners spanning the globe. VOA listeners want to take part in an open forum to voice their views on the foremost issues affecting the world today—AIDS, drugs, human rights, population, and the environment to name a few—and VOA invites their discussion and debate. VOA has also rolled out a series of bold new programs to East Asia in eight languages through a $5 million enhancement from the Congress. In addition, VOA has launched five new thematic programs exploring regional and global economic trends: political and social issues of concern in the United States; the impact of international developments; major news stories from a reporter's perspective; and religion, spirituality, ethics and values.

Mr. Speaker, the Voice of America marked its 53d year milestone on February 24, I hope you will join me in paying tribute to its past success and its bright future as one of the largest and most respected newsgathering organizations in the world. Although we wish that governments that censor the news and miscommunicate the truth would disappear, history has shown us that there will always be a need for a service like the Voice of America—evergreen, ever present, and ever truthful. Through crisis and calm, discovery and disaster, victory and celebration, VOA has continued to uphold its mission established by the intrepid broadcast pioneers who founded America's voice 53 years ago: ''The news may be good. The news may be bad. We shall tell you the truth.'' And VOA, we shall salute you.

TRIBUTE TO EDNA RUSSELL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 7, 1995

Mr. TOWNS. Mr. Speaker, in my district I am fortunate to have individuals dedicated to helping others in the community. Edna Russell has this unyielding dedication. Edna came to New York from Costa Rica, Central America, where she graduated from the Salvation Army School and worked as a nurse in Tony Facio Hospital in Port Limon in Costa Rica.

After Edna arrived in New York, she was employed as a nursing assistant at Jack Low Foundation which is now the New York Community Hospital of Brooklyn. Edna devoted her caring skills in the nursing department for 27 years before transferring to the x-ray department where she is now an x-ray transporter and is also their No. 1199 union representative.

Always giving honor to God, in all that she does, Edna is the first person to give a helping hand whenever a crisis occurs. She is a member of the Sacred Heart Church and is affiliated with the Sacred Heart Shrine. I am proud to recognize Edna Russell for her relentless dedication to the Brooklyn community.

Tuesday, March 7, 1995

Daily Digest

HIGHLIGHTS

Senate passed Paperwork Reduction Act.

Senate

Chamber Action

Routine Proceedings, pages S3547–S3640

Measures Introduced: Eleven bills were introduced, as follows: S. 506–516. **Pages S3603–04**

Measures Reported: Reports were made as follows:

S. 4, to grant the power to the President to reduce budget authority, without recommendation. (S. Rept. No. 104–13)

S. 14, to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed cancellations of budget items, without recommendation, with an amendment. (S. Rept. No. 104–14)

Page S3603

Measures Passed:

Paperwork Reduction Act: By a unanimous vote of 99 yeas (Vote No. 100), Senate passed S. 244, to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, agreeing to committee amendments, with certain exceptions, and taking action on amendments proposed thereto, as follows:

Pages S3547–70

Adopted:

Levin/Cohen Amendment No. 319, to provide for the elimination and modification of reports by Federal departments and agencies to the Congress.

Pages S3547–49

Rejected:

Wellstone Amendment No. 320, to express the sense of the Congress that Congress should not enact or adopt any legislation that will increase the number of children who are hungry or homeless. (By 51 yeas to 47 nays (Vote No. 99), Senate tabled the amendment.) **Pages S3549–55**

Emergency Supplemental Appropriations/Defense: Senate began consideration of H.R. 889, making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, with committee amendments, taking action on amendments proposed thereto, as follows: **Pages S3576–S3600**

Adopted:

(1) Bingaman Amendment No. 321 (to committee amendment beginning on page 1, line 3), to express the sense of the Senate affirming the importance of cost-shared partnerships between the Department of Defense and the private sector to develop dual-use technologies. **Pages S3584–87**

(2) Hatfield (for McConnell/Leahy) Amendment No. 323, to provide for rescissions of funds made available to the International Development Association, the Development Assistance Fund, the Eastern Europe and the Baltic States, and for the New Independent States of the former Soviet Union.

Pages S3594–95

(3) Hatfield (for Gramm/Hollings) Amendment No. 324, to provide for rescissions of funds made available to the Immigration and Naturalization Service and the Immigration Emergency Fund of the Department of Justice, the National Institute of Standards and Technology and the Industrial Technology Services of the Department of Commerce, the Operations, Research and Facilities of the National Oceanic and Atmospheric Administration, the Information Infrastructure Grants of the National Telecommunications and Information Administration, Economic Development Assistance Programs of the Economic Development Administration, Salaries and Expenses of the Small Business Administration and Related Agencies, payment to the Legal Services Corporation, and the administration of foreign affairs and the acquisition and maintenance of buildings abroad of the Department of State and Related Agencies. **Pages S3595–97**

Rejected:

By 22 yeas to 77 nays (Vote No. 101), McCain Amendment No. 322 (to committee amendment beginning on page 1, line 3), to reduce the rescission

provided for Environmental Restoration, Defense, and to offset the reduction by an increase in the rescission for Research, Development, Test and Evaluation, Defense-Wide. **Pages S3587–93**

Withdrawn:

Helms/Faircloth Amendment No. 325 (to committee amendment beginning on page 1, line 3), to provide that the Endangered Species Act of 1973 shall not apply with respect to Fort Bragg, North Carolina. **Pages S3597–99**

Pending:

Helms (Modified) Amendment No. 326 (to committee amendment beginning on page 1, line 3), to strengthen international sanctions against the Castro government in Cuba, to develop a plan to support a transition government leading to a democratically elected government in Cuba. **Pages S3599–S3600**

Senate will continue consideration of the bill on Wednesday, March 8.

Nominations Confirmed: Senate confirmed the following nominations:

Herschelle Challenor, of Georgia, to be a Member of the National Security Education Board for a term of four years.

Sheila Cheston, of the District of Columbia, to be General Counsel of the Department of the Air Force. **Page S3640**

Messages From the House: **Page S3603**

Measures Referred: **Page S3603**

Communications: **Page S3603**

Statements on Introduced Bills: **Pages S3604–22**

Additional Cosponsors: **Pages S3622–23**

Amendments Submitted: **Pages S3623–35**

Notices of Hearings: **Page S3635**

Authority for Committees: **Page S3636**

Additional Statements: **Pages S3636–39**

Record Votes: Three record votes were taken today. (Total—101) **Pages S3555, S3593**

Recess: Senate convened at 10:30 a.m., and recessed at 6:34 p.m., until 10:30 a.m., on Wednesday, March 8, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S3640.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—COMMERCE

Committee on Appropriations: Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies held hearings on proposed budget estimates for fiscal year 1996 for the Department of Commerce, receiving testimony from Ronald H. Brown, Secretary of Commerce.

Subcommittee will meet again on Wednesday, March 15.

APPROPRIATIONS—LABOR

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education and Related Agencies held hearings on proposed budget estimates for fiscal year 1996 for the Department of Labor, receiving testimony from Robert B. Reich, Secretary of Labor.

Subcommittee will meet again on Thursday, March 9.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Committee resumed hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, receiving testimony from John H. Dalton, Secretary of the Navy; Adm. Jeremy M. Boorda, USN, Chief of Naval Operations; and Gen. Carl E. Mundy, Jr., USMC, Commandant of the Marine Corps.

Committee will meet again on Thursday, March 9.

PRIVATIZATION

Committee on the Budget: Committee concluded hearings to examine the impact and role of the private sector in providing services to the Federal Government, focusing on how the budget process has been a barrier to privatization, after receiving testimony from Jack Kemp, Empower America, and Richard C. Breeden, Coopers and Lybrand, both of Washington, D.C.; Ralph L. Stanley, United Infrastructure Company, Chicago, Illinois; Robert W. Poole, Jr., Reason Foundation, Los Angeles, California; and Donald F. Kettl, University of Wisconsin, Madison.

ENDANGERED SPECIES MORATORIUM

Committee on Environment and Public Works: Subcommittee on Drinking Water, Fisheries and Wildlife concluded hearings on S. 191, S. 503, and other related proposals to institute a moratorium on certain activities under authority of the Endangered Species Act, after receiving testimony from Senator Hutchison; Bruce Babbitt, Secretary of the Interior; David Wilcove, on behalf of the Environmental Defense Fund and the Society for Conservation Biology, and William J. Snape III, Defenders of Wildlife, both of Washington, D.C.; Robert E. Gordon, Jr., National Wilderness Institute, Alexandria, Virginia; Rick Perry, Texas Department of Agriculture, Austin; James A. Kraft, Plum Creek Timber Company,

Seattle, Washington; and Kenneth W. Peterson, Kern County, California.

TAX CERTIFICATE PROGRAM

Committee on Finance: Committee concluded hearings to examine the application of Internal Revenue Code section 1071 under the Federal Communication Commission's (FCC) tax certificate program, after receiving testimony from William E. Kennard, General Counsel, Federal Communications Commission; Leslie B. Samuels, Assistant Secretary of the Treasury for Tax Policy; Raul Alarcon, Jr., Spanish Broadcasting System, Inc., W. Don Cornwell, Granite Broadcasting Corporation, and Philippe P. Dauman, Viacom Inc., all of New York, New York; Tyrone Brown, Wiley, Rein and Fielding, Michael J. Horowitz, Hudson Institute, and Robert L. Johnson, Black Entertainment Television Holdings, Inc., all of Washington, D.C.; Bruce E. Fein, *World Intelligence Review*, and former General Counsel of the Federal Communications Commission, Great Falls, Virginia; Frank Washington, Mitgo Corporation, Sacramento, California; and Roy M. Huhndorf, Cook Inlet Region Inc., Anchorage, Alaska.

CONVENTIONAL WEAPONS TREATY

Committee on Foreign Relations: Committee concluded hearings on the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons, and two accompanying Protocols on Non-Detectable Fragments (Protocol I) and on Prohibitions or Restrictions on the Use of Mines, Booby-Traps and Other Devices (Protocol II) (Treaty Doc. 103–25), after receiving testimony from Michael J. Matheson, Principal Deputy Legal Adviser, Department of State; and Maj. Gen. Michael J. Byron, USMC, Vice Director for Strategic Plans and Policy, Joint Chiefs of Staff.

SOUTH ASIA

Committee on Foreign Relations: Subcommittee on Near Eastern and South Asian Affairs concluded hearings to examine United States policy towards South Asia, after receiving testimony from Hazel R. O'Leary, Secretary of Energy; Jeffrey E. Garten, Under Secretary of Commerce for International Trade; Robin L. Raphel, Assistant Secretary of State for South Asian Affairs; Margaret Carpenter, Assistant Administrator for Asia and the Near East, Agency for International Development; Clayton A. Williams, Litton Applied Technologies, San Jose, California; Jagdish Bhagwati, Columbia University, New York, New York; Rebecca P. Mark, Enron Development Corporation, Houston, Texas; and H. Laird Walker, U.S. West, Denver, Colorado.

REGULATORY TRANSITION ACT

Committee on Governmental Affairs: Committee began markup of S. 219, to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, but did not complete action thereon, and will resume on Thursday, March 9.

EXCLUSIONARY RULE

Committee on the Judiciary: Committee concluded hearings on proposals to eliminate the exclusionary rule and to alter the remedy for unreasonable searches under the Fourth Amendment, and to ensure that voluntary confessions are brought before juries, including Title V (Federal Criminal Procedure Reform) of S. 3, Violent Crime Control and Law Enforcement Improvement Act of 1995, after receiving testimony from Ralph Adam Fine, Circuit Judge, Wisconsin Court of Appeals, and E. Michael McCann, on behalf of the American Bar Association, both of Milwaukee, Wisconsin; Akhil R. Amar, Yale University Law School, New Haven, Connecticut; William Gangi, St. John's University, Jamaica, New York; Paul J. Larkin, Jr., King & Spalding, Washington, D.C.; Joseph D. Grano, Wayne State University Law School, Detroit, Michigan; Paul G. Cassell, University of Utah College of Law, Salt Lake City; Carol S. Steiker, Harvard University Law School, Cambridge, Massachusetts; Thomas Y. Davies, University of Tennessee College of Law, Knoxville.

AMERICAN INDIAN YOUTH

Committee on Indian Affairs: Committee concluded oversight hearings to examine the challenges that American Indian youth face in today's society, focusing on the Federal response, after receiving testimony from Ada E. Deer, Assistant Secretary of the Interior for Indian Affairs; Michael H. Trujillo, Director, Indian Health Service, Department of Health and Human Services; Josephine Nieves, Associate Assistant Secretary of Labor for Employment and Training; Herbert Becker, Director, Office of Tribal Justice, Department of Justice; and Dominic Nessi, Director, Office of Native American Programs, Department of Housing and Urban Development.

House of Representatives

Chamber Action

Bills Introduced: 13 public bills, H.R. 1142–1154; and 2 private bills, H.R. 1155 and 1156 were introduced. **Pages H2810–11**

Reports Filed: The following reports were filed as follows:

H. Res. 93, providing for the consideration of H.R. 450, to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions (H. Rept. 104–45).

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Waldholtz to act as Speaker pro tempore for today. **Page H2721**

Recess: House recessed at 10:28 a.m. and reconvened at 11:00 a.m. **Page H2729**

Attorney Accountability Act: By a recorded vote of 232 ayes to 193 noes, Roll No. 207, the House passed H.R. 988, to reform the Federal civil justice system. **Pages H2735–49**

Rejected the Conyers motion to recommit the bill to the Committee on Judiciary with instructions to report it back forthwith containing an amendment that inserts new language in section 2 that requires courts to award reasonable costs and legal fees to the prevailing party if it determines that (1) the losing party's position was not justified, (2) imposing fees and expenses on the losing party would be just, and (3) the prevailing parties costs of such fees and expenses is substantially burdensome and unjust; requires the plaintiffs and or their attorneys in class actions to post a security for payment of the defendant's costs and legal fees; requires a party seeking reimbursement to apply within 30 days of final judgment; that permits courts to use their discretion in determining how much to award; places no limits on the courts' ability to award costs pursuant to other provisions of law; requires the court to award the prevailing parties reasonable fees and expenses in discovery proceedings unless special circumstances make such an award unjust; and prohibits plaintiffs from withdrawing from or voluntarily dismissing an action in order to evade the ''loser pays'' provisions. **Pages H2747–49**

Agreed to the committee amendment in the nature of a substitute. **Page H2747**

Rejected:

The Burton of Indiana amendment that sought to reduce from 100 percent to 25 percent the prevailing party's cost and legal fee requirement under the ''loser pays'' provision; and to increase the portion of liability the court may increase the reimbursement above 25 percent if it considers the loser was unreasonable in rejecting the last offer (rejected by a recorded vote of 202 ayes to 214 noes, Roll No. 204); **Pages H2735–40**

The Conyers amendment that sought to exempt civil rights cases from the mandatory sanctions on attorneys for making frivolous arguments (rejected by a recorded vote of 194 ayes to 229 noes, Roll No. 205); and **Pages H2740–44**

The Bryant of Texas amendment that sought to limit the ''loser pays'' provisions to cases brought against small businesses as defined under section 3 of the Small Business Act (rejected by a recorded vote of 177 ayes to 244 nays, Roll No. 206). **Pages H2745–46**

Securities Litigation Reform Act: House completed all general debate on and began consideration of amendments on H.R. 1058, to reform Federal securities litigation. Consideration of amendments will resume on Wednesday, March 8. **Pages H2760–79**

Agreed To:

The Cox of California amendment that prohibits the use of the RICO statute, which provides for treble damages in cases where patterns of violations exist in any civil case involving securities fraud (agreed to by a recorded vote of 292 ayes to 124 noes, with 1 voting ''present'', Roll No. 209); and **Pages H2770–79**

The Fields of Texas technical amendment. **Page H2779**

H. Res. 105, the rule under which the bill is being considered, was agreed to earlier by a recorded vote of 257 ayes to 155 noes, with 1 voting ''present,'' Roll No. 208. **Pages H2750–59**

Committees To Sit: The following committees and their subcommittees received permission to sit on Wednesday, March 8, during the proceedings of the House under the 5-minute: Committees on Banking and Financial Services, Economic and Educational Opportunities, Government Reform and Oversight, House Oversight, International Relations, National Security, and Transportation and Infrastructure. **Page H2780**

Quorum Calls—Votes: Six recorded votes developed during the proceedings of the House today and appear on pages H2739–40, H2744, H2746, H2749, H2759, and H2778–79.

Adjournment: Met at 9:30 a.m. and adjourned at 11:13 p.m.

Committee Meetings

COMMODITY DISTRIBUTION PROGRAMS AND FOOD STAMP PROGRAM IMPROVEMENTS

Committee on Agriculture: Began markup of H.R. 1135, to improve the Commodity Distribution Programs of the Department of Agriculture, to reform and simplify the Food Stamp Program.

AGRICULTURE, RURAL DEVELOPMENT, FDA AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies held a hearing on Animal and Plant Health Inspection Service. Testimony was heard from the following officials of the USDA: Patricia A. Jensen, Acting Assistant Secretary, Marketing and Regulatory Programs; and Lonnie J. King, Acting Administrator, Animal and Plant Health Inspection Service.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development held a hearing on the Secretary of Energy. Testimony was heard from Hazel R. O'Leary, Secretary of Energy.

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing, and Related Agencies held a hearing on the Agency for International Development and the Peace Corps. Testimony was heard from J. Brian Atwood, Administrator, AID, U.S. International Development Cooperation Agency; and Carol Bellamy, Director, Peace Corps.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior and Related Agencies held a hearing on the Office of Surface Mining. Testimony was heard from Robert Uram, Director, Office of Surface Mining Reclamation and Enforcement, Department of the Interior.

LABOR—HHS—EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies held a hearing on Howard University, Special Institutions, and on Inspector General, Department of Education. Testimony was heard from the following officials of the Department of Education: Judith Heumann, Assistant Secretary, Special Education and Rehabilitative Services; Tuck Tinsley III, President, American Printing House for the Blind; I. King Jordan, President, Gallaudet University; Joyce A. Ladner, Interim President, Howard University; James J. DeCaro, Dean and Interim Director, National Technical Institute for the Deaf; and Grechen C. Schwarz, Acting Inspector General.

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Construction held a hearing on Air Force Military Construction. Testimony was heard from Ronald A. Colman, Assistant Secretary, U.S. Air Force.

NATIONAL SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on National Security held a hearing on Personnel/Quality of Life Issues. Testimony was heard from Fred F.Y. Pang, Assistant Secretary (Force Management), Department of Defense.

The Subcommittee also met in executive session to hold a hearing on the U.S. Atlantic Command. Testimony was heard from Gen. John J. Sheehan, USMC, Commander in Chief, U.S. Atlantic Command, Department of Defense.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation, and Related Agencies held a hearing on Research and Special Programs Administration. Testimony was heard from Dharmendra K. Sharma, Administrator, Department of Transportation.

VA, HUD AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Veterans' Affairs and Housing and Urban Development, and Independent Agencies held a hearing on the Department of Veterans Affairs. Testimony was heard from Jessie Brown, Secretary of Veterans Affairs.

FINANCIAL SERVICES COMPETITIVENESS ACT

Committee on Banking and Financial Services: Continued hearings on the following: H.R. 1062, Financial Services Competitiveness Act of 1995; Glass-Steagall Reform; and related issues. Testimony was heard from public witnesses.

ECONOMIC FORECASTS—ROLES OF DEFICIT REDUCTION AND PRODUCTIVITY

Committee on the Budget: Held a hearing on Economic Forecasts and the Roles of Deficit reduction and Productivity. Testimony was heard from public witnesses.

Hearings continue tomorrow.

TEAMWORK FOR EMPLOYEES AND MANAGERS ACT

Committee on Economic and Educational Opportunities: Subcommittee on Employer-Employee Relations approved for full Committee action amended H.R. 743, Teamwork for Employees and Managers Act of 1995.

TRAINING ISSUES

Committee on Economic and Educational Opportunities: Subcommittee on Postsecondary Education and Training continued hearings on training issues. Testimony was heard from William Johnson, Mayor, Rochester, New York; and public witnesses.

Hearings continue March 9.

FEDERAL RETIREMENT SYSTEM

Committee Government Reform and Oversight: Subcommittee on Civil Service held a hearing on the Federal Retirement System (H.R. 804, H.R. 165, H. Con. Res. 2 and H.R. 575). Testimony was heard from public witnesses.

Hearings continue March 10.

INTEGRITY OF GOVERNMENT DOCUMENTS

Committee on Government Reform and Oversight: Subcommittee on Government Management, Information, and Technology held a hearing on the Integrity of Government Documents. Testimony was heard from John Puleo, Executive Associate Commissioner, Programs, Immigration and Naturalization Service, Department of Justice; Shirley A. Chater, Commissioner, SSA, Department of Health and Human Services; the following officials of the Accounting and Information Management Division, GAO: Frank W. Reilly, Director; John Martin, Assistant Director; and Hazel Edwards, Director, Information Resource Management/General Government Issue Group; and public witnesses.

MEXICO ECONOMIC SUPPORT PROGRAM

Committee on International Relations: Held a hearing on Mexico Economic Support Program. Testimony was heard from Peter Tarnoff, Under Secretary, Political Affairs, Department of State; and Lawrence H. Summers, Under Secretary, International Affairs, Department of the Treasury.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Personnel and the Subcommittee on Readiness held a joint hearing on fiscal year 1996 national defense authorization request, with emphasis on readiness and personnel issues related to the Department of Defense's high pace of operations. Testimony was heard from the following officials of the Department of Defense: Adm. William J. Flanagan, Jr., USN, Commander in Chief, U.S. Atlantic Fleet; Lt. Gen. Paul E. Funk, USA, Commanding General, III Corps; Maj. Gen. James J. Jones, USMC, Commanding General, 2nd Marine Division, Marine Forces Atlantic; Brig. Gen. John R. Dallager, USAF, Commander, 52nd Fighter Wing; Sgt. Maj. Richard A. Kidd; U.S. Army; ETCH John Hagan, Master Chief Petty Officer, U.S. Navy; Sgt. Maj. Harold Overstreet, USMC; and CMSgt. David Campanale, USAF.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Procurement and the Subcommittee on Military Research and Development held a joint hearing on the fiscal year 1996 national defense authorization request, with emphasis on the services' modernization requirements. Testimony was heard from the following officials of the Department of Defense: Gen. John M. Loh, USAF, Commander, U.S. Air Force Air Combat Command; Gen. William W. Hartzog, USA, Commanding General, U.S. Army Training and Doctrine Command; VAdm. Thomas J. Lopez, USN, Deputy Chief of Naval Operations, Resources, Warfare Requirements and Assessments; and Lt. Gen. Charles E. Wilhelm, USMC, Commanding General, U.S. Marine Corps Combat Development Command; and public witnesses.

Hearings continue March 9.

OVERSIGHT

Committee on Resources: Subcommittee on Native American and Insular Affairs held an oversight hearing on the Bureau of Indian Affairs and the Indian Health Service fiscal year 1996 budget requests. Testimony was heard from Ada E. Deer, Assistant Secretary, Indian Affairs, Department of the Interior; the following officials of the Indian Health Service, Department of Health and Human Services: Michael H. Trujillo, M.D., Director, Indian Health Service; Jim Crouch, Executive Director, California Rural Indian Health Board; Julia Davis, Chair, Northwest Portland Area Indian Health Board; and Gail Schubert, General Counsel, Alaska Native Health Board; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Water and Power Resources held an oversight hearing on the Department of Energy and Bureau of Reclamation fiscal year 1996 budget requests. Testimony was heard from Daniel P. Beard, Commissioner, Bureau of Reclamation, Department of the Interior; and William H. White, Deputy Secretary, Department of Energy.

COMMON SENSE LEGAL STANDARDS REFORM ACT

Committee on Rules: Granted, by a voice vote, a rule providing for 2 hours of general debate only on H.R. 956, Common Sense Legal Standards Reform Act of 1995. The rule also provides that the Committee shall rise after general debate without motion and that there shall be no further consideration of the bill except by a subsequent order of the House. Testimony was heard from Chairmen Hyde and Bliley; and Representatives McCollum, Gekas, Schiff, Hoke, Bryant of Tennessee, Oxley, Cox of California, Coburn, Conyers, Schroeder, Frank of Massachusetts, Schumer, Bryant of Texas, Nadler, Watt of North Carolina, Jackson-Lee, Dingell, Gordon, Furse, Deutsch, Eshoo, Stupak, Collins of Illinois, Mink, Kaptur, Brewster, Waters and Doggett.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

FEDERAL WATER POLLUTION CONTROL ACT REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment continued hearings on the reauthorization of the Federal Water Pollution Control Act. Testimony was heard from Robert Perciasepe, Assistant Administrator, Office of Water, EPA; John H. Zirschky, Acting Assistant Secretary (Civil Works), Corps of Engineers, Department of the Army; Tom Hebert, Deputy Under Secretary, Natural Resources and Environment, USDA; Robert P. Davison; Deputy Assistant Secretary, Fish, Wildlife and Parks, U.S. Fish and Wildlife Service, Department of the Interior; and public witnesses.

Hearings continue March 9.

IMAGERY INTELLIGENCE

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Imagery Intelligence. Testimony was heard from departmental witnesses.

Joint Meetings

NATIONAL PARK SYSTEM

Joint Hearing: Senate Committee on Energy and Natural Resources' Subcommittee on Parks, Historic Preservation and Recreation concluded joint hearings with the House Committee on Resources' Subcommittee on National Parks, Forests, and Lands to examine the condition of the National Park System, after receiving testimony from James Duffus III, Director, Natural Resources Management Issues, Resources, Community, and Economic Development Division, and Cliff Fowler, Assistant Director, Natural Resources Management Issues, both of the General Accounting Office.

VETERANS OF FOREIGN WARS

Joint Hearing: Senate Committee on Veterans Affairs concluded joint hearings with the House Committee on Veterans Affairs to review the legislative recommendations of the Veterans of Foreign Wars of the United States, after receiving testimony from Allen F. Kent, Veterans of Foreign Wars of the United States, Washington, D.C.

COMMITTEE MEETINGS FOR WEDNESDAY, MARCH 8, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on Interior, to hold hearings on proposed budget estimates for fiscal year 1996 for the United States Geological Survey, Department of the Interior, 9:30 a.m., SD–116.

Subcommittee on Agriculture, Rural Development, and Related Agencies, to hold hearings on proposed budget estimates for fiscal year 1996 for rural economic and community development services of the Department of Agriculture, 10 a.m., SD–138.

Subcommittee on Foreign Operations, to hold hearings on proposed budget estimates for fiscal year 1996 for foreign assistance programs, focusing on international organizations and programs, 10 a.m., SD–192.

Committee on Banking, Housing, and Urban Affairs, to resume oversight hearings on the condition of credit unions, 10 a.m., SD–538.

Committee on Energy and Natural Resources, to hold oversight hearings on domestic petroleum production and international supply, 9:30 a.m., SD–366.

Subcommittee on Forests and Public Land Management, to hold oversight hearings on Forest Service appeals, 2 p.m., SD–366.

Committee on Finance, to hold hearings to examine welfare reform proposals, focusing on the views of the States, 10 a.m., SD–215.

Committee on Foreign Relations, Subcommittee on East Asian and Pacific Affairs, to hold hearings to examine intellectual property rights with regard to the People's Republic of China, 1:30 p.m., SD–419.

Committee on Governmental Affairs, to resume hearings on proposed legislation to reform the Federal regulatory process, to make government more efficient and effective, 9:30 a.m., SD–342.

Committee on Labor and Human Resources, to hold hearings on proposed legislation to authorize funds for and to consolidate health professions programs, 9:30 a.m., SD–430.

Committee on Small Business, to hold hearings on the proposed ''Regulatory Flexibility Amendments Act'', 9:30 a.m., SR–428A.

Committee on Indian Affairs, to hold oversight hearings to examine the structure and funding of the Bureau of Indian Affairs, 2:30 p.m., SR–485.

Select Committee on Intelligence, to hold closed hearings on intelligence matters, 2 p.m., SH–219.

House

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, on Natural Resources Conservation Service, 1 p.m., and Congressional and Public Witnesses, 4 p.m., 2362A Rayburn.

Subcommittee on Commerce, Justice, and State and the Judiciary, and Related Agencies, on Supreme Court, 10 a.m., and on Arms Control and Disarmament Agency, 2 p.m., H–309 Capitol.

Subcommittee on Energy and Water Development, on DOE: Environment, Safety and Health, 10 a.m., and on DOE: Environmental Restoration and Waste Management, 2 p.m., 2362B Rayburn.

Subcommittee on Interior and Related Agencies, on Bureau of Indian Affairs, 10 a.m., and 1:30 p.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Services, Education and Related Agencies, on Secretary of Health and Human Services, 10 a.m., and on Assistant Secretary for Health, and Health Care Policy and Research, 2 p.m., 2358 Rayburn.

Subcommittee on National Security, executive, on National Foreign Intelligence Program, 10 a.m., H–140 Capitol and executive, a briefing on Special Access Programs, 1:30 p.m., H–405 Capitol.

Subcommittee on Transportation and Related Agencies, on Federal Transit Administration, 10 a.m., 2358 Rayburn.

Subcommittee on Veterans' Affairs and Housing and Urban Development, and Independent Agencies, on Department of Veterans Affairs, 10 a.m., and 1:30 p.m., H–143 Capitol.

Committee on Banking and Financial Services, Subcommittee on Financial Institutions and Consumer Credit, hearing on the Community Reinvestment Act, 9:30 a.m., and 2 p.m., 2128 Rayburn.

Committee on the Budget, to continue hearings on Economic Forecasts and the Roles of Deficit Reduction and Productivity, 10 a.m., 210 Cannon.

Committee on Economic and Educational Opportunities, Subcommittee on Workforce Protection, hearing on the Occupational Safety and Health Act, 9:30 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on the District of Columbia, hearing on the Financial Control Boards, 10 a.m., 2154 Rayburn.

Subcommittee on Postal Service, to continue hearings on general oversight of the U.S. Postal Service, 10 a.m., 2247 Rayburn.

Committee on House Oversight, to mark up committee funding resolution and to consider pending business, 3 p.m., 1310 Longworth.

Committee on International Relations, Subcommittee on Africa and the Subcommittee on International Economic Policy and Trade, joint hearing on Trade and Investment Opportunities in Africa, 10 a.m., 2172 Rayburn.

Subcommittee on Asia and the Pacific, hearing on U.S. Assistance Programs in Asia, 10 a.m., 2200 Rayburn.

Committee on National Security, to continue hearings on the fiscal year 1996 national defense authorization request, 9:30 a.m., 2118 Rayburn.

Committee on Rules, to continue consideration of H.R. 956, Common Sense Legal Standards Reform Act of 1995, 4 p.m., H–313 Capitol.

Committee on Transportation and Infrastructure, Subcommittee on Surface Transportation, to continue hearings on legislation to Improve the National Highway System and Ancillary Issues Relating to Highway and Transit Programs, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, to mark up the following bills: H.R. 1134, Medicare Presidential Budget Savings Extension Act; and H.R. 483, to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States; and to continue consideration of welfare reform legislation, 10 a.m., 1100 Longworth.

Next Meeting of the SENATE

10:30 a.m., Wednesday, March 8

Senate Chamber

Program for Wednesday: Senate will continue consideration of H.R. 889, Emergency Supplemental Appropriations/Defense.

Next Meeting of the HOUSE OF REPRESENTATIVES

11 a.m., Wednesday, March 8

House Chamber

Program for Wednesday: Complete consideration of H.R. 1058, Security Litigation Reform Act.

Extensions of Remarks, as inserted in this issue

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