

the State in fiscal year 1997 under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(B) SUCCEEDING FISCAL YEARS.—In any succeeding fiscal year, the amount available under this subsection for a State is equal to the sum of—

(i) the amount determined under this paragraph for the State in the previous fiscal year,

(ii) the product of the amount determined under clause (i) and the estimated increase in the consumer price index (for all urban consumers, United States city average) during the previous fiscal year, and

(iii) the amount that the Federal Government and the State would have expended in the State in the fiscal year under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(3) DETERMINATION OF BASE AMOUNT.—The Secretary of Health and Human Services, in cooperation with the Secretary of Agriculture, shall calculate the amount that the Federal Government expended for administering and providing—

(A) aid to families with dependent children under a State plan under title IV of the Social Security Act (42 U.S.C. 601 et seq.),

(B) benefits under the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including benefits provided under section 19 of such Act (7 U.S.C. 2028), and

(C) benefits under the special supplemental program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786),

in each State during the 12-month period beginning on July 1, 1995.

(c) PURPOSES FOR WHICH AMOUNTS MAY BE EXPENDED.—

(1) MEDICAID PROGRAM.—

(A) IN GENERAL.—Notwithstanding any other provision of law, during fiscal years 1997, 1998, 1999, 2000, and 2001 a State shall—

(i) except as provided in subparagraph (B), provide medical assistance under title XIX of the Social Security Act in accordance with the terms of the State's plan in effect on January 1, 1995, and

(ii) use the funds it receives under this section toward the State's financial participation for expenditures made under the plan.

(B) CHANGES IN ELIGIBILITY.—A State may change State plan requirements relating to eligibility for medical assistance under title XIX of the Social Security Act if the aggregate expenditures under such State plan for the fiscal year do not exceed the amount that would have been spent if a State plan described in subparagraph (A)(i) had been in effect during such fiscal year.

(C) WAIVER OF REQUIREMENTS.—The Secretary of Health and Human Services may grant a waiver of the requirements under subparagraphs (A)(i) and (B) if a State makes an adequate showing of need in a waiver application submitted in such manner as the Secretary determines appropriate.

(2) EXCESS.—A State that receives funds under this section that are in excess of the State's financial participation for expenditures made under the State plan for medical assistance under title XIX of the Social Security Act shall use such excess funds to provide cash and non-cash assistance for low income families.

(d) DENIAL OF PAYMENTS FOR FAILURE TO MAINTAIN EFFORT.—No payment shall be

made under subsection (a) for a quarter if a State fails to comply with the requirements of section 2(b) of the preceding quarter.

(e) ENTITLEMENT.—This section constitutes budget authority in advance of appropriations Acts, and represents the obligation of the Federal Government to provide the payments described in subsection (a).

SEC. 4. TERMINATION OF CERTAIN FEDERAL WELFARE PROGRAMS.

(a) TERMINATION.—

(1) AFDC.—Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by adding at the end the following new section:

"TERMINATION OF AUTHORITY

"SEC. 418. The authority provided by this part shall terminate on October 1, 1996."

(2) JOBS.—Part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.) is amended by adding at the end the following new section:

"TERMINATION OF AUTHORITY

"SEC. 488. The authority provided by this part shall terminate on October 1, 1996."

(3) SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC).—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end the following new subsection:

"(q) The authority provided by this section shall terminate on October 1, 1996."

(4) FOOD STAMP PROGRAM.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following new section:

"SEC. 24. TERMINATION OF AUTHORITY.

"The authority provided by this Act shall terminate on October 1, 1996."

(b) REFERENCES IN OTHER LAWS.—

(1) IN GENERAL.—Any reference in any law, regulation, document, paper, or other record of the United States to any provision that has been terminated by reason of the amendments made in subsection (a) shall, unless the context otherwise requires, be considered to be a reference to such provision, as in effect immediately before the date of the enactment of this Act.

(2) STATE PLANS.—Any reference in any law, regulation, document, paper, or other record of the United States to a State plan that has been terminated by reason of the amendments made in subsection (a), shall, unless the context otherwise requires, be considered to be a reference to such plan as in effect immediately before the date of the enactment of this Act.

SEC. 5. FEDERALIZATION OF THE MEDICAID PROGRAM.

Beginning on October 1, 2001—

(1) each State with a State plan approved under title XIX of the Social Security Act shall be relieved of financial responsibility for the medicaid program under such title of such Act,

(2) the Secretary of Health and Human Services shall assume such responsibilities and continue to conduct such program in a State in any manner determined appropriate by the Secretary that is in accordance with the provisions of title XIX of the Social Security Act, and

(3) all expenditures for the program as conducted by the Secretary shall be paid by Federal funds.

SEC. 6. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

The Secretary of Health and Human Services shall, within 90 days after the date of enactment of this Act, submit to the appropriate committees of Congress, a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this Act.

WELFARE AND MEDICAID RESPONSIBILITY EXCHANGE ACT

Mr. BROWN. Mr. President, today, the first day of the 104th Congress, Senators KASSEBAUM, BENNETT and I are introducing our bill to reform our welfare system. This bill adheres to two fundamental principles: First, welfare programs designed and administered by Washington, D.C. do not meet the needs of our citizens, and second, Federal mandates on our States cost money, create huge bureaucracies and grow without solving the problems. This bill returns to the States the responsibility to design and administer welfare programs, but it does so without Federal strings.

As Senator KASSEBAUM has described, our bill gives States complete control and responsibility for three of the largest welfare programs: Aid to Families with Dependent Children [AFDC], Food Stamps, and the Women, Infants and Children [WIC] Nutrition Program. Currently, States administer these programs under an impossibly complex, and often conflicting and contradictory, set of Federal and State rules.

To free up State funds to assume full responsibility for these programs, this proposal has the Federal Government assume more of the cost of the Medicaid Program. In the past several years, Federal mandates in the Medicaid Program have created substantial draws on State treasuries and have created a true patchwork of eligibility, benefits and administration. This bill would have the Federal Government take back more of the funding and administration of the Medicaid Program.

Under this bill, States can design their own programs to help low-income people out of poverty and off of welfare. States can develop programs to stem rising illegitimacy and encourage parental responsibility. They can set eligibility criteria to meet the needs of their State and its citizens. They can strengthen work or education requirements in their welfare programs without having to come to Washington, DC for a waiver of Federal requirements. States want this flexibility, 22 states have already gotten waivers and 26 more waivers have been requested.

My own State of Colorado has obtained one of the waivers, though it took a year for the bureaucracies here in Washington to grant it. Before Colorado came to Washington, a Republican state legislature and a Democrat governor developed the welfare reform program. The bipartisan Colorado program: limits welfare benefits for able-bodied adults after two years unless they are employed or participating in the Colorado's JOBS program; provides incentives for welfare recipients to get a high school diploma; requires AFDC parents to have their toddlers immunized against childhood diseases; and eliminates earned income and asset restrictions which have hampered AFDC recipients to become self sufficient.

The Kassebaum/Brown welfare reform bill lets States do just what Colorado did—reform their welfare system, but without the seemingly endless delays by the Washington bureaucracy before the reforms can be implemented. Under the Kassebaum/Brown bill, States like mine would no longer have to come begging to Washington for a welfare program waiver. With this bill, we can allow states to continue what they've already started—actually reforming welfare.

This approach makes sense. States do not need Federal money with lots of strings attached, as is likely under a block grant approach. You've heard of the uncola—well, this is the unmandate. The Kassebaum/Brown bill takes seriously our commitment to end unfunded Federal mandates.

By Mrs. KASSEBAUM (for herself, Mr. JEFFORDS, Mr. CHAFEE, Mr. COATS, Mr. GREGG, Mr. BROWN, Mr. CRAIG, Mr. NICKLES, Mr. COCHRAN, Mr. DOMENICI, Mr. GRASSLEY, Mr. SIMPSON, Mr. WARNER, Mr. PRESSLER, and Mr. GRAMS):

S. 141. A bill to repeal the Davis-Bacon Act of 1931 to provide new job opportunities, effect significant cost savings on Federal construction contracts, promote small business participation in Federal contracting, reduce unnecessary paperwork and reporting requirements, and for other purposes; to the Committee on Labor and Human Resources.

THE DAVIS-BACON REPEAL ACT

Mrs. KASSEBAUM. Mr. President, today I am introducing a bill, along with my colleagues, Senators JEFFORDS, CHAFEE, COATS, GREGG, BROWN, CRAIG, NICKLES, COCHRAN, DOMENICI, GRASSLEY, SIMPSON, WARNER, PRESSLER, and GRAMS, to repeal the Davis-Bacon Act of 1931, an outmoded law that requires contractors performing Federal public works projects to meet prevailing wage conditions and work rules. This legislation is long overdue.

Congress enacted the Davis-Bacon Act during the Depression amid concern that bidding for large Federal construction projects would lead to cut-throat competition from out-of-state contractors that would drive down local wage rates. That might have been a valid concern during the Depression, but it is no longer the case.

Due to the Department of Labor's method of computing the "prevailing" wage, Davis-Bacon often requires Federal contractors to pay their workers at a rate considerably higher than the market rate. In addition, Davis-Bacon requires contractors to follow work rules that prevail in the locality.

The public is ill-served by these wage rate and work rule restrictions. We lose the benefit of workplace innovations that improve quality and productivity, and we raise the cost of completing construction projects. Numerous studies have shown that Davis-Bacon wage inflation and work rule requirements raise Federal construction

costs by 5 to 25 percent. As a result, the Davis-Bacon Act exacerbates our budget deficit by increasing Federal contracting costs by \$3 billion over the 5-year budget cycle.

Mr. President, construction is one of the last sectors of our economy where low-skill individuals can be trained on the job for a few months and then earn a decent living. Young men and women in the inner city, many of whom are minorities, eagerly seek this work.

But Davis-Bacon's prevailing wage and work rule restrictions prevent contractors from hiring and training these young men and women, in direct contradiction to our national goal of expanding inner-city employment opportunities. This is one reason why the National League of Cities endorses Davis-Bacon repeal.

Mr. President, Davis-Bacon decreases competition, raises construction costs, and diminishes employment opportunities. I urge my colleagues to support Davis-Bacon repeal, and ask unanimous consent that the text of the bill appear in the RECORD.

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

S. 141

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 maybe cited as the "Davis-Bacon Repeal Act".

SEC. 1. DAVIS-BACON ACT OF 1931 REPEALED.

The Act of March 3, 1931, (commonly known as the Davis Bacon Act) (40 U.S.C. 276a et seq.), is repealed.

SEC. 3. REPORTING REQUIREMENTS.

Section 2 of the Act of June 13, 1934 (42 U.S.C. 276c) (commonly known as the Copeland Act) is repealed.

SEC. 4. EFFECTIVE DATE.

The provisions of this Act shall take effect 30 days after the date of enactment of this Act but shall not affect any contract in existence on that date or made pursuant to invitations for bids outstanding on that date.

NSBA,

January 4, 1995.

Hon. NANCY LANDON KASSEBAUM,
United States Senate,
Washington, DC.

DEAR SENATOR KASSEBAUM: The National School Boards Association (NSBA) supports repeal of the Davis-Bacon Act. NSBA represents 95,000 locally elected school board members in nearly 16,000 school districts nationwide. The Davis-Bacon Act has resulted in enormous cost differentials from state to state in the new construction and renovation of school buildings. The Act has skewed local decision-making regarding the school district's ability to accept federal funds to meet their construction needs. NSBA understands between your own state of Kansas and the neighboring state of Missouri, school construction is 20 percent higher in Missouri because of the state Davis-Bacon Act.

The Davis-Bacon Act requires contractors of federally-funded construction projects to pay the "prevailing local wage," which is usually the union rate, often 10 to 25 percent higher wages than the non-union private sector pays. This depression-era statute was intended to prevent big construction companies from hiring low-wage, itinerant workers and underbidding local companies for cov-

eted government contracts during the Depression. The Act has outlived its usefulness.

The National School Boards Association calls for the repeal of the Davis-Bacon Act. We appreciate your interest in this costly problem for many school districts.

Sincerely,

BOYD W. BOEHLJE,

President.

THOMAS A. SHANNON,

Executive Director.

Mr. CHAFEE. Mr. President, I am pleased to join the distinguished Chair of the Labor and Human Resources Committee, Senator NANCY KASSEBAUM, in introducing the Davis-Bacon Repeal Act. I wish to commend the Senator from Kansas for her leadership in advancing this important initiative, which the Congressional Budget Office estimates would save \$3.3 billion over 5 years. The Davis-Bacon Act requires that minimum wage rates paid on all federally-financed construction projects valued at more than \$2,000 be based upon "prevailing" rates established by the Department of Labor.

The time has come to do away with this antiquated Depression-era statute. The act significantly increases the cost of Federal construction, restricts competition, and discourages the hiring of women, minorities, dislocated workers, and job trainees.

Through my tenure on the Environment and Public Works Committee, I have become all too familiar with the negative toll this statute exacts on our Federal highway program. Of the \$3 billion per year in added federal construction costs resulting from the Davis-Bacon Act, \$300 to \$500 million comes from the Federal highway program. So-called "little" Davis-Bacon laws, which exist in some 37 States and the District of Columbia, exact a further toll on Federal highway funds of approximately \$60 million per year.

The inflationary impact of Davis-Bacon means the funds we have dedicated to modernizing our critical highway infrastructure are building fewer roads, replacing fewer deficient bridges and reducing overall productivity. The Federal Highway Administration estimates that the act inflates highway construction wages by 8-10 percent, with increased administrative burdens on contractors and contracting agencies amounting to over \$100 million annually.

The motoring public, which pays into our Highway Trust Fund in the form of Federal fuel excise taxes, deserves competitive contracting to ensure the most prudent use of these critical resources. While there was a time when the David-Bacon Act helped to ensure fair wages, the sad truth today is that its primary purpose is to guarantee non-competitive wages to union contractors.

Though the act is intended to help smaller contractors, including minority-owned firms, the Federal paperwork requirements to comply with Davis-Bacon are so daunting most elect not to seek such business. Instead,

large multistate union contractors remain the primary beneficiaries. Tragically, the restrictive requirements associated with the Davis-Bacon Act have had the effect of hurting women, minorities, trainees, and others who are most often hired by small and minority firms.

For these reasons, I will press for the expeditious consideration and enactment of the Davis-Bacon Repeal Act over the coming months. Thank you.

By Mrs. KASSEBAUM:

S. 142. A bill to strengthen the capacity of State and local public health agencies to carry out core functions of public health, by eliminating administrative barriers and enhancing State flexibility, and for other purposes; to the Committee on Labor and Human Resources.

THE PUBLIC HEALTH ENHANCEMENT ACT OF 1995

Mrs. KASSEBAUM. Mr. President, I rise today to introduce legislation aimed at consolidating the numerous grant programs of the Centers for Disease Control and Prevention—CDC. A second goal is to examine the Federal role in disease prevention and control.

The two central provisions of this proposal would strengthen our Nation's public health system by increasing Federal and State flexibility and reducing administrative costs. The primary provision would consolidate 12 different grant programs into a core functions of public health block grant. Core functions of public health are those activities which any public health department should undertake to protect and ensure the health of the public.

The other key provision would combine 28 demonstration project funding streams into one flexible authority. Under this authority, CDC would address public health needs of regional and national significance through technical assistance to States and time-limited research and development projects.

As many of my colleagues remember, the last legislative reorganization of the CDC grant programs occurred in 1981. At that time, the current preventive health and health services block grant was created through the combination of seven categorical grant programs. The CDC also retained its authority to conduct three categorical programs for immunizations, sexually transmitted diseases, and diabetes.

Since then, Congress has acted eight different times to create narrowly defined grant programs. The risk of such narrow funding authorities is that States respond to federally legislated public health priorities rather than the actual needs of their own citizens.

Fortunately, the CDC is considering how to simplify the grant making process and to consolidate many of its grant programs. Primarily, this is in response to State public health officers. They have voiced concerns about the administrative burdens and limited flexibility afforded by the 12 current

funding streams. I am encouraged by the CDC's internal review of its own programs. However, I remain concerned that it will not go far enough in its attempt to consolidate these programs. As such, I offer this legislation today as one example of program consolidation which I would encourage the CDC to consider.

Mr. President, to examine the Federal role in disease prevention and control, this legislation contains a provision which would have the CDC report to Congress on the benefits of its activities. Such a report would foster a review of the CDC programs. Given the changes created by this legislation, I believe this is important. Additionally, I believe such a review of CDC activities is in order given the broad mandate CDC has for both disease control and disease prevention.

Historically, CDC has a role in disease prevention. This dates back to the administration of this agency by Dr. Foege. In the late 1970's he redirected CDC activities into disease prevention. This mission was again reconfirmed by the CDC under the leadership of Dr. Roper when it developed its vision statement in 1992: "The vision of the CDC is healthy people in healthy world: through prevention."

However, I am concerned as it carries out its vision that CDC risks losing sight of its historic charge to combat and prevent infectious diseases. This charge dates back to the establishment of the CDC originally as the Malaria Control in War Times Area Program during the World War II. My cause for concern lies in our problem of emerging infections. This is evidenced by the tuberculosis outbreak in many of our cities and the national HIV epidemic.

Concerns have been raised about my approach which I would like to address. First, some suggest that States will not use their core functions of public health block grant to address their most pressing public health problems. For instance, those involved with the current CDC community-based HIV prevention initiative question if States would continue to carry out HIV prevention programs.

My legislation ensures that States would address their most pressing public health problems including HIV prevention. Under it, each State would conduct a community-based needs assessment and develop a plan. Such an assessment and the plan would be tied to the goals of Healthy People 2000 and a set of core public health indicators. I believe such a process would assure both State flexibility and accountability.

Others have expressed concern that the intention of this proposal is to reduce public health funding. Although I cannot guarantee the outcome of the appropriations process, this is not my intention. In fact, the authorization of \$1.1 billion for the core functions of public health block grant is consistent with the current appropriation for each

of the consolidated categorical programs.

Mr. President, the introduction of this proposal today should serve as the starting point for a discussion on the issue of consolidating the CDC grant programs. I intend to develop this proposal further. This legislation represents one consolidation option, there are others. I welcome a vigorous debate about the merits and flaws of the Public Health Enhancement Act of 1995.

As discussion of these issues develops, I would welcome any suggestions my colleagues or others may have for improving this legislation. I ask unanimous consent that my statement, a summary of this bill, and the text of the legislation be made a part of the Record.

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

S. 142

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 "Public Health Enhancement Act of 1995".

TITLE I—FORMULA GRANTS FOR STATE CORE FUNCTIONS OF PUBLIC HEALTH

SEC. 101. PURPOSE.

It is the purpose of this title to strengthen the capacity of State and local public health agencies to carry out core functions of public health, by eliminating administrative barriers, and enhancing State flexibility.

SEC. 102. FORMULA GRANTS TO STATES FOR CORE FUNCTIONS OF PUBLIC HEALTH.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended—

(1) by striking the part heading and inserting the following:

"PART A—FORMULA GRANTS TO STATES FOR CORE FUNCTIONS OF PUBLIC HEALTH";

(2) by repealing sections 1901 through 1907;

(3) by inserting after the part heading the following new sections:

"SEC. 1901. GRANTS.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make grants to States in accordance with the formula described in subsection (d) for the purpose of carrying out the functions described in subsection (b).

"(b) CORE FUNCTIONS OF PUBLIC HEALTH PROGRAMS.—For purposes of subsection (a) and subject to the funding agreement described in subsection (c), the functions described in this subsection are as follows:

"(1) Data collection and activities related to population health measurement and outcomes monitoring (including gender differences, ethnic identifiers, and health differences between racial and ethnic groups), and analysis for planning and needs assessment.

"(2) Activities to protect the environment and to assure the safety of housing, workplaces, food and water, and the public health of communities (including support for poison control centers and preventive health services programs to reduce the prevalence of chronic diseases and to prevent intentional and unintentional injuries).

"(3) Investigation and control of adverse health conditions.

"(4) Public information and education programs to reduce risks to health.

"(5) Accountability and quality assurance activities, including quality of personal health services and any communities' overall access to health services.

"(6) Provision of public health laboratory services.

"(7) Training and education with special emphasis placed on the training of public health professions and occupational health professionals.

"(8) Leadership, policy development and administration activities.

"(c) RESTRICTIONS ON USE OF GRANT.—

"(1) IN GENERAL.—A funding agreement for a grant under subsection (a) for a State is that the grant will not be expended—

"(A) to provide inpatient services;

"(B) to make cash payments to intended recipients of health services;

"(C) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—A funding agreement for a grant under subsection (a) is that the State involved will not expend more than 10 percent of the grant for administrative expenses with respect to the grant.

"(d) FORMULA.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop and implement a formula to distribute funds, which would have otherwise been distributed under the provisions of law described in paragraph (2)(B) in effect on January 1, 1995, to each State under this title. Such formula shall incorporate measures of population, health status of the population, and financial resources of the various States. The Secretary shall submit the suggested formula and an accompanying report describing the estimated funding impact on States to the appropriate Congressional authorizing committees not later than January 1, 1996.

"(2) TRANSITION FORMULA.—

"(A) IN GENERAL.—With respect to each of the fiscal years 1997, 1998, and 1999, the Secretary shall ensure that a State under this title receives an allotment that is equal to not less than 90 percent of the amount of the allotments the State received in fiscal year 1996 under the provisions of law described in subparagraph (B). If the total allotment for all States under this subparagraph is less than the total allotment for all States for the previous year under such provisions, the Secretary shall establish a formula for the proportional reduction in each State's allotment.

"(B) PROVISIONS OF LAW.—The provisions of law referred to in subparagraph (A) are the following:

"(i) Section 1902, preventive health and health services block grant.

"(ii) Section 318(e), prevention and control of sexually transmitted disease.

"(iii) Section 318A(q), infertility and sexually transmitted diseases.

"(iv) Section 317(j), immunization grant program.

"(v) Section 317E(g), prevention health services regarding tuberculosis.

"(vi) Section 399L(a), cancer registries.

"(vii) The authority for grants under section 317 for preventive health services programs for diabetes.

"(viii) The authority for grants under section 317 for preventive health services programs for tobacco use prevention.

"(ix) The authority for grants under section 317 for preventive health services programs for disabilities prevention.

"(x) Section 317A(1), lead poisoning prevention.

"(xi) Section 1510(a), breast and cervical cancer.

"(xii) The authority for grants under section 317 for preventive health services programs for human immunodeficiency virus prevention.

"(3) WITHHOLDING.—

"(A) IN GENERAL.—The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State which does not use its allotment in accordance with the requirements of this section. The Secretary shall withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

"(B) PROCEEDINGS.—The Secretary may not institute proceedings to withhold funds under this paragraph unless the Secretary has conducted an investigation concerning whether the State has used its allotment in accordance with the requirements of this section. Investigations required under this subparagraph shall be conducted within the affected State by qualified investigators.

"(C) RESPONSE TO COMPLAINTS.—The Secretary shall respond in an expeditious manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the requirements of this section.

"(D) LIMITATION.—The Secretary may not withhold funds under this paragraph from a State for a minor failure to comply with the requirements of this section.

"(4) INVESTIGATIONS.—

"(A) IN GENERAL.—The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this section in order to evaluate compliance with the requirements of this section.

"(B) COMPTROLLER GENERAL.—The Comptroller General of the United States may conduct investigations of the use of funds received under this section by a State in order to insure compliance with the requirements of this section.

"(5) AVAILABILITY OF BOOKS AND RECORDS.—Each State, and each entity which has received funds from an allotment made to a State under this section, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefore.

"(6) REQUEST FOR INFORMATION.—

"(A) IN GENERAL.—In conducting any investigation in a State under this subsection, the Secretary or the Comptroller General of the United States may not make a request for any information not readily available to such State or an entity which has received funds from an allotment made to the State under this section or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

"(B) LIMITATION.—Subparagraph (A) shall not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

"(e) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—

"(1) IN GENERAL.—If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this title

be provided directly by the Secretary to such tribe or organization; and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this section,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under the formula under subsection (d) for the fiscal year the amount determined under paragraph (2).

"(2) RESERVATION.—The Secretary shall reserve, for the purposes of paragraph (1), from amounts that would otherwise be allotted to such State under the formula under subsection (d), an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1996 by the Secretary to such tribe or tribal organization under the provisions of law referred to in subsection (d)(2)(B) bore to the total amount provided or allotted for such fiscal year by the Secretary to the State and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

"(3) GRANTS.—The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) PLAN.—In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year in accordance with section 1902.

"(5) DEFINITIONS.—As used in this subsection, the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(6) ACCOUNTABILITY.—The provisions of subsection (d)(3) relating to accountability shall apply to this subsection.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For the purpose of making grants under this section, there are authorized to be appropriated, \$1,100,000,000 for fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 through 2000.

"(2) ADMINISTRATIVE EXPENSES.—The Secretary may use not more than 5 percent of the amounts appropriated in any fiscal year under paragraph (1) for expenses related to the administration of this part.

"(3) REDUCTION IN PAYMENTS.—The Secretary, at the request of a State or Indian Tribe, may reduce the amount of payments under subsection (a) by—

"(A) the fair market value of any supplies or equipment furnished the State; and

"(B) the amount of the pay, allowances, and travel expenses of any officer, fellow, or employee of the Federal Government when detailed to the State or Indian Tribe and the amount of any other costs incurred in connection with the detail of such officer, fellow, or employee;

when the furnishing of supplies or equipment or the detail of an officer, fellow, or employee is for the convenience of and at the request of the State or Indian Tribe and for the purpose of conducting activities described in this section. The amount by which any payment may be reduced under this paragraph shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State or Indian Tribe.

“(g) MAINTENANCE OF EFFORT.—

“(1) CURRENT CORE FUNCTIONS OF PUBLIC HEALTH EXPENDITURES.—A funding agreement for a grant under subsection (a) is that the State involved will maintain expenditures of non-Federal amounts for core health functions at a level that is not less than the level of such expenditures, adjusted for changes in the Consumer Price Index, maintained by the State for the fiscal year preceding the first fiscal year for which the State receives such a grant. The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop uniform criteria to help States identify their public health department expenditures that shall be used in calculating core public health function expenditures.

“(2) REDUCTIONS.—The Secretary may reduce the amount of any grant awarded to a State under this section by an amount that equals the amount by which the Secretary determines that the State has reduced State expenditures for core public health functions.

“SEC. 1902. APPLICATION.

“(a) DEVELOPMENT OF UNIFORM APPLICATION.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop a uniform application that States shall use to apply for grants under this part. In developing such uniform application, the Secretary shall require the provision of information consistent with data on the interventions comprising and the outcomes attributable to, core public health functions as such data is included in the uniform reporting system in section 1903. Such a uniform application shall be developed to take into account the requirements in of subsection (b).

“(b) STATE ASSURANCES.—An application submitted under this part shall include the following:

“(1) A description of the existing deficiencies and successes in the public health system of the State based upon indicators included in the uniform application data set.

“(2) A plan to improve such deficiencies and to continue successes. Such plan shall have been developed with the broadest possible input from State and local health departments and public and non-profit private entities performing core functions of public health in that State. In compiling such plan the State shall describe why funding for a successful intervention continues to be needed, including a description of the detriment that would occur if such funding were not to occur using the indicators found in the uniform application data set.

“(3) A description of the activities of the State for the previous year, including the problems addressed and changes made in the relevant health indicators included in the uniform application data set.

“(4) Information concerning the maintenance of effort requirements described in section 1901(h).

“SEC. 1903. UNIFORM CORE PUBLIC HEALTH FUNCTIONS REPORTING SYSTEM.

“(a) IN GENERAL.—

“(1) DEVELOPMENT.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop and implement a Uniform Core Public Health Functions Reporting System to collect program and fiscal data concerning the interventions comprising, and the outcomes attributable to, core functions of public health.

“(2) REQUIREMENTS.—The system developed under paragraph (1) shall—

“(A) use outcomes consistent with the goals of Healthy People 2000;

“(B) be designed so that information collected will be relevant to the requirements of this part; and

“(C) be designed and implemented not later than 2 years after the date of enactment of this section.

“(b) STATE PUBLIC HEALTH OFFICERS.—In developing the data set to be used under the Uniform Core Public Health Functions Reporting System the Secretary shall consult with State public health officers.”;

(4) in section 1908(b) (42 U.S.C. 300w-7(b)), by striking “1902” and inserting “1901”; and

(5) in section 1910(a) (42 U.S.C. 300w-9(a)), by striking “1904(a)(1)(F)” and inserting “1901”.

TITLE II—CENTERS FOR DISEASE CONTROL AND PREVENTION ACTIVITIES
SEC. 201. REPORT OF DIRECTOR OF CENTERS FOR DISEASE CONTROL AND PREVENTION.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall prepare and submit to the President and to the appropriate committees of Congress a report that shall contain—

(1) a description of the activities carried out by and through the Centers for Disease Control and Prevention and the policies with respect to such programs and such recommendations concerning such policies and proposals for legislative changes in the Public Health Service Act as the Secretary considers appropriate; and

(2) a description of the activities undertaken to improve and streamline grants and contracting accountability within such Centers.

(b) TIME FOR REPORTING.—Not later than July 1, 1996, the Secretary shall submit the report required under subsection (a). Such report shall relate to fiscal year 1995, to the implementation of part A of title XIX of the Public Health Service Act (as amended by section 101), and to the implementation of a program of the type described in section 301(e) of such Act (as added by section 202).

SEC. 202. PRIORITY PUBLIC HEALTH NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

Section 301 of the Public Health Service Act (42 U.S.C. 241) is amended by adding at the end thereof the following new subsection:

“(e)(1) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall address priority public health needs of regional and national significance through the provision of—

“(A) training and technical assistance to States, political subdivisions of States, and public or private nonprofit entities through direct assistance or grants or contracts;

“(B) applied research into the prevention and control of diseases and conditions; or

“(C) demonstration projects for the prevention and control of diseases.

In carrying out subparagraphs (B) and (C), the Secretary may make grants to, or enter into cooperative agreements with, States, political subdivisions of States, and public or private nonprofit entities.

“(2) Priority public health needs of regional and national significance may include, emerging infectious diseases, environmental and occupational threats, chronic diseases, injuries, and other priority diseases and conditions as determined appropriate by the Secretary.

“(3)(A) Recipients of grants, cooperative agreements, and contracts under this subsection shall comply with information and application requirements determined appropriate by the Secretary.

“(B) With respect to a grant, cooperative agreement, or contract awarded under this subsection, the period during which payments under such award are made to the recipient may not exceed 5 years. The provision of such payments shall be subject to an-

nual approval by the Secretary and the availability of appropriations for the fiscal year involved. This subparagraph may not be construed as limiting the number of awards under the program involved that may be made to an entity.

“(C) The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this subsection provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds made be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

“(D) With respect to activities for which a grant, cooperative agreement, or contract is awarded under this subsection, the recipient shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for such fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

“(E)(i) An application for a grant, contract, or cooperative agreement under this subsection shall ensure that amounts received under such grant, contract, or agreement will not be expended—

“(I) to provide inpatient services;

“(II) to make cash payments to intended recipients of health services;

“(III) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

“(IV) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

“(ii) A funding agreement for a grant, contract, or cooperative agreement under this subsection is that the entity involved will not expend more than 10 percent of the grant, contract, or agreement for administrative expenses with respect to the grant, contract, or agreement.

“(4) The Secretary, at the request of a State or a political subdivision of a State, or a public or private nonprofit entity, may reduce the amount of payments under this subsection by—

“(A) the fair market value of any supplies or equipment furnished the State, political subdivision of the State, or a public or private nonprofit entity; and

“(B) the amount of the pay, allowances, and travel expenses of any officer, fellow, or employee of the Government when detailed to the State, a political subdivision of the State, or a public or private nonprofit entity, and the amount of any other costs incurred in connection with the detail of such officer, fellow, or employee;

when the furnishing of such officer, fellow, or employee is for the convenience of and at the request of the State, political subdivision of the State, or public or private nonprofit entity and for the purpose of conducting activities described in this subsection. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to have been paid to the State, political subdivision of the State, or public or private nonprofit entity.”.

“(5)(A) The Director of the Centers for Disease Control and Prevention shall establish

information and education programs to disseminate the findings of the research, demonstration, and training programs under this section to the general public and to health professionals.

“(B) The Director shall take such action as may be necessary to insure that all methods of dissemination and exchange of scientific knowledge and public health information are maintained between the Centers and the public, and the Centers and other scientific organizations, both nationally and internationally.

“(6) There are authorized to be appropriated to carry out this subsection, \$327,000,000 for fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 through 2000.”

TITLE III—REPEALS

SEC. 301. REPEALS.

(a) IN GENERAL.—The following provisions of the Public Health Service Act are repealed:

(1) Subparagraph (A) of section 317(j)(1) (42 U.S.C. 247b(j)(1)(A))

(2) Section 317A (42 U.S.C. 247b-1).

(3) Subsection (g) of section 317E (42 U.S.C. 247b-6(g)).

(4) Subsection (e) of section 318 (42 U.S.C. 247c(e)).

(5) Subsection (q) of section 318A (42 U.S.C. 247c-1(q)).

(6) Section 1510 (42 U.S.C. 300n-5).

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 317(j)(1) (42 U.S.C. 247b(j)(1)(A)) is amended by striking the subparagraph designation.

PUBLIC HEALTH ENHANCEMENT ACT OF 1995— SUMMARY CORE FUNCTIONS OF PUBLIC HEALTH BLOCK GRANT

1. Each state or tribal organization would perform eight core functions of public health to address their unique public health problems in order to receive funding through the block grant. Each of these activities are recognized as functions any public health department should undertake to protect the health of the public. The eight core functions are:

Data collection and analysis for planning and needs assessment;

Activities to protect the environment and to assure the safety of housing, work-places, food and water, and the public health of communities;

Investigation and control of adverse health conditions;

Public information and education programs to reduce risks to health;

Accountability and quality assurance activities;

Provision of public health laboratory services;

Training and education of public health professionals; and

Leadership, policy development, and administration activities.

2. The Secretary would develop and implement a formula, which incorporates measures of population, health status of the population, and financial resources, to distribute funds to the states. Tribal organizations could also receive a portion of the state grant directly from the Centers for Disease Control and Prevention (CDC). Although the Secretary would implement the formula, Congressional authorizing committees could change it after receiving a required report on the impact to states of the formula. States would receive the block grant directly. In addition, tribal organizations would have the option to receive a proportionate amount of the state block grant directly from the CDC. This amount would be no less than a proportionate amount each currently receives from

the CDC relative to all funds given to a state by the CDC.

3. Through its application, each state would show that it is using its funds to address public health problems unique to its population and would be held accountable by the Secretary. Under this provision, each state would apply to receive the block grant. In its application, it would show, using public health indicators, what its most pressing problems are. This needs assessment would be conducted with wide community-based input. The public health indicators would be based on Healthy People 2000 goals. If it is determined that the state is not making a good faith effort to address its leading public health problems, the Secretary could reduce the grant award.

4. The Core Functions of Public Health Block Grant program would be authorized at \$1.1 billion in 1997. The funds for the block grant are those which otherwise would be appropriated for the current twelve CDC grant programs. These are:

Preventive health and health services block grant prevention and control of sexually transmitted disease;

Infertility and sexually transmitted diseases immunization grant program;

Preventive health services regarding tuberculosis cancer registries;

Preventive health service programs for diabetes;

Preventive health services programs for tobacco use prevention;

Preventive health services programs for disabilities prevention;

Lead poisoning prevention;

Breast and cervical cancer detection; and

Preventive health services programs for human immunodeficiency virus.

5. Each state would be required to maintain its current funding for core functions of public health. To avoid an unfunded mandate, states could reduce the amount they spend on core public health functions, but would face a dollar for dollar reduction in the amount they receive from the federal government.

CENTERS FOR DISEASE CONTROL AND PREVENTION ACTIVITIES

1. The CDC would report to the Congress on the benefits of its activities by July of 1996. Such a report would foster a review of the CDC programs given the changes created by this legislation. The report would also include legislative recommendations.

2. An initiative to address priority public health needs of regional and national significance is authorized at \$327 million for fiscal year 1997. Through this authority, the CDC could provide technical assistance, conduct applied research, or conduct demonstration projects to address pressing public health needs of regional and national significance. All support for a specific problem would be time-limited to five years. Once successful solutions are developed, the CDC would work with states to incorporate these solutions through the use of the State's block grant. The authorized amount is transferred from a consolidation of the 28 different research and development funding streams at the CDC.

3. Authorize the Public Health Service to continue developing a uniform core public health functions reporting system which would measure outcomes attributable to the performance of core public health functions. This system would be used in the state application for the block grant. It would also be used to hold states accountable for their use of the block grant. The indicators would be tied to the goals of Healthy People 2000.

By Mrs. KASSEBAUM:

S. 143. A bill to consolidate Federal employment training programs and

create a new process and structure for funding the programs, and for other purposes; to the Committee on Labor and Human Resources.

THE JOB TRAINING CONSOLIDATION ACT OF 1995

Mrs. KASSEBAUM. Mr. President, today I am reintroducing legislation designed to revamp our current Federal job training programs. From the viewpoint of both the taxpayer and the trainee, there can be little doubt that a comprehensive overhaul is long overdue.

Many Americans spoke clearly in the recent elections and said that they do not believe that the Federal Government is spending their money wisely. One of the most glaring examples of wasteful Government spending are Federal job training programs. According to the General Accounting Office, the Federal Government currently oversees 154 separate job training programs, administered by 14 different agencies, at a total cost to the taxpayers of almost \$25 billion a year. These programs are hamstrung by duplication, waste, and conflicting regulations that too often leave program trainees no better off than when they started.

We simply cannot keep pumping Federal dollars into this confusing maze of programs. People across the country are fed up with spending money on Government programs that make promises and then do not deliver. With a few notable exceptions, the evidence on job training failures far exceeds the successes.

Last year the GAO released a report indicating that fewer than half of the 62 job training programs selected for study even bothered to check to see if participants obtained jobs after training. During the past decade, only seven of those programs were evaluated to find out whether trainees would have achieved the same outcomes without Federal assistance.

There is general acknowledgement in Congress that we must act now to reform these programs. The administration has also spoken to this need, as have many of my colleagues.

Last year I introduced bipartisan legislation designed to overhaul completely job training programs by essentially wiping the slate clean and starting over. The bill I am reintroducing today incorporates one of the two basic pieces of that original bill. The Job Training Consolidation Act of 1995 would grant broad waivers immediately to allow States and localities maximum flexibility to coordinate the largest Federal job training programs at the local level.

This would have the immediate effect of allowing States and localities the opportunity to combine resources and tailor programs to meet current needs. For example, resources could be combined to address high priority needs of unemployed persons in a State or local community. In addition, where there is overlap, some programs could be eliminated to increase funding in other

areas and improve efficiencies in the delivery of services.

What I am not proposing, which was the second piece of last year's bill, is to create a national commission to study and make recommendations to Congress on consolidating all existing programs. I no longer believe that it is necessary for Congress to wait another 2 years before taking decisive action to reform these programs.

Instead, the Senate Committee on Labor and Human Resources will hold hearings on January 10, 11, and 12 on the need to overhaul Federal job training programs. The hearings will outline the current state of the programs, provide state, local and private sector perspectives on job training, and elicit the opinions of a variety of experts on how to reform our scattershot array of training program into a system that will serve all individuals more effectively.

As a result, I believe we will have the information necessary to make sensible determinations about the elimination or consolidation of specific programs. I intend to build upon this legislation in the next few months by introducing a comprehensive proposal to replace existing programs with a new employment and training strategy.

However, I believe it is first necessary for the Committee to conduct a thorough review of existing programs, before a final proposal is made.

The goal is a single, coherent approach to employment and training—to assist all job-seekers in entering the workforce, gaining basic skills, or retraining for new jobs. We do not have that kind of a system today and our workers and our economy both pay the price. We need to start over, think boldly, and create a system that works for everyone.

Mr. President, I ask unanimous consent that the text of the bill appear in the RECORD.

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

S. 143

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 "Job Training Consolidation Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.

TITLE I—USE OF FEDERAL FUNDS FOR STATE EMPLOYMENT TRAINING ACTIVITIES

- Sec. 101. Formula assistance.
- Sec. 102. Discretionary assistance.
- Sec. 103. Trade adjustment assistance services.
- Sec. 104. Employment training activities.
- Sec. 105. Reports.

TITLE II—CONSOLIDATION OF EMPLOYMENT TRAINING PROGRAMS

- Sec. 201. Repeals of employment training programs.

SEC. 2. FINDINGS.

Congress finds that—

(1) according to the General Accounting Office—

(A) there are currently 154 Federal employment training programs; and

(B) these programs cost nearly \$25,000,000,000 annually and are administered by 14 different Federal agencies;

(2) these programs target individual populations such as economically disadvantaged persons, dislocated workers, youth, and persons with disabilities;

(3) many of these programs provide similar services, such as counseling, assessment, and literacy skills enhancement, resulting in overlapping services, wasted funds, and confusion on the part of local service providers and individuals seeking assistance;

(4) the Federal agencies administering these programs fail to collect enough performance data to know whether the programs are working effectively;

(5) the additional cost of administering overlapping employment training programs at the Federal, State, and local levels diverts scarce resources that could be better used to assist all persons in entering the work force, gaining basic skills, or retraining for new jobs;

(6) the conflicting eligibility requirements, and annual budgeting or operating cycles, of employment training programs create barriers to coordination of the programs that may restrict access to services and result in inefficient use of resources;

(7) despite more than 30 years of federally funded employment training programs, the Federal Government has no single, coherent policy guiding its employment training efforts;

(8) the Federal Government has failed to adequately maximize the effectiveness of the substantial public and private sector resources of the United States for training and work-related education; and

(9) the Federal Government lacks a national labor market information system, which is needed to provide current data on jobs and skills in demand in different regions of the country.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COVERED ACT.—The term "covered Act" means an Act described in paragraph (3).

(2) COVERED ACTIVITY.—The term "covered activity" means an activity authorized to be carried out under a covered provision.

(3) COVERED PROVISION.—The term "covered provision" means a provision of—

(A) the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(C) part B of title III of the Adult Education Act (20 U.S.C. 1203 et seq.);

(D) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.);

(E) section 235 or 236, or paragraph (1) or (2) of section 250(d), of the Trade Act of 1974 (19 U.S.C. 2295, 2296, or 2331(d));

(F) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(G) title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);

(H) section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4));

(I) the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note);

(J) section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note);

(K) title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.);

(L) title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.); and

(M) the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(4) LOCAL ENTITY.—The term "local entity" includes public and private entities.

TITLE I—USE OF FEDERAL FUNDS FOR STATE EMPLOYMENT TRAINING ACTIVITIES

SEC. 101. FORMULA ASSISTANCE.

(a) USE OF FUNDS.—Notwithstanding any other provision of Federal law, a State that receives State formula assistance for a covered activity for a fiscal year may use the assistance to carry out activities as described in section 104 for the fiscal year. Notwithstanding any other provision of Federal law, a local entity that receives local formula assistance for a covered activity for a fiscal year may use the assistance to carry out activities as described in section 104 for the fiscal year.

(b) REQUIREMENTS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, a State may use such State formula assistance, and a local entity may use such local formula assistance, to carry out activities as described in section 104, without regard to the requirements of any covered Act.

(2) REMAINING PROGRAM REQUIREMENTS.—

(A) ALLOCATION AND ENFORCEMENT.—Any head of a Federal agency that allocates State formula assistance, and any State that allocates local formula assistance, for a covered activity—

(i) shall allocate such assistance in accordance with allocation requirements that are specified in the covered Acts and that relate to the covered activity, including provisions relating to minimum or maximum allocations; and

(ii) (I) if the State or local entity uses such assistance to carry out the covered activity, shall exercise the enforcement and oversight authorities that are specified in the covered Acts and that relate to the covered activity; and

(II) if the State or local entity does not use such assistance to carry out the covered activity, shall exercise such authorities solely for the purpose of ensuring that the assistance is used to carry out activities as described in section 104, and in accordance with the applicable requirements of this title.

(B) ADMINISTRATIVE EXPENSE LIMITS.—Each State that receives State formula assistance, and each local entity that receives local formula assistance, for a covered activity—

(i) shall comply with any limits on administrative expenses that are specified in the covered Acts and that relate to the covered activity; and

(ii) for any fiscal year, may not use a greater percentage of the State formula assistance or local formula assistance to pay for the administrative expenses of activities carried out under section 104 than the State or entity used to pay for such administrative expenses relating to the covered activity for fiscal year 1995.

(C) CONDITIONAL BENEFITS.—Any State that receives State formula assistance to carry out a covered activity described in a covered provision specified in subparagraph (D) or (H) of section 3(3) and that uses the assistance to carry out activities as described in section 104 shall carry out an activity that is appropriate for persons who would otherwise be eligible to participate in the covered activity. Any person in the State who would otherwise be required to participate in the covered activity in order to obtain Federal assistance under a covered Act shall be eligible to receive the assistance by participating in such appropriate activity.

(D) AVAILABILITY OF APPROPRIATIONS.—Nothing in this section shall affect the period for which any appropriation under a covered Act remains available.

(c) DEFINITIONS.—As used in this section:

(1) LOCAL FORMULA ASSISTANCE.—The term “local formula assistance” means assistance made available by a State to a local entity under—

(A)(i) subsections (a)(2) and (b) of section 202 of the Job Training Partnership Act (29 U.S.C. 1602);

(ii) section 252(b) of such Act (29 U.S.C. 1631(b)) in accordance with subsections (a)(2) and (b) of section 262 of such Act (29 U.S.C. 1642);

(iii) subsections (a)(2) and (b) of section 262 of such Act (29 U.S.C. 1642); or

(iv) subsections (a)(1), (b), and (d) of section 302 of such Act (29 U.S.C. 1652); or

(B)(i) section 102(a)(1), and section 231(a) or 232 of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2312(a)(1), and 2341(a) or 2341a); or

(ii) section 353(b) of such Act (20 U.S.C. 2395b(b)).

(2) STATE FORMULA ASSISTANCE.—The term “State formula assistance” means assistance made available by an agency of the Federal Government to a State under—

(A)(i) subsections (a)(2) and (c) of section 202 of the Job Training Partnership Act (29 U.S.C. 1602);

(ii) subsections (a)(2) and (c) of section 262 of such Act (29 U.S.C. 1642);

(iii) subsections (a)(1), (b), and (c)(1) of section 302 of such Act (29 U.S.C. 1652); or

(iv) sections 502(d) and 503 of such Act (29 U.S.C. 1791a(d));

(B)(i) section 101(a)(2) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2311(a)(2)) (other than assistance made available under section 231(a) or 232 of such Act (20 U.S.C. 2341(a) or 2341a) to local educational agencies or other local entities within the State);

(ii) section 112(f) of such Act (20 U.S.C. 2322(f)); or

(iii) section 343(b)(1) of such Act (20 U.S.C. 2394a(b)(1));

(C) section 313(b) of the Adult Education Act (20 U.S.C. 1201b(b)) (other than assistance reserved to carry out part D of title III of such Act (20 U.S.C. 1213 et seq.));

(D) subsection (k) or (l) of section 403 of the Social Security Act (42 U.S.C. 603);

(E) section 6(b)(1) of the Wagner-Peyser Act (29 U.S.C. 49e(b)(1));

(F)(i) subsection (a) or (b) of section 110 of the Rehabilitation Act of 1973 (29 U.S.C. 730) (less any amount reserved under subsection (d) of such section);

(ii) section 112(e) of such Act (29 U.S.C. 732(e)); or

(iii) section 124 of such Act (29 U.S.C. 744);

(G) section 16(h)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(1)) (other than funds made available under subparagraph (B) of such section);

(H)(i) section 201(b) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note);

(ii) section 301(b) of such Act (8 U.S.C. 1522 note); or

(iii) section 401(b) of such Act (8 U.S.C. 1522 note);

(I) section 204(b) of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note);

(J)(i) section 722(c) of the Stewart B. McKinney Homeless Assistance Act; or

(ii) section 752(a) of such Act (42 U.S.C. 11462(a)); or

(K) section 506(a)(3) of the Older Americans Act of 1965 (42 U.S.C. 3056d(a)(3)).

SEC. 102. DISCRETIONARY ASSISTANCE.

(a) IN GENERAL.—

(1) PRIOR ASSISTANCE.—Notwithstanding any other provision of Federal law, a State or local entity that received, prior to the date of enactment of this Act, discretionary assistance for a covered activity for a fiscal year may use the assistance to carry out activities as described in section 104 for the fiscal year.

(2) FUTURE ASSISTANCE.—Notwithstanding any other provision of Federal law, a State or local entity that is eligible to apply for discretionary assistance for a covered activity for a fiscal year may apply, as described in subsection (c), for the assistance to carry out activities as described in section 104 for the fiscal year.

(b) USE OF FUNDS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, a State or local entity that receives discretionary assistance prior to the date of enactment of this Act or on approval of an application submitted under subsection (c) may use the discretionary assistance to carry out activities as described in section 104, without regard to the requirements of any covered Act.

(2) REMAINING PROGRAM REQUIREMENTS.—A State or local entity that uses discretionary assistance to carry out such activities shall use the assistance in accordance with the requirements of subparagraphs (A), (B), and (D) of section 101(b)(2), which shall apply to such assistance in the same manner and to the same extent as the requirements apply to State formula assistance or local formula assistance, as appropriate, used under section 101.

(c) ADDITIONAL INFORMATION IN APPLICATION.—A State or local entity seeking to use discretionary assistance as described in subsection (a)(2) shall include in the application (under the covered provision involved) of the State or local entity for the assistance (in lieu of any information otherwise required to be submitted)—

(1) a description of the funds the State or local entity proposes to use to carry out activities as described in section 104;

(2) a description of the activities to be carried out with such funds;

(3) a description of the specific outcomes expected of participants in the activities; and

(4) such other information as the head of the agency with responsibility for evaluating the application may require.

(d) EVALUATION OF APPLICATION.—In evaluating an application described in subsection (c), the agency with responsibility for evaluating the application shall evaluate the application by determining the likelihood that the State or local entity submitting the application will be able to carry out activities as described in section 104. In evaluating applications for discretionary assistance, the agency shall not give preference to applications proposing covered activities over applications proposing activities described in section 104.

(e) DEFINITION.—As used in this section, the term “discretionary assistance” means assistance that—

(1) is not State formula assistance or local formula assistance, as defined in section 101(c);

(2) is not Federal assistance available to provide services described in section 235 or 236, or paragraph (1) or (2) of section 250(d), of the Trade Act of 1974 (19 U.S.C. 2295, 2296, or 2331(d)); and

(3) is made available by an agency of the Federal Government, or by a State, to a State or local entity to enable the State or local entity to carry out an activity under a covered provision.

SEC. 103. TRADE ADJUSTMENT ASSISTANCE SERVICES.

(a) USE OF ASSISTANCE.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, if the Secretary of Labor initiates efforts under section 235 of the Trade Act of 1974 (19 U.S.C. 2295) to secure services described in such section 235 (including services that are provided under section 250(d)(1) of such Act (19 U.S.C. 2331(d)(1))) for a worker, or if the Secretary makes a determination under section 236(a) of the Trade Act of 1974 (19 U.S.C. 2296(a)) that entitles a worker to payments described in such section for services (including services for which payment is provided under section 250(d)(2) of such Act), the Secretary shall notify the State in which the worker is located.

(2) ACTIVITIES.—A State that receives such notification may apply under subsection (c) for the Federal assistance that would otherwise have been expended to provide services described in paragraph (1) to the worker, to enable the State to carry out activities as described in section 104 for the fiscal year. If the State has received such assistance in advance, the State may apply under subsection (c) to use such assistance to enable the State to carry out activities as described in section 104 for the fiscal year.

(b) REQUIREMENTS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, a State that receives such Federal assistance and receives approval of an application submitted under subsection (c) may use the assistance to carry out activities as described in section 104, without regard to the requirements of any covered Act.

(2) REMAINING PROGRAM REQUIREMENTS.—A State that uses such Federal assistance to carry out such activities shall use the assistance in accordance with the requirements of subparagraphs (A)(ii), (B), and (D) of section 101(b)(2), which shall apply to such assistance in the same manner and to the same extent as the requirements apply to State formula assistance or local formula assistance, as appropriate, used under section 101.

(3) CONDITIONAL BENEFITS.—Any State that receives Federal assistance that would otherwise have been expended to provide services described in subsection (a)(1) to a worker, and that uses the assistance to carry out activities as described in section 104, shall carry out eligible alternative activities that are appropriate for the worker. If the worker would otherwise be required to receive such services in order to obtain Federal funds under another provision of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.), the worker shall be eligible to receive the funds by participating in such eligible alternative activities.

(c) ADDITIONAL INFORMATION IN APPLICATION.—A State seeking to use Federal assistance that would otherwise have been expended to provide services described in subsection (a)(1) to a worker shall submit an application to the Secretary of Labor, at such time and in such manner as the Secretary may require, that contains—

(1) a description of the Federal assistance the State proposes to use to carry out activities as described in section 104;

(2) a description of the activities to be carried out with such assistance;

(3) a description of the specific outcomes expected of participants in the activities; and

(4) such other information as the Secretary of Labor may require.

(d) EVALUATION OF APPLICATION.—In evaluating an application described in subsection (c), the Secretary of Labor shall evaluate the application by determining the likelihood that the State submitting the application

will be able to carry out activities as described in section 104. In evaluating applications for such Federal assistance, the Secretary of Labor shall not give preference to applications proposing covered activities over applications proposing activities described in section 104.

SEC. 104. EMPLOYMENT TRAINING ACTIVITIES.

A State or local entity that receives State formula assistance or local formula assistance as described in section 101(a), receives discretionary assistance as described in section 102(b), or receives Federal assistance as described in section 103(b), may—

(1) use the assistance to carry out activities to develop a comprehensive statewide employment training system that—

(A) is primarily designed and implemented by communities to serve local labor markets in the State involved;

(B) requires the participation and involvement of private sector employers in all phases of the planning, development, and implementation of the system, including—

(i) determining the skills to be developed by each employment training program carried out through the system; and

(ii) designing the training to be provided by each such program;

(C) assures that State and local training efforts are linked to available employment opportunities;

(D) includes standards for determining the effectiveness of such programs; and

(E) is an integrated system that assures that individuals seeking employment in the State will receive information about all available employment training services provided in the State, regardless of where the individuals initially enter the system; or

(2) may use the assistance that would otherwise have been used to carry out 2 or more covered activities—

(A) to address the high priority needs of unemployed persons in the State or community involved for employment training services;

(B) to improve efficiencies in the delivery of the covered activities; or

(C) in the case of overlapping or duplicative activities—

(i) by combining the covered activities and funding the combined activities; or

(ii) by eliminating one of the covered activities and increasing the funding to the remaining covered activity.

SEC. 105. REPORTS.

(a) STATE REPORTS.—

(1) PREPARATION.—A State that receives State formula assistance as described in section 101(a), receives discretionary assistance as described in section 102(b), or receives Federal assistance as described in section 103(b), and that uses the assistance to carry out activities as described in section 104 shall annually prepare a report containing—

(A) information on the amount and origin of such assistance;

(B) information on the activities carried out with such assistance;

(C) information regarding the populations to be served with such assistance, such as economically disadvantaged persons, dislocated workers, youth, and individuals with disabilities;

(D) a summary of the reports received by the State under subsection (b); and

(E) such other information as the committees described in paragraph (2) may require.

(2) SUBMISSION.—The State shall submit the report described in paragraph (1) to the Committee on Education and Labor of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, not later than 60 days after the end of each year.

(b) LOCAL ENTITY REPORTS.—

(1) PREPARATION.—A local entity that receives local formula assistance as described in section 101(a), or that receives discretionary assistance as described in section 102(b), and uses the assistance to carry out activities as described in section 104 shall annually prepare a report containing—

(A) information on the amount and origin of such assistance;

(B) information on the activities carried out with such assistance;

(C) information regarding the populations to be served with such assistance, such as economically disadvantaged persons, dislocated workers, youth, and individuals with disabilities; and

(D) such other information as the State that allocated the assistance may require.

(2) SUBMISSION.—The local entity shall submit the report described in paragraph (1) to the State not later than 30 days after the end of each year.

TITLE II—CONSOLIDATION OF EMPLOYMENT TRAINING PROGRAMS

SEC. 201. REPEALS OF EMPLOYMENT TRAINING PROGRAMS.

(a) IN GENERAL.—The following provisions are repealed:

(1) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(2) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(3) Part B of title III of the Adult Education Act (20 U.S.C. 1203 et seq.).

(4) Part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

(5) Sections 235 and 236 of the Trade Act of 1974 (19 U.S.C. 2295 and 2296), and paragraphs (1) and (2) of section 250(d) of such Act (19 U.S.C. 2331(d)).

(6) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(7) Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(8) Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)).

(9) The Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note).

(10) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(11) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.).

(12) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(13) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 250(d) of the Trade Act of 1974 (as amended by subsection (a)(5)) is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (1), (2), and (3), respectively.

(c) EFFECTIVE DATE.—The repeals made by subsection (a), and the amendments made by subsection (b), shall take effect 24 months after the date of enactment of this Act.

By Mr. LOTT (for Mr. HATCH):

S. 144. A bill to amend section 526 of title 28, United States Code, to authorize awards of attorney's fees; read the first time.

THE ATTORNEY'S FEES EQUITY ACT OF 1995

Mr. HATCH. Mr. President, I rise today to introduce what some might consider a minor bill, but one that is nonetheless the right and compelling thing to do for Department of Justice employees and Federal public defenders who serve their government diligently.

Most of my colleagues, I believe, are familiar with this legislation, which we

have been working on for several years. The same, or a similar bill, has in recent years twice passed the Senate and once been added to a crime bill conference report. Nonetheless, for reasons unrelated to this bill, it has never been signed into law. I sincerely hope that by moving this bill separately this year we can get it done.

This legislation provides that current or former attorneys or agents employed by the Department of Justice or by a Federal public defender subjected to criminal or disciplinary investigations arising out of their employment duties shall be entitled to reasonable attorney's fees if such investigations do not result in adverse action.

In reality, this bill is simply a matter of fundamental fairness. The Independent Counsel Reauthorization Act has for some time provided for full reimbursement of counsel's fees incurred by high level Federal officials subject to investigation for possible violations of Federal criminal law.

Providing legal fees to high-ranking government officials subject to investigation for violation of criminal law, but not to working level employees such as Assistant U.S. Attorneys is simply unfair. High ranking officials obviously receive larger government salaries than their working level colleagues, and not infrequently have opportunities to earn lucrative salaries once they leave. Moreover, they are often less vulnerable to the chilling effect misconduct or criminal investigations can have on employees on the front line of prosecution.

The reimbursement provisions of the Independent Counsel Act demonstrate that the public interest in assisting government officials with the staggering cost and devastating impact of investigations can outweigh any real or perceived conflict of interest, which I understand is the principal rationale for not providing such assistance to lower level employees.

The Independent Counsel Act, however, correctly provides reimbursement for attorney's fees only if the person under investigation is vindicated. By limiting government assistance only to such circumstances—which my bill does as well—the public interest is clearly served. Any conflict attributable to the government arguing with the government is rendered void. By providing reimbursement only for a successful defense, any incentive to defending private counsel to go easy with the Government because it will reimburse his or her fees is removed. Also, by providing the means for an adequate defense for its employees, the U.S. Government ensures that frivolous or vindictive investigations are terminated quickly. At the same time, there is no incentive under such an arrangement for the Government to prosecute less zealously; indeed, a successful prosecution saves costs since there then would be no obligation to pay legal fees.

If no reimbursement is available, however, the possibility of serious conflicts is great. If an Assistant U.S. Attorney must retain private defense counsel, it is likely that the defense counsel would have to provide the U.S. Attorney with a fee discount or pro bono representation. This situation obviously might create at least the appearance of, if not a real conflict of interest in the future.

The limited legislation I am introducing, which provides for reimbursement of private attorneys fees to certain Department of Justice and Federal public defender employees under specified circumstances, can be fully justified. Covered employees, because of their duties, are far more often subject to allegations of misconduct, usually by defendants and less often by courts. In either event, the reality is that these employees—both lawyers and agents—are in a position of constant adversity. In order to prevent the need for self-defense from becoming a disincentive to government service or to force Assistant U.S. Attorneys to roam the defense bar looking for handouts in the form of free, legal service—a disagreeable situation to say the least—some legislative relief is appropriate. I believe that the legislation I am introducing today provides a limited and rational solution to this problem, and I hope the Senate will move swiftly to pass it.

By Mr. GRAMM (for himself, Mr. LOTT, Mr. BURNS, Mrs. HUTCHISON, Mr. CRAIG THOMAS, and Mr. INHOFE):

S. 145. A bill to provide appropriate protection for the Constitutional guarantee of private property rights, and for other purposes; to the Committee on Governmental Affairs.

THE PRIVATE PROPERTY RIGHTS RESTORATION ACT

• Mr. GRAMM. Mr. President, we see no reason why the takings clause of the Fifth Amendment, as such a part of the Bill of Rights as the First Amendment or Fourth Amendment, should be relegated to the status of a poor relation. With these words in the recent landmark Supreme Court decision *Dolan versus City of Tigard*, Chief Justice Rehnquist correctly points out the evisceration of one of the most fundamental rights protected by our Constitution. Sadly, with all the talk about rights in America today, the fundamental freedom to acquire, use, and dispose of private property has become a poor relation. In fact, it has very nearly been drummed out of the family because of the Federal Government's relentless assault on private property.

The Founding Fathers were keenly aware of the need to protect private property rights, so much so that they provided in the Bill of Rights that private property—shall not—be taken for public use without just compensation. Indeed, the courts have been very clear that if the Government builds a highway across your property, then the 5th amendment's just compensation provi-

sion applies. However, one form of taking which has become more common than outright condemnation is the regulatory taking. This occurs when the Government imposes such stringent controls on the use of private property that its value is eroded or destroyed.

Currently, farmers, small businesses, and homeowners are in the path of an avalanche of Federal regulations and restrictions affecting their property. During President Clinton's first year in office, the Federal Register, which is the daily depository of all proposed and final Federal regulations, totalled 69,684 pages—the highest count since Jimmy Carter's record level. Moreover, the Unified Agenda of Federal Regulations reveals an enormous increase of regulatory activity, with a 22 percent growth since 1992 in the number of regulations under consideration or recently completed by the 60 Federal departments and agencies within the Clinton bureaucracy.

Two examples of Federal regulatory takings involve wetlands and endangered species. In Texas, the U.S. Fish and Wildlife Service [USFWS] has listed 65 species as threatened or endangered. Nationwide, 853 species are already listed as endangered, and approximately 3,900 are candidates for inclusion on the list. The mere presence, however fleeting, of a listed species on a parcel of land has profound ramifications for small, individual landowners whose property holdings are often their most significant source of income. In the Woods of East Texas, if a red-cockaded woodpecker landed in your tree, you could suddenly be threatened with a government taking that barred you from cutting your own timber. Without the income generated by such economic activity, how are those whose jobs are put at risk expected to provide for themselves and their families?

All over the country under wetlands provisions, entire counties or significant portions of coastal land in States such as Texas and Maryland have found that the ability of people to use their property has been restricted dramatically because a Government bureaucrat redefined what would qualify as a wetland. The destructive impact of these regulatory actions on jobs, the economy, family well-being, and individual freedom has been enormous.

To help revive this important freedom, I have reintroduced The Private Property Rights Restoration Act, which will restore the Constitutional mandate that just compensation be paid when government action reduce private property value. This bill will safeguard the rights of individuals whose land is taken by Government regulations or policies which reduce or destroy the value of the property. The legislation or policies which reduce or destroy the value of the property. The legislation requires compensation to be paid when such an action has reduced property value by at least 25 percent or \$10,000. However, such protection will

not be extended to uses of property which are deemed to be a public nuisance. The payment of compensation to, and legal fees for, property owners who successfully plead their case in court must be paid with funds from the budget of the agency issuing the regulation.

Mr. President, I will work toward passage of this legislation to help every American whose constitutionally guaranteed property rights are being ignored or threatened by the Federal Government. I hope we can work together to protect private property rights and to bring the Fifth Amendment back into the family of the Bill of Rights on behalf of the people who own property, till the soil, and produce the goods and services in our country.

I ask unanimous consent that a one page description of the legislation and the bill itself be printed in the RECORD.

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

S. 145

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 "Private Property Rights Restoration Act".

SEC. 2. PRIVATE PROPERTY RIGHTS RESTORATION.

(a) CAUSE OF ACTION.—(1) The owner of any real property shall have a cause of action against the United States if—

(A) the application of a statute, regulation, rule, guideline, or policy of the United States restricts, limits, or otherwise takes a right to real property that would otherwise exist in the absence of such application; and

(B) such application described under subparagraph (A) would result in a discrete and nonnegligible reduction in the fair market value of the affection portion of real property.

(2) Notwithstanding paragraph (1)(B), a prima facie case against the United States shall be established if the Government action described under paragraph (1)(A) results in a temporary or permanent diminution of fair market value of the affected portion of real property of the lesser of—

- (A) 25 percent or more; or
- (B) \$10,000 or more.

(b) JURISDICTION.—An action under this Act shall be filed in the United States Court of Federal Claims which shall have exclusive jurisdiction.

(c) RECOVERY.—In any action filed under this Act, the owner may elect to recover—

(1) a sum equal to the diminution in the fair market value of the portion of the property affected by the application of a statute, regulation, rule, guideline, or policy described under subsection (a)(1)(A) and retain title; or

(2) the fair market value of the affected portion of the regulated property prior to the Government action and relinquish title to the portion of property regulated.

(d) PUBLIC NUISANCE EXCEPTION.—(1) No compensation shall be required by virtue of this Act if the owner's use or proposed use of the property amounts to a public nuisance as commonly understood and defined by background principles of nuisance and property law, as understood under the law of the State within which the property is situated.

(2) To bar an award of damages under this Act, the United States shall have the burden

of proof to establish that the use or proposed use of the property is a public nuisance as defined under paragraph (1) of this subsection.

SEC. 3. APPLICATION; STATUTE OF LIMITATIONS.

(a) APPLICATION.—This Act shall apply to the application of any statute, regulation, rule, guideline, or policy to real property, if such application occurred or occurs on or after January 1, 1994.

(b) STATUTE OF LIMITATIONS.—The statute of limitations for actions brought under this Act shall be six years from the application of any statute, regulation, rule, guideline, or policy of the United States to any affected parcel of property under this Act.

SEC. 4. AWARD OF COSTS; LITIGATION COSTS.

(a) IN GENERAL.—The court, in issuing any final order in any action brought under this Act, shall award costs of litigation (including reasonable attorney and expert witness) to any prevailing plaintiff.

(b) PAYMENT.—all awards or judgments for plaintiff, including recovery for damages and costs of litigation, shall be paid out of funds of the agency or agencies responsible for issuing the statute, regulation, rule, guideline or policy affecting the reduction in the fair market value of the affected portion of property. Payments shall not be made from a judgment fund.

SEC. 5. CONSTITUTIONAL OR STATUTORY RIGHTS NOT RESTRICTED.

Nothing in this Act shall restrict any remedy or any right which any person (or class of persons) may have under any provision of the United States Constitution or any other law.

PRIVATE PROPERTY RIGHTS RESTORATION ACT

SECTION 1. SHORT TITLE.—“PRIVATE PROPERTY RIGHTS RESTORATION ACT”.

SEC. 2. PRIVATE PROPERTY RIGHTS RESTORATION.

(a) CAUSE OF ACTION.—

(1) The owner of any real property (land) may sue the U.S. government if

(A) any governmental action identified in the Act takes a persons right to their property; and (B) that taking significantly reduces the fair market value of the affected portion of property.

(2) A property owner may sue the U.S. government if the government action causes a temporary or permanent diminution of fair market value of the affected portion of real property of at least 25 percent or \$10,000.

(b) JURISDICTION.—The U.S. Court of Federal Claims is established as the court of jurisdiction for claims brought forth under this Act.

(c) RECOVERY.—Property owners may choose among two options to seek reimbursement for government actions which result in takings:

(d) PUBLIC NUISANCE EXCEPTION.—ensures that no compensation is awarded if the use to which the property owner puts the property is judged to be a public nuisance.

SEC. 3. APPLICATION; STATUTE OF LIMITATIONS.

(a) APPLICATION.—The bill applies to real property affected by governmental actions which occur on or after January 1, 1994.

(b) STATUTE OF LIMITATIONS.—The statute of limitations for actions brought forth under this legislation is limited to 6 years after application of the regulatory action to the affected property.

SEC. 4. AWARD OF COSTS; LITIGATION COSTS

(a) Includes litigation costs in court award.

(b) Requires payment for court awards from agency budgets of the agency responsible for the government action, rather than a judgement fund.

SEC. 5. CONSTITUTIONAL OR STATUTORY RIGHTS NOT RESTRICTED.

Ensures that the bill does not preclude any other remedy property owners may seek.●

By Mr. GRAMM:

S. 146. A bill to authorize negotiation of free trade agreements with the countries of the Americas, and for other purposes; to the Committee on Finance.

THE AMERICAS FREE TRADE ACT

Mr. GRAMM. Mr. President, on February 4, 1993, I introduced legislation to authorize the negotiation of free agreements between the United States and the countries in North and South America. This was a step toward the realization of my hopes for a free trade area stretching from the Elizabeth Islands of Canada to Tierra del Fuego in South America. The subsequent approval of the North American Free Trade Agreement [NAFTA], is the most significant accomplishment to date on the road toward the achievement of free trade throughout our hemisphere.

On January 25, 1994, I introduced the American Free Trade Act. This legislation was similar to the bill that I introduced the preceding year, with the addition of special provisions regarding free trade with a post-Castro, post communist Cuba. Those provisions defined the standards by which we would be able to identify the return of freedom to Cuba and would give priority to the negotiation of a free trade agreement with a free Cuba.

The Index of Economic Freedom, recently published by the Heritage Foundation, listed Cuba, together with North Korea, as the most repressive nation on the earth with regard to economic rights and freedoms. Cuba and North Korea remain the last bastions of unrepentant Marxism. While such a repressive regime remains in power in Cuba, free trade would be meaningless and free trade negotiations would be a waste of time. On the other hand, in a post-Castro environment, free trade can play a crucial role in promoting and reestablishing economic and political freedoms.

The bill contains five standards for measuring the return of freedom in Cuba. These standards are:

1. The establishment of constitutionally-guaranteed democratic government with leaders freely and fairly elected;
2. The restoration, effective protection, and broad exercise of private property rights;
3. The achievement of a convertible currency;
4. The release of political prisoners; and
5. The effective guarantee of free speech and freedom of the press.

These, of course, are minimum conditions upon which free trade relations can be established and which free trade can strengthen. In fact, free trade will serve to expand the economic and political freedoms of the people of Cuba.

Mr. President, the bill sets forth an additional requirement that nec-

essarily must be met for our Nation to enter into a broad free trade arrangement with Cuba, and that is that the claims of U.S. citizens for compensation for expropriated property are appropriately addressed.

This last December, the leaders of all of the nations of the Western Hemisphere, except for Fidel Castro, met in Miami and agreed to the goal of achieving free trade throughout the Americas early in the next century. I have long supported that goal. I hope that this bill that I am reintroducing today can be speedily enacted to give the President the authority to begin negotiations right away.

Mr. President, the time is not at all premature. Several countries have already expressed a desire to enter into a free trade arrangement with the United States. Among those are Chile, Panama, Argentina, and others. Several of these and other countries in the hemisphere have entered into, or are negotiating, free trade arrangements among themselves. While NAFTA is the largest free trade area in the hemisphere, Brazil, Argentina, Uruguay and Paraguay, are scheduled this year to initiate the second largest free trade area, called Mercosul/sur, a free trade area with nearly \$650 billion in combined gross domestic product.

Four other trade arrangements are or soon will be in place in the Americas and the Caribbean. These trade arrangements are the building blocks of an eventual free trade area embracing all of the Americas. The Americas Free Trade Act would encourage the President to conduct negotiations with such groups of nations, in order to build upon the progress that they are achieving in lowering the barriers to trade among themselves.

Mr. President, the last 15 years have witnessed victories for freedom in the governments and economies of the Americas. Their rejection of authoritarianism has accelerated, and the United States has been the model for this development. After almost two centuries of forsaking the example of freedom that made us the greatest, most prosperous nation on the planet, the nations of this hemisphere are more willing than ever to emulate our formula for success. Now is the time for us to encourage and embrace our neighbors as we lay the foundation for a new century of prosperity and opportunity for all of the people of the New World.

Mr. President, I ask that the summary and text of the bill be included in the RECORD.

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

S. 146

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 “Americas Free Trade Act”.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The countries of the Western Hemisphere have enjoyed more success in the twentieth century in the peaceful conduct of their relations among themselves than have the countries in the rest of the world.

(2) The economic prosperity of the United States and its trading partners in the Western Hemisphere is increased by the reduction of trade barriers.

(3) Trade protection endangers economic prosperity in the United States and throughout the Western Hemisphere and undermines civil liberty and constitutionally limited government.

(4) The successful establishment of a North American Free Trade Area sets the pattern for the reduction of trade barriers throughout the Western Hemisphere, enhancing prosperity in place of the cycle of increasing trade barriers and deepening poverty that results from a resort to protectionism and trade retaliation.

(5) The reduction of government interference in the foreign and domestic sectors of a nation's economy and the concomitant promotion of economic opportunity and freedoms promote civil liberty and constitutionally limited government.

(6) Countries that observe a consistent policy of free trade, the promotion of free enterprise and other economic freedoms (including effective protection of private property rights), the removal of barriers to foreign direct investment, in the context of constitutionally limited government and minimal interference in the economy, will follow the surest and most effective prescription to alleviate poverty and provide for economic, social, and political development.

SEC. 3. FREE TRADE AREA FOR THE WESTERN HEMISPHERE.

(a) IN GENERAL.—The President shall take action to initiate negotiations to obtain trade agreements with the sovereign countries located in the Western Hemisphere, the terms of which provide for the reduction and ultimate elimination of tariffs and other nontariff barriers to trade, for the purpose of promoting the eventual establishment of a free trade area for the entire Western Hemisphere.

(b) RECIPROCAL BASIS.—An agreement entered into under subsection (a) shall be reciprocal and provide mutual reductions in trade barriers to promote trade, economic growth, and employment.

(c) BILATERAL OR MULTILATERAL BASIS.—Agreements may be entered into under subsection (a) on a bilateral basis with any foreign country described in that subsection or on a multilateral basis with all of such countries or any group of such countries.

SEC. 4. FREE TRADE WITH FREE CUBA.

(a) RESTRICTIONS PRIOR TO RESTORATION OF FREEDOM IN CUBA.—The provisions of this Act shall not apply to Cuba unless the President certifies (1) that freedom has been restored in Cuba, and (2) that the claims of United States citizens for compensation for expropriated property have been appropriately addressed.

(b) STANDARDS FOR THE RESTORATION OF FREEDOM IN CUBA.—The President shall not make the certification that freedom has been restored in Cuba, as described in subsection (a), unless he determines that—

(1) a constitutionally guaranteed democratic government has been established in Cuba, with leaders chosen through free and fair elections;

(2) the rights of individuals to private property have been restored and are effectively protected and broadly exercised in Cuba;

(3) Cuba has a currency that is fully convertible domestically and internationally;

(4) all political prisoners have been released in Cuba; and

(5) the rights of free speech and freedom of the press in Cuba are effectively guaranteed.

(c) PRIORITY FOR FREE TRADE WITH FREE CUBA.—Upon making the certification described in subsection (a) the President shall give priority to the negotiation of a free trade agreement with Cuba.

SEC. 5. PERMANENT APPLICATION OF FAST TRACK PROCEDURES.

The provisions of section 151 of the Trade Act of 1974 (19 U.S.C. 2191) apply to implementing bills submitted with respect to trade agreements entered into pursuant to the provisions of this Act.

THE AMERICAS FREE TRADE ACT—SUMMARY

I. The President is directed to undertake negotiations to establish free trade agreements between the United States and countries of the Western Hemisphere. Agreements may be bilateral or multilateral.

II. The President, before seeking a free trade agreement with Cuba under the Act, would have to certify (1) that freedom has been restored in Cuba, and (2) that the claims of U.S. citizens for compensation for expropriated property have been appropriately addressed. The President could make the certification that freedom has been restored to Cuba only if he determines that—

A. constitutionally guaranteed democratic government has been established in Cuba, with leaders freely and fairly elected;

B. private property rights have been restored and are effectively protected and broadly exercised;

C. Cuba has a convertible currency;

D. all political prisoners have been released; and

E. free speech and freedom of the press are effectively guaranteed.

If the President certifies that freedom has been restored to Cuba, priority will be given to the negotiation of a free trade agreement with Cuba.

III. Congressional fast track procedures for consideration of any such agreement (i.e., expedited consideration, no amendments) are extended permanently.

By Mr. GRAMM:

S. 147. A bill to amend the Internal Revenue Code of 1986 to increase the personal exemption for dependents to \$5,000, and for other purposes; to the Committee on Finance.

THE CUT GOVERNMENT BUDGET TO INCREASE FAMILY BUDGET ACT OF 1995

Mr. GRAMM. Mr. President, for the last 40 years, government has spent an increasing share of the income of American families and because government has spent the family's income less wisely than the family would have spent it, the well-being of American families and America has diminished. This proposal will cut government spending and allow families to spend their own money on their own children for their own future.

To give families their freedom and their money back, every family with children will get an immediate tax cut so that families can invest in the needs of their own children.

The current \$2,500 exemption allowed per child will be doubled to \$5,000. The total exemptions for a family of four now shield from Federal income taxes just \$10,000 or about 20 percent of the average income of such a family. With

this change, the amount of family income protected for its own use would rise to \$15,000 or about 33 percent of average family income. While this is an important step toward allowing families to spend their own money again, the amount of average family income shielded from the tax collector will still be only about half of the level which existed in 1950.

Tax cut—\$124 billion	Spending cut—\$124 billion
Double the dependent exemption for all children from \$2,500 to \$5,000, thus allowing families to spend more of their own money on their own children.	Cut the discretionary budgets of the Departments of Education, Energy, Labor, Health and Human Services, Housing and Urban Development, and Transportation (non-trust fund) by 16% over 5 years.

Facts on the parent and child exemptions:

In 1950, exemptions alone shielded 65 percent of the income of an average family of four from any Federal income taxes.

By the end of the 1970's, the protection of family income provided by the exemption had dropped to just 16 percent of the income of an average family of four.

In the 1980's, Republicans stopped the erosion of the exemption by indexing it for inflation, and then restored part of that lost protection so that by 1992, 21 percent of the income of an average family of four was protected from Federal income taxes.

This increase in the dependent exemption would further protect the family budget from Federal taxation by increasing the exemption to 33 percent of the average income of a family of four.

It will reduce by \$1,400 the Federal income tax on an average income family of four earning \$45,000.

We will force the government to tighten its budget so families can loosen theirs, reversing a 40-year trend.

This transfer of spending power from government to families is a down payment on restoring the American Dream.

By Mr. GRAMM:

S. 148. A bill to promote the integrity of investment advisers; to the Committee on Banking, Housing, and Urban Affairs.

THE INVESTMENT ADVISERS INTEGRITY ACT

Mr. GRAMM. Mr. President, today I am introducing legislation that will aid the Securities and Exchange Commission [SEC] in targeting resources to enforce the Investment Advisers Act of 1940. Increasingly, American families are investing in mutual funds, individual retirement accounts, municipal bonds, a variety of insurance products, and many other financial instruments.

Often, American families rely upon investment advisers to assist them in making investment decisions and in managing their assets. Millions of people have benefited from the services provided by these investment advisers.

For several years, the Securities and Exchange Commission has expressed in testimony before Congress the need to

improve supervision of investment advisers. While not lacking for resources, given the dramatic increase in the SEC's budget over the last several years, the SEC has had difficulty targeting funding to this area of responsibility. The bill that I am introducing will take two important steps toward focusing the SEC's efforts.

First, the bill would highlight the importance of enforcing the Investment Advisers Act of 1940 by identifying specific amounts from the SEC's budget to be devoted to that purpose. The bill authorizes \$10 million for fiscal year 1996, and \$12 million in 1997, recognizing that organizing and training for this purpose is unlikely to be completed in the first year. The SEC could devote more of its budget to this enforcement effort if the Commission chose to do so, but these amounts will at least ensure increased priority.

Mr. President, I proposed to direct those efforts where the problems are likely to occur. Frankly, the fraud is going to be where the money is, and that is where we should direct the SEC's attention. For example, as few as 5 percent of registered investment advisers manage more than \$500 million each of client assets, and yet this group has 70 percent of all assets under management. The SEC should not have its attention diverted from these advisers by inspection of advisers managing little or none of their clients' assets. In fact, Mr. President, about half of all investment advisers do not manage any client assets at all.

This bill would exempt from SEC registration all investment advisers managing less than \$5 million in assets, with one important condition. That condition is that adviser is registered with his or her State securities regulator, who would then have responsibility for supervision. Should a State not wish to take on responsibility for supervision of such investment advisers, then that State need not register them, and the investment adviser would continue to require to register with the SEC and be subject to SEC supervision.

If the SEC determines, however, that there is a need, and that the SEC has sufficient resources, the Commission may limit this exemption to investment advisers managing no more than \$1 million in assets. The SEC would in such event supervise investment advisers who manage 99 percent of all assets under management. This would target the SEC's efforts less sharply, but it would still reduce the SEC's inspection load by as much as two-thirds.

The legislation would preserve full authority for the SEC to investigate aggressively any investment adviser where allegations of fraud are raised. Moreover, the SEC could disqualify from registration as an investment adviser any individual who in the previous 10 years had been convicted of a felony.

This bill avoids the approach of earlier proposals, which would have imposed a new tax on all investment ad-

visers, and thereby on all of their clients. In my view, such a tax is unconscionable, especially while existing SEC fees impose a tax on investment, raising enough revenues to fund the SEC two or three times over. Moreover, the most harmful stage of the economic cycle on which to levy a tax is investment. Every investment dollar lost to pay for government is not just a loss of one dollar, but it is the loss of the many more dollars that this investment would have generated in economic activity.

Mr. President, allow me to emphasize again, that the SEC has not been starved for resources. The budget of the SEC has tripled since 1986, up by 60 percent since 1990. The challenge to the SEC has not been obtaining resources, but rather assigning those resources to what the SEC has testified is a priority area of concern. This legislation will aid the SEC in that effort.

Mr. President, I ask that a summary and the text of the bill by included in the RECORD.

S. 148

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 "Investment Advisers Integrity Act".

SEC. 2. ENHANCED ENFORCEMENT PRIORITY.

Of the amounts appropriated to the Securities and Exchange Commission, there are authorized to be appropriated—

(1) not to exceed \$10,000,000 in fiscal year 1996; and

(2) not to exceed \$12,000,000 for fiscal year 1997; for the enforcement of the provisions of the Investment Advisers Act of 1940, particularly with respect to advisers managing more than \$5,000,000 in assets.

SEC. 3. EXEMPTION FOR STATE REGISTRATION.

Section 203(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(b)) is amended—

(1) by striking "or" at the end of clause (2);
 (2) by striking the period at the end of clause (3) and inserting "; and"; and
 (3) by adding at the end the following:

"(4) any investment adviser who, during the course of the preceding 12 months, had no more than \$5,000,000 in assets under management, if the investment adviser is registered with the appropriate State securities regulator, except that the Commission may, by rule, also require registrations by investment advisers who, during the preceding 12 months, had more than \$1,000,000 but less than \$5,000,000 in assets under management if the Commission determines such action to be necessary to achieve the purposes of the Act. As used in this section, the term 'assets under management' means the client assets with respect to which an investment adviser provides continuous and regular supervisory or management services."

SEC. 4. INVESTIGATION OF FRAUD.

Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by adding at the end the following:

"(f) The Commission is authorized to conduct investigations of any investment adviser, notwithstanding any exception from registration under section 203(b)(4), in any case where the appropriate State securities regulator or one or more clients or former clients of the investment adviser have alleged fraud on the part of the investment adviser."

SEC. 5. DISQUALIFICATION OF CONVICTED FELONS.

(a) AMENDMENT.—Section 203(e) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(e)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) has been convicted within 10 years preceding the filing of any application for registration or at any time thereafter of any crime that is punishable by imprisonment for one or more years and that is not described in paragraph (2) of this subsection or a substantially equivalent crime by a foreign court of competent jurisdiction."

(b) CONFORMING AMENDMENTS.—Section 203 of such Act is further amended—

(1) in subsection (e)(6) (as redesignated by subsection (a) of this section), by striking "this paragraph (5)" and inserting "this paragraph (6)";

(2) in subsection (f)—

(A) by striking "paragraph (1), (4), (5), or (7)" and inserting "(1), (5), (6), or (8)"; and

(B) by striking "paragraph (3)" and inserting "paragraph (4)"; and

(3) in subsection (i)(1)(D), by striking "section 203(e)(5) of this title" and inserting "subsection (e)(6) of this section".

THE INVESTMENT ADVISERS INTEGRITY ACT—SUMMARY

I. For fiscal year 1996 \$10 million are authorized, and for fiscal year 1997 \$12 million are authorized, for enforcement of the Investment Advisers Act of 1940, with a particular focus on supervision of investment advisers managing more than \$5 million in assets.

II. Investment advisers who, during the previous year, did not have more than \$5 million in assets under management are exempt from registering with the SEC, provided that they have registered with their appropriate state securities regulator.

III. The SEC may, by rule, require registration with the SEC of investment advisers who, during the previous year, had more than \$1 million but less than \$5 million in assets under management, if the Commission determines such action to be necessary to achieve the purposes of the Investment Advisers Act of 1940.

IV. The SEC would retain authority to conduct investigations of any investment advisers, whether registered with the SEC or with state regulators, in the case of allegations of fraud raised either by clients or by state securities regulators.

V. An individual with a felony conviction during the previous ten years can be disqualified by the SEC from registration as an investment adviser.

By Mr. GRAMM:

S. 149. A bill to require a balanced Federal budget by fiscal year 2002 and each year thereafter, to protect Social Security, to provide for zero-based budgeting and decennial sunseting, to impose spending caps on the growth of entitlements during fiscal years 1996 through 2002, and to enforce those requirements through a budget process involving the President and Congress and sequestration; to the Committee on the Judiciary.

THE BALANCED BUDGET IMPLEMENTATION ACT

• Mr. GRAMM. Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

BALANCED BUDGET IMPLEMENTATION ACT
OUTLINE

A bill to require and implement a balanced budget by the year 2002.

TITLE 1. REQUIRE A JOINT BUDGET RESOLUTION TO FORCE JOINT ACTION BETWEEN CONGRESS AND THE PRESIDENT:

(A) Joint Resolution on the Budget: To remedy the lack of cooperation and coordination between the President and Congress resulting from the Congressional Budget and Impoundment Control Act of 1974 which created two budgets—one Executive and one Congressional—the Balanced Budget Implementation Act converts the present concurrent resolution on the budget into a joint resolution on the budget which must be signed by the President, ensuring joint Congressional and Executive branch consensus on and commitment to each annual budget.

TITLE 2. ZERO-BASED BUDGETING & DECENNIAL SUNSETTING:

(A) For FY 1996 and FY 1997, Congress must re-authorize all discretionary programs and all unearned entitlements: The Balanced Budget Implementation Act adopts President Carter's zero-based budgeting concept, mandating that before FY 1996 begins, the spending authority for all unearned entitlements, and the spending authority for the most expensive one-third of discretionary programs will expire. Entitlements earned by service or paid for in total or in part by assessments or contributions shall be deemed as earned, and their authorization shall not expire. Entitlements not sunsetted include Social Security, veterans benefits, retirement programs, Medicare and others. Before FY 1997, the spending authority of the remaining discretionary programs will expire.

Specifics: By the beginning of FY 1997, all unearned entitlements and discretionary programs will be subject to re-authorization. If a specific unearned entitlement or discretionary program is not re-authorized in a non-appropriations bill, it cannot be funded and will be terminated.

(B) Unauthorized programs cannot receive appropriations: The Balanced Budget Implementation Act creates a point of order in both Houses against any bill or provision thereof that appropriates funds to a program for which no authorization exists.

Specifics: Such point of order can be waived only by the affirmative vote of 3/5ths of the whole membership of each House. Appeals of the ruling of the chair on such points of order also require a 3/5ths affirmative vote of the whole membership of each House.

A 3/5ths point of order shall lie against any authorization that is contained in an appropriation bill.

(C) All discretionary programs and unearned entitlements must be reauthorized every ten years: In the first session of the congress which follows the decennial Census reapportionment, the spending authority for all unearned entitlements and the most expensive one-third of all discretionary programs will expire for the fiscal year that begins in that session. In the second session of that Congress, the spending authority for the remaining discretionary programs will expire for the fiscal year that begins in that session. This provision will be enforced by the points of order contained in Section (B) above.

TITLE 3. LIMIT THE GROWTH OF ENTITLEMENTS TO THE GROWTH RATE OF SOCIAL SECURITY:

(A) The Balanced Budget Implementation Act adopts President Bush's proposal to

limit the aggregate growth of all entitlements other than social Security to the growth rate formula of Social Security for the period FY 1996 to FY 2002: the aggregate growth of all entitlements other than Social Security is limited to the growth rate formula of Social Security, which is the consumer price index and the growth in eligible population.

(B) The Balanced Budget Implementation Act provides flexibility in the growth rate of entitlement programs: An individual entitlement program can grow faster than the overall entitlement cap as long as the aggregate growth in all entitlements (other than Social Security) does not exceed the entitlement cap.

(C) From FY 1996 to FY 2002, the aggregate spending growth cap on entitlements will be enforced by an entitlement sequester: The Balanced Budget Implementation Act provides that if aggregate spending growth in entitlements exceeds the total growth in consumer prices and eligible population, an across-the-board sequester to eliminate excess spending growth will occur on all entitlements other than Social Security. A 3/5ths vote point of order lies against any effort to exclude any entitlement from this sequester. This sequester would be in effect until Congress passes legislation which brings the entitlement program back within the cap, and the President signs the bill.

TITLE 4. ESTABLISH FIXED DEFICIT TARGETS, RESTORE AND STRENGTHEN GRAMM-RUDMAN, AND REQUIRE A BALANCED BUDGET BY 2002:

(A) Restores the fixed deficit targets of Gramm-Rudman (GR) enacted by President Reagan: The Balanced Budget Implementation Act modifies the existing GR maximum deficit amounts and extends the GR sequester mechanism to balance the budget by FY 2002 and annually thereafter.

The fixed deficit targets established for the next seven fiscal years will result in a balanced budget by the fiscal year 2002: FY 1996, \$145 billion; FY 1997, \$120 billion; FY 1998, \$97 billion; FY 1999, \$72 billion; FY 2000, \$48 billion; FY 2001, \$24 billion; FY 2002, \$0 billion.

The new maximum deficit amounts will be enforced by the existing GR deficit sequester. After reaching a balanced budget, the GR sequester mechanism will become permanent to ensure the budget stays in balance.

(B) Strengthen the GR points of order: The Balanced Budget Implementation Act requires the strengthening of the existing GR budget points of order.

Specifics: A point of order will lie against all actions that (1) increase the deficit or (2) increase the limit on national debt held by the public beyond the deficit levels required in Section A & B (above). This point of order will lie in both Houses, and may be waived only by a 3/5ths vote of the whole membership of each House. An appeal of the point of order can only be waived by a 3/5ths vote. No rule in either House can permit waiver of such a point of order by less than 3/5ths affirmative vote of the whole membership of such House, nor can such point of order be waived for more than one bill per vote on such point of order.

Once the budget is balanced, all points of order will become permanent to ensure the budget stays in balance.

(C) Protect Social Security: Social Security will be protected fully by (1) preserving the existing points of order to protect the Social Security trust fund; and (2) providing expedited procedures in 2002 for consideration of additional legislation to balance the budget excluding the Social Security Trust Fund.

(D) Extend the Discretionary Spending Caps: President Clinton proposed extending the existing caps on total discretionary

budget authority and outlays to cover the fiscal years 1999 and 2000. That cap will be extended to also apply to the fiscal years 2001 and 2002, at the same level of President Clinton's proposed extension.

Year, outlays; FY 1998, \$542.4 billion; FY 1999, \$542.4 billion; FY 2000, \$542.4 billion; FY 2001, \$542.4 billion; FY 2002, \$542.4 billion.

(E) Look Back Sequester: In the last quarter of every fiscal year, a "look back" sequestration is required to eliminate any excess deficit for the current year. This look back sequester will guarantee that the actual deficit target set for that year is achieved.

Specifics: On July 1 of every fiscal year, the Office of Management and Budget (OMB) will order an initial look back sequester based on the most recent OMB deficit estimates. On July 15, the OMB Mid-Session Review will update and finalize the sequester order. The final order will stay in effect unless offset by appropriate legislation to bring the deficit into compliance with that year's target.●

By Mr. DOLE (for himself, Mr. HATCH, Mr. SIMON, Mr. THURMOND, Mr. HEFLIN, Mr. CRAIG, Ms. MOSELEY-BRAUN, Mr. BROWN, Mr. KOHL, Mr. SIMPSON, Mr. GRASSLEY, Mr. SPECTER, Mr. KYL, Mrs. FEINSTEIN, Mr. NICKLES, Mr. MURKOWSKI, Mr. BRYAN, Mrs. HUTCHISON, Mr. EXON, Mr. SHELBY, Mr. CAMPBELL, Mr. SMITH, Mr. COHEN, Mr. PRESSLER, Mr. GREGG, Mr. GORTON, Mr. ASHCROFT, Mr. BURNS, Mr. MCCONNELL, Mr. INHOFE, Mr. GRAMM, Mr. LOTT, Mr. DEWINE, Ms. SNOWE, Mr. THOMPSON, Mr. ROTH, Mr. LUGAR, Mr. BOND, Mr. CRAIG THOMAS, Mr. COVERDELL, Mr. SANTORUM, Mr. GRAMS, and Mr. MACK):

S.J. Res. 1. A joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget; to the Committee on the Judiciary.

THE BALANCED BUDGET CONSTITUTIONAL
AMENDMENT

Mr. DOLE. Mr. President, 1969 was a year of firsts and lasts. It was the year that a man—American astronaut Neil Armstrong—first walked on the Moon. And, it was the last year that Congress balanced the budget. That was 35 years ago.

In 1969, we spent \$16.6 billion or roughly 9 percent of the Federal budget to pay interest on the national—pocket change by today's standards. According to President Clinton's most recent budget, interest payments on the national debt will surpass the \$300 billion mark for the first time this year. This year, roughly 20 percent of all Federal spending will go to pay interest on the national debt.

Beginning in 1974, Congress has tried to control Federal spending with a series of legislative remedies—Gramm-Rudman-Hollings, spending caps, pay-as-you-go—but, every time those remedies started to bite, the special interests began to squawk. The decisions got too tough, and Congress blinked.

Mr. President the deficit situation has improved since President Clinton took office, but only slightly. Even under the rosier of scenarios which assume 10 straight years of steady growth with low inflation, the deficit is expected to fall for another year or two and then start moving right back up again.

Mr. President, on November 8, the American people sent a message to Washington. They want us to get Federal spending under control.

Nine more "messengers," fresh from the campaign trail, took the oath of office today. The American people and every one of the 11 new Senators who were elected last November, understand that the time has come for a fundamental change in the way we do business in Washington.

It is time to give constitutional protection to the generations of Americans whose dreams of a better future are being crushed under a mountain of debt passed on by a spendthrift Congress for the past 35 years. It is time to give constitutional protection to future generations of Americans—our children and grandchildren—who are not now eligible to vote and are inadequately represented in Congress today.

The American people want a smaller, less intrusive Government. Ronald Reagan tried to cut taxes, grow the economy, and force Congress to either cut spending or run up record deficits. He wagered that given that choice, Congress would do the right thing and cut spending. But, not even record deficits could curb Congress' spending addiction.

There will be some who argue that voting for the balanced budget amendment is taking the easy way out. They are wrong. Adoption of the balanced budget amendment is only the first step. Once it is approved, Congress must begin to take action now that will enable us to balance the budget by the time the proposed amendment could go into effect.

The American people want the 104th Congress to make some tough choices. They understand that we cannot magically balance the budget overnight, but, they also expect to see progress, real progress.

We intend to deliver. Senator DOMENICI and Congressman KASICH are hard at work with other House and Senate Republicans developing a budget blueprint that will put the Federal budget on a path toward balance by 2002—without touching Social Security and without raising taxes.

Mr. President, I want to commend the distinguished chairman of the Judiciary Committee, Senator HATCH, the distinguished senior Senator from Illinois, Senator SIMON, the distinguished senior Senator from Idaho, Senator CRAIG, and the distinguished President pro tempore, Senator THURMOND, for the work they have done to develop a balanced budget constitutional amend-

ment that has strong bipartisan support.

I understand from Chairman HATCH that the Senate Judiciary Committee will hold a hearing on Senate Joint Resolution 1 tomorrow, and that he intends to work with the members of the committee to try to get this amendment to the Senate floor for a full debate later this month. I look forward to that debate, and I am confident that with the help and support of the American people, the 104th Congress will be able to break the gridlock for real change. Change that demonstrates that we got the message—loud and clear, change that can help restore confidence in our democratic system of Government, change that can help revive the American dream for future generations of Americans.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

S. J. RES. 1

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, 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 to the States for ratification:

"ARTICLE—

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 2002 or with the

second fiscal year beginning after its ratification, whichever is later."

Mr. HATCH. Mr. President, I am pleased to be joining the majority leader this morning in introducing, along with Senator SIMON, Senator THURMOND, Senator CRAIG, and others, a balanced budget amendment to the Constitution. This is the consensus amendment developed through decades of study, work, hearing, debates, and discussions.

It is appropriate that it hold a place of honor as Senate Joint Resolution 1 in this new Congress. Its debate and adoption will be a major step in the work of this Congress to reform itself and its relationship with the American people. The people's frustration with the Washington ways of a profligate Congress and an unresponsive and irresponsible Federal bureaucracy is not new, but it has been growing. That fact should be no surprise.

The national debt is fast approaching \$4.8 trillion. This means every man, woman, and child in the state of Utah and all other States has a debt burden of \$18,500.

The human implications of our mammoth debt are that our children are being shackled with an insurmountable burden as a result of our largess. Perhaps the most significant effect of today's unrestrained borrowing, however, will be a reduction in the political choices available to future governments of this Nation. Next year, some estimates suggest, interest will consume almost 24 percent of all Federal revenues—at \$296 billion, that is more than total Federal revenues in 1975. Imagine that. What we now pay in interest was more than the Government took in in total just 20 years ago.

When the people of my home State think of leaving a legacy to their children and grandchildren, this is not what they think of. They don't expect to make their children and grandchildren pay their credit card bills, but this is the inheritance their government is creating for them. Together with that debt comes a weakened economy, a weakened trading posture, and—worst of all—a less sound, less responsive, and less responsible government. Most parents and grandparents want to leave a brighter, not a darker, future for their loved ones.

The promise of strong, responsible government the founding generation left embodied in the Constitution has not been kept by those who recently have stood in their place. The national Government has grown increasingly profligate over recent decades. We have a duty to do better.

The American people understand this. I regularly receive mail from Utahns asking why the Federal Government cannot balance its budget in the same way that families and businesses must.

There is concern about the way the Federal Government soaks up capital to make interest payments which could

be used for private investment or Government health, housing, or education programs. They all echo the concern that an integral part of constitutional responsibility has been lost in recent decades, that of fiscal discipline, the simple notion that government should live within its means and not bind future generations to pay for current consumption without real return. That is why over 85 percent of Americans favor a balanced budget amendment.

Congress has proven itself wholly incapable of controlling its deficit addiction without the strong therapy of a clear constitutional mandate to make it get clean and sober. A balanced budget constitutional amendment is necessary to force Congress to keep faith with voters who expect them to end the fiscal folly. Only the constitutional discipline of a balanced budget amendment can return sanity to an out-of-control budgetary process.

The proposed amendment is wholly consistent with the Constitution in scope and purpose. It provides another of what Madison called "auxiliary precautions" to help ensure that a government of human beings would—to the greatest extent possible—be governed by the better angels of our human nature. In short, the amendment assures the blessings of limited government and liberty promised by the Framers of the Constitution.

The amendment, in restoring limited government, preserves a rule of fiscal responsibility that, for much of our history, literally went without saying. It addresses a serious spending bias in the present fiscal process arising from the fact that Members of Congress do not have to approve new taxes in order to pay for new spending programs. Rather than having to cast such politically disadvantageous votes, Congress has been able to resort to increased levels of deficit spending.

The balanced budget amendment proposes to overcome this spending bias by restoring the linkage between Federal spending and taxing decisions. It does not propose to read any specific level of spending or taxing forever into the Constitution, and it does not propose to intrude the Constitution into the day-to-day spending and taxing decisions of the representative branch of the Government. It merely proposes to create a fiscal environment in which the competition between the taxpayers and the taxpayers is a more equal one—one in which spending decisions will once more be constrained by available revenues.

Nor will passage and ratification of the balanced budget amendment lead to intrusive Federal court interference in the budgeting process. The well-recognized doctrines of article III standing and justiciability, as well as the political question doctrine, act as a deterrent to unnecessary judicial activism. Furthermore, Congress' ability to define the jurisdiction of the Federal courts, pursuant to article III of the Constitution and section 6 of the bal-

anced budget amendment, allows Congress to prevent judicial activism should it arise, through implementing legislation.

Statutory efforts to control spending are inadequate—pure and simple. They are short term. Any balanced budget statute can be repealed, in whole or in part, by the simple expedient of adopting a new statute. The spending bias in Congress, however, is a permanent problem. It demands a permanent constitutional solution. The virtue of a constitutional amendment is that it can invoke a stronger rule to overcome the spending bias.

This amendment is not a panacea for the economic problems of the Nation. The amendment is, however, a necessary step toward securing an environment more conducive to honest and accountable fiscal decisionmaking. It moves us toward the kind of debate about priorities and the role of the Federal Government that are the essence of responsible government—the kind of responsible government the founders left us and the kind the voters require of us in this Congress.

I am extremely pleased to stand side-by-side with my colleagues from both sides of the aisle as we unveil today an amendment that will establish constitutional limitations on federal spending and deficit practices. I want to pay special tribute to my colleague Senator SIMON, who has been a critical force in this effort over the years, and to Senator THURMOND, who has been a leader in this effort virtually every year that he has been in the U.S. Congress. We look forward to his continued participation.

I sincerely hope that this will be the year we approve this amendment and send it to the States for ratification to save future generations of Americans from this heavy and debilitating economic burden.

Mr. CRAIG. Mr. President, this afternoon, let me join with Senator GLENN in echoing his praise of Senator KEMPTHORNE of Idaho and the effort they both have pursued in bringing S. 1 to the floor for its early consideration. I know of no other piece of legislation, except my balanced budget amendment, that I think is more critical to bring up in the 104th Congress. I say that, confident in telling the Governors and the mayors and those who direct local and State government that as we work to pass a balanced budget amendment and then bring the budget into balance, we will not pass on to them Federal responsibilities of taxing or governing. And that is why S. 1, or the unfunded Federal mandates legislation, is so important and that it go before us, to convince the American people and those local and State units of government that we are going to be responsible in our work with them, in our recognition of their priority and their place in the Constitution, that we do not keep shoving through to them the types of legislation or Federal regulation or mandates that is merely a

way for us to pass through or force upon them the obligation of funding Federal programs when we did not have the willingness to fund them ourselves.

Mr. President, what I come to the floor this afternoon to speak to is not S. 1, but I am a primary cosponsor of it and a strong supporter of it. I am here to speak about Senate Joint Resolution 1. That, of course, is the balanced budget amendment that Senator DOLE has introduced before the 104th Congress and this Senate just a few hours ago.

But in talking about that issue and my 12 years of championing that cause, both here in the Senate and the House, I would be remiss if I did not speak about the distinguished President pro tempore of the Senate, Senator STROM THURMOND, because you see it was Senator THURMOND more than 35 years ago who saw the wisdom of forcing this Government to balance its budget through a constitutional requirement, a constitutional amendment. So at my age and at my tenure here in the Senate, I am but a child in the support of this issue compared to those of seniority and especially those like Senator STROM THURMOND. So I honor him this afternoon for his allegiance and his farsightedness in dealing with this issue.

It is also important that I recognize Senator PAUL SIMON of Illinois. And I recognize him in the true bipartisan spirit in which we must deal with a constitutional amendment to require a balanced Federal budget. It is not a partisan issue. It takes two-thirds of the Senate present and voting or it takes 67 here in the Senate to pass a constitutional amendment and that means that both sides of the aisle, both Democrat and Republican, must agree, both in what we present in its image and in its wisdom to assure the passage of such a Senate joint resolution before it can go before the States for ratification.

So I recognize both Senator THURMOND and certainly Senator SIMON; also, now chairman of the Judiciary Committee, Senator ORRIN HATCH of the State of Utah; Senator HOWELL HEFLIN, Senator CAROL MOSELEY-BRAUN, and Senator HANK BROWN, the chairman of the Constitution Subcommittee, all of them very active in the Judiciary Committee. Those will be the Senators holding the hearing tomorrow before which I will testify on a version of that amendment of the kind that I have worked on now for over 12 years to assure that there would come a day—and I believe that day will occur within the month—when this Senate will pass a balanced budget amendment to our Constitution, as I believe the House will pass, then to send it forth to the States for their consideration and their ratification.

I also want to note our new Senate colleagues who have shown leadership and enthusiasm on this legislation when they were in the other body, including the Senators from Arizona [Mr.

KYL], from Oklahoma [Mr. INHOFE], and from Maine [Ms. SNOWE].

Why is this amendment so important? Well, in brief, it becomes obvious when you look at the number of years that our Government and this Senate has operated in deficit—34 deficits in the last 35 years, and 57 deficits in the last 65 years.

Yes, this Government and this Congress is clearly out of the habit of even being able to deal with the concept of balancing the Federal budget on an annual basis and being fiscally responsible instead of mounting up the billions and billions of dollars of debt on which it now costs over \$200 billion a year just to finance the net interest alone.

The longer we wait to mandate a balanced budget, the more difficult it becomes. We cannot postpone this amendment any longer.

That is why in the Contract With America with the new Members of Congress that were just put in place in the House, those who campaigned on it, the balanced budget amendment became the No. 1 issue. The American people understand. They understand the wisdom of balancing their own budgets, whether it is the budget of their family or the budget of their business. They know it is only good fiscal sense and now they demand it of their Government and I think this Congress can and will deliver.

And so it is a proud moment when I will be able to stand on the floor with these other Senators and debate it and offer up an amendment that we think will be ratified by the States in very short order. And we will begin the very important march, the very important process, of then crafting a budget and a procedure that will bring us to a balanced budget that will demonstrate the kind of fiscal responsibility that our people have asked for for so long.

Some folks tell us, "If Congress would just do its job, you wouldn't need a constitutional amendment." But that's the point—too many Members of Congress—and too many Presidents—have not thought balancing the budget was in their job description. That's why we need to add balancing the budget to that part of our job description that can't be repealed, delayed, suspended, or ignored at will—the Constitution.

When we pass this amendment, it will go to every State Capitol, and we will begin one of the great debates of our age. That's what this vote is really about, engaging the American people in the most sweeping public debate about the appropriate size, scope, and role of the Federal Government since the original Bill of Rights was sent to the States by the First Congress.

The question is clear: Do we trust the people with that debate? This Senator does. That's why we have this process of amending the Constitution, because the Constitution is the people's law, not the Government's law, and because

the people have a right to take part in such a momentous debate.

A constitution is a document that enumerates and limits the powers of the Government to protect the basic rights of the people. Within that framework, it sets forth just enough procedures to safeguard its essential operations. It deals with the most fundamental responsibilities of the Government and the broadest principles of governance.

Our balanced budget amendment, Senate Joint Resolution 1, fits squarely within that constitutional tradition.

The case for the balanced budget amendment can be summed up as follows: The ability of the Federal Government to borrow money from future generations involves decisions of such magnitude that they should not be left to the judgments of transient majorities.

The right at stake is the right of the people—today and in future generations—to be protected from the burdens and harms created when a profligate government amasses an intolerable debt.

The Framers of the Constitution recognized that fundamental right. I return once more to the words of Thomas Jefferson, who explicitly elevated balanced budgets to this level of morality and fundamental rights when he said:

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Actually, deficit spending is a form of taxation without representation. Americans are told that deficits are Uncle Sam's way of giving them a free lunch, providing \$1.15 worth of Government for just \$1 in taxes. In reality, interest on the gross debt adds another 20 cents in spending above and beyond every \$1 the Government spends on benefits, goods, services, and overhead.

Deficits are really the cruellest tax of all, since they never stop taking the taxpayers' money. Americans are paying now, with a sluggish economy, for the Government's past addiction to debt. Unless things change, the next generation will pay even more dearly.

The President's own 1995 budget, in its "Analytical Perspectives" volume, projected that future generations will pay as much as 82 percent of their lifetime incomes in taxes, under the current policies of borrow-and-spend.

Federal budget deficits are the single biggest threat to our economic security. The Federal debt now totals \$4.7 trillion, or about \$18,000 for every man, woman, and child in America, and is growing.

As deficits grow, as the national debt mounts, so do the interest payments made to service that debt. Besides crowding out other fiscal priorities, these amount to a highly regressive transfer of wealth.

In fact, interest payments to wealthy foreigners make up the largest foreign aid program in history. According to the President's budget, in 1993, the U.S. Government sent \$41 billion overseas in interest payments. That's almost exactly twice as much as all spending on actual international programs, including foreign aid and operating our embassies abroad, which totaled less than \$21 billion.

Annual gross interest on the debt now runs about \$300 billion, making it now the second largest item of Federal spending, and equal to about half of all personal income taxes.

There are many issues relating to this amendment, which will be aired fully and fairly when the Senate considers Senate Joint Resolution 1 later this month. At that time, we will again recall our almost 4,000 pages of legislative history over the last 15 years. Every question has been answered, every objection has been dealt with.

Senate Joint Resolution 1 has a history; it has a pedigree. It is the bipartisan, bicameral, consensus that has been looked at by constitutional scholars, economists, public interest groups, and members of both bodies. This amendment has been scrubbed and finetuned. It passes constitutional muster.

It's often said that Congress underestimates the wisdom of the people. Well, the people have spoken once again, and it's time for Senators to realize that, today, as is usually the case, good policy is good politics. The American people understand the balanced budget amendment, they want Congress to pass it, and they are right.

By Mr. THURMOND (for himself, Mr. DOLE, and Mr. SIMPSON):

S.J. Res. 2. A joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation; to the Committee on the Judiciary.

LINE-ITEM VETO LEGISLATION

Mr. THURMOND. Mr. President, I rise today with the distinguished Majority Leader, Senator DOLE, to introduce a proposed constitutional amendment which would give authority to the President to disapprove specific items of appropriation on any Act or joint resolution submitted to him. This authority is commonly referred to as line item veto.

The Congress must address runaway spending if we are truly going to establish a sound fiscal policy for this Nation.

As of November 16, 1994, the Federal debt stood at \$4.6 trillion and payment of interest on the debt is the second largest item in the budget. The budget deficit for fiscal year 1993 was over \$250 billion.

Recently, Majority Leader DOLE and Speaker GINGRICH met with President Clinton concerning legislative priorities in the 104th Congress. I am pleased to note that granting Presidential authority for line item was favorably discussed. Also, the Chairman

of the Senate Judiciary Committee, Senator HATCH, who once opposed a constitutional amendment on line item veto authority, now has come to appreciate the merit of this worthy proposal.

I believe the Judiciary Committee should quickly act on this important measure and send it to the Senate. In April, 1990, the Judiciary Committee favorably reported my proposed constitutional amendment on line item veto authority which was the same legislation that I am introducing today. Before that vote in 1990, the Judiciary Committee last approved a proposed constitutional amendment to grant the President line item veto authority in 1884.

The Congress regularly enacts appropriations measures, totaling billions and billions of dollars. Too often there are items tucked away in these bills that represent millions of dollars that would have very little chance of passing on their own merit. Yet, the President has no discretion to weed out these unnecessary expenditures and must approve or disapprove the bill in its entirety.

Presidential authority for line item veto is a badly needed fiscal tool which would provide valuable means to reduce and restrain excessive appropriations. It should be emphasized that my proposal grants the President power to approve or disapprove individual items of appropriation and does not grant power to simply reduce the dollar amount legislated by the Congress.

Forty-three governors currently have, in one form or another, the power to reduce or eliminate items or provisions in appropriation measures. Surely, the President should have a form of discretionary authority that 43 governors now have to check unbridled spending.

It is my hope that this Congress will swiftly approve line item veto and send a clear message to the American people that we are making a serious effort to get our Nation's fiscal house in order.

I urge my colleagues to support this proposal and our efforts to make it part of our Constitution.

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

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

S.J. RES. 2

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, 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 to the States for ratification:

“ARTICLE —

“The President may disapprove any item of appropriation in any Act or joint resolution. If an Act or joint resolution is approved by the President, any item of appropriation contained therein which is not disapproved

shall become law. The President shall return with his objections any item of appropriation disapproved to the House in which the Act or joint resolution containing such item originated. The Congress may, in the manner prescribed under section 7 of article I for Acts disapproved by the President, reconsider any item of appropriation disapproved under this article.”

By Mr. KYL:

S.J. Res. 3. A joint resolution proposing an amendment to the Constitution of the United States to provide that expenditures for a fiscal year shall neither exceed revenues for such fiscal year nor 19 per centum of the Nation's Gross National Product for the last calendar year ending before the beginning of such fiscal year; to the Committee on the Judiciary.

BALANCED BUDGET SPENDING LIMITATION ACT

• Mr. KYL. Mr. President, I introduce the Balanced Budget/Spending Limitation Amendment [BBSLA], an initiative which is designed to end Congress' addiction to overspending and give the Nation a chance at a healthy economic future.

It is an initiative which has been endorsed in the past by such taxpayer groups as Citizens Against Government Waste, Citizens for Tax Reform, and the National Tax Limitation Committee, not to mention the Institute for Research on the Economics of Taxation among others.

Like other balanced budget amendments which will be considered, the BBSLA requires a balanced Federal budget. It is unique, however, in two other respects—both substantively and in its objectives.

Substantively, it includes a Federal spending limitation. It limits spending to 19 percent of Gross National Product, which is roughly the level of tax revenues the Federal Government has collected annually for the last generation.

With respect to objectives, the BBSLA is designed to promote both fiscal responsibility and economic growth.

Just before Congress considered balanced budget amendments in 1992, the General Accounting Office released a report predicting that, based on then-current trends, Federal spending could grow to 42.4 percent of GNP by the year 2020. That would be up from about 23 percent of GNP today. Slower economic growth would result, and combined with a growing debt burden, the next generation could expect no improvement in its standard of living.

A report released the year before by Stephen Moore of the Institute for Policy Innovation came to similar conclusions about the proportion of GNP that the Government would command if current trends continue. The report concluded that:

Meaningful, constitutional limits on the growth of spending are needed to bring the size of government down to economically sustainable levels. One way to achieve this end would be to limit the percentage of GNP which the government can command from the private sector.

The idea of spending limits is not new. Nineteen States across the country have some form of spending limitations, in statute or in their constitutions. California, for example, adopted a constitutional limit in 1979, limiting yearly growth in appropriations to the percentage increase in population and inflation.

Tennessee adopted its constitutional limit in 1978, limiting the growth in appropriations to the growth in State personal income. Texas, also in 1978, adopted a constitutional limit, tying the growth in biennial appropriations to the rate of growth of personal State income.

The BBSLA is modeled after Arizona's spending limitation, which I helped draft in 1974 with then-State Senate Majority Leader Sandra Day O'Connor, now Associate Justice of the U.S. Supreme Court; State Senator Ray Rottas, who went on to become State Treasurer of Arizona; Clarence Duncan, a prominent Arizona attorney; and a handful of others. The spending limit, set at 7 percent of State personal income, was approved by an overwhelming 78 percent of the State's voters.

Combining a balanced budget requirement with a spending limitation achieves two things: first, it treats the cause of big deficits—excessive government spending—and not just the symptoms of that problem—high taxes and excessive borrowing. Our problem is not that Congress doesn't tax enough; it is that Congress spends too much.

Moreover, this approach recognizes that the only way Congress really can balance the budget is by limiting Federal spending to the level of revenues that the economy has been willing to bear.

Over the last 40 years—in good economic times and bad, despite tax increases and tax cuts, and under presidents of both political parties—revenues to the Treasury have remained relatively constant at about 19 percent of GNP.

That is because changes in the tax code change people's behavior. Low taxes stimulate the economy, resulting in more taxable income and transactions, and more revenue to the Treasury. Higher taxes discourage work, production, investment and savings, so revenues are always less than projected. Although tax cuts and tax rate increases may create temporary declines and surges in revenue, revenues always adjust at roughly the same percentage of GNP as people adjust their behavior to the new tax laws. So you cannot reduce the deficit and balance the budget by raising taxes.

The point is, if revenue as a share of GNP remains relatively steady no matter what Congress does, the only way to really raise revenues is to grow the economy first. In other words, 19 percent of a larger GNP represents more revenue to the Treasury than 19 percent of a smaller GNP.

The BBSLA thus attacks the cause of deficits head on—it limits spending. And, by linking spending to the size of the economy—as measured by GNP—it not only recognizes the reality that a growing economy produces more revenue, but also gives Congress an incentive to support policies that ensure that economy is indeed healthy and growing. Only a growing economy—as measured by GNP—would increase the dollar amount that Congress is allowed to spend. So, if Congress wants to spend more money, it would have to support policies that promote economic growth first.

Mr. President, it appears that a balanced budget amendment will pass this year. It is now time to ask which balanced budget amendment best meets the Nation's long-term needs; which amendment best addresses the root causes of the Nation's budget problems.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

S.J. RES. 3

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. Except as provided in this article, outlays of the United States Government for any fiscal year may not exceed its receipts for that fiscal year.

“SECTION 2. Except as provided in this article, the outlays of the United States Government for a fiscal year may not exceed 19 per centum of the Nation's gross national product for that fiscal year.

“SECTION 3. The Congress may, by law, provide for suspension of the effect of sections 1 or 2 of this article for any fiscal year for which three-fifths of the whole number of each House shall provide, by a roll call vote, for a specific excess of outlays over receipts or over 19 per centum of the Nation's gross national product.

“SECTION 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

“SECTION 5. This article shall apply to the second fiscal year beginning after its ratification and to subsequent fiscal years, but not to fiscal years beginning before October 1, 2001.”

By Mr. THURMOND:

S.J. Res. 4. A joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget; to the Committee on the Judiciary.

BALANCED BUDGET CONSTITUTIONAL
AMENDMENT

Mr. THURMOND. Mr. President, I rise today to introduce legislation to amend the U.S. Constitution to require

the Federal Government to achieve and maintain a balanced budget.

This legislation is essentially the same as Senate Joint Resolution 8 which I introduced in the 103d Congress and is similar to an earlier bill in March of 1986 which received 66 of 67 votes needed for Senate approval. Also, the Senate passed a balanced budget amendment in 1982 but was defeated in the House of Representatives. Simply stated, this legislation calls for a constitutional amendment requiring that outlays not exceed receipts during any fiscal year. Also, Congress would be allowed by three-fifths vote to adopt a specific level of deficit spending. Further, the Congress could waive the amendment during time of war. Finally, the amendment would also require that any bill to increase taxes be approved by a majority of the whole number of both Houses.

It is clear that the budget deficit is a top priority with the American people. Additionally, this legislation would be a key step to reduce and ultimately eliminate the Federal deficit. The interest and attention which this problem has attracted speaks volumes as to the need for solutions to our Nation's runaway fiscal policy.

Our Constitution has been amended only 27 times in over 200 years. Amendment to the supreme law of our land is a serious endeavor which should only be reserved to protect the fundamental rights of our citizens or to ensure the survival of our system of government.

Mr. President, I believe that the very survival of our system of government is presently being jeopardized by an irrational and irresponsible pattern of spending which has become firmly entrenched in Federal fiscal policy over the last half-century. As a result, this fiscal policy has gone a long way toward seriously threatening the liberties and opportunities of our present and future citizens.

As of November 16, 1994, the Federal debt is over \$4.6 trillion. Per capita, the Federal debt is over \$16,000. This means that it would cost every man, woman and child in America \$16,000 each to pay off the public debt. The Federal deficit for fiscal year 1993 was \$255 billion. In order to solve the deficit problem, congressional spending must be addressed.

I have believed for many years that the way to reverse the misguided direction of the fiscal government is by amending the Constitution to mandate, except in extraordinary circumstances, balanced Federal budgets. I know many other Members of Congress join me in wanting to establish balanced budgets as a fiscal norm, rather than a fiscal anomaly.

Those who oppose a balanced budget constitutional amendment and opt instead for self-imposed congressional restraint must face the fact that this restraint has not been forthcoming. Importantly, the Congress has only balanced the Federal budget one time in

the last 32 years. Meanwhile, the level of annual budget deficits has grown enormously over this period of time. Continued deficit spending by the Federal Government will undoubtedly lead the Nation into more periods of economic stagnation and decline. The tax burdens which today's deficits will place on future generations of American workers is staggering. We must reverse the fiscal course of the Federal Government and a constitutional amendment is the only effective way to accomplish it. It is time for Congress to understand the simple fact that a government cannot survive by continuing to spend more money than it takes in.

Mr. President, the balanced budget amendment proposal has the support of many of our colleagues in the Congress, a Congress which holds diverse views on many issues. Supporters of a balanced budget amendment share an unyielding commitment to restoring sanity to a spending process which is out of control and hurling our Nation headlong toward economic disaster.

I urge my colleagues to support this proposal so we may submit this important constitutional amendment to the States for ratification.

By Mr. THURMOND:

S.J. Res. 5. A joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

FORFEIT OF OFFICE BY GOVERNMENT OFFICIALS
AND JUDGES CONVICTED OF FELONIES

Mr. THURMOND. Mr. President, today I am introducing a proposed amendment to the Constitution which would require Federal judges and certain other officers of the United States to forfeit their offices upon conviction of a felony.

I believe that the citizens of the United States will agree that those who have been convicted of felonies should not be allowed to continue to occupy positions of trust and responsibility in our Government. Nevertheless, under current constitutional law it is possible for certain officers of the United States to continue to receive a salary even after being convicted of a felony. If they are unwilling to resign, the only method which may be used to remove them from the Federal payroll is impeachment, a process which can occupy a great deal of valuable time and resources of the Congress.

Currently, the Congress has the power to impeach officers of the Government who have committed treason, bribery, or other high crimes and misdemeanors. However, when a court has found an official guilty of a serious crime, it should not be necessary for Congress to then essentially re-try the official before he or she can be removed from the Federal payroll.

The constitutional amendment which I am introducing will provide that any officer of the United States who is appointed by the President and confirmed

by the Senate, upon conviction of a felony and exhaustion of all direct appeals, shall be removed from office and shall lose all salary and benefits arising from service in such office.

Mr. President, I urge my colleagues to carefully consider this proposal and ask unanimous consent that it be printed in the RECORD.

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

S.J. RES. 5

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 if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the State for ratification:

“ARTICLE—

“Any officer of the United States appointed by the President with the advice and consent of the Senate, upon conviction of a felony, shall forfeit office and all prerogatives, benefits, or compensation thereof.”.

By Mr. THURMOND (for himself, Mr. FAIRCLOTH, Mr. LOTT, and Mr. SHELBY):

S.J. Res. 6. A joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer; to the Committee on the Judiciary.

VOLUNTARY SCHOOL PRAYER AMENDMENT

Mr. THURMOND. Mr. President, today, I am introducing, along with Senators FAIRCLOTH, LOTT and SHELBY, the voluntary school prayer constitutional amendment. This bill is identical to S.J. Res. 73 which I introduced in the 98th Congress at the request of the President and reintroduced in the 99th, 100th, 101st, 102d, and 103d Congress.

This proposal has received strong support from our colleagues on both sides of the aisle and is of vital importance to our Nation. It would restore the right to pray voluntarily in public schools—a right which was freely exercised under our Constitution until the 1960's, when the Supreme Court ruled to the contrary.

Also, in 1985, the Supreme Court ruled an Alabama statute unconstitutional which authorized teachers in public schools to provide a period of silence, for meditation or voluntary prayer at the beginning of each school day. As I stated when that opinion was issued and repeat again—the Supreme Court has too broadly interpreted the establishment clause of the first amendment and, in doing so, has incorrectly infringed on the rights of those children—and their parents—who wish to observe a moment of silence for religious or other purposes.

Until the Supreme Court ruled in the Engel and Abington School District decisions, the establishment clause of the first amendment was generally under-

stood to prohibit the Federal Government from officially approving, or holding in special favor, any particular religious faith or denomination. In crafting that clause, our Founding Fathers sought to prevent what has originally caused many colonial Americans to emigrate to this country—an official, State religion. At the same time, they sought, through the free exercise clause, to guarantee to all Americans the freedom to worship God without government interference or restraint. In their wisdom, they recognized that true religious liberty precludes the Government from both forcing and preventing worship.

As Supreme Court Justice William Douglas once stated: “We are a religious people whose institutions presuppose a Supreme Being.” Nearly every President since George Washington has proclaimed a day of public prayer. Moreover, we, as a Nation, continue to recognize the Deity in our Pledge of Allegiance by affirming that we are a Nation “under God.” Our currency is inscribed with the motto, “In God We Trust”. In this body, we open the Senate and begin our workday with the comfort and stimulus of voluntary group prayers—such a practice has been recently upheld as constitutional by the Supreme Court. It is unreasonable that the opportunity for the same beneficial experience is denied to the boys and girls who attend public schools. This situation simply does not comport with the intentions of the framers of the Constitution and is, in fact, antithetical to the rights of our youngest citizens to freely exercise their respective religions. It should be changed, without further delay.

The Congress should swiftly pass this resolution and send it to the States for ratification. This amendment to the Constitution would clarify that it does not prohibit vocal, voluntary prayer in the public school and other public institutions. It emphatically states that no person may be required to participate in any prayer. The Government would be precluded from drafting school prayers. This well-crafted amendment enjoys the support of an overwhelming number of Americans. During the 98th Congress, we were only 11 votes short of the 67 necessary for approval in the Senate.

I strongly urge my colleagues to support prompt consideration and approval of this joint resolution during this Congress and ask unanimous consent that it be printed in the RECORD.

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

S.J. RES. 6

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 hereby 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 if 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 —

“Nothing in this Constitution shall be construed to prohibit individual or group prayer in public schools or other public institutions. No person shall be required by the United States or by any State to participate in prayer. Neither the United States nor any State shall compose the words of any prayer to be said in public schools.”.

By Mr. HATCH (for himself, Mr. BROWN, Mr. ABRAHAM, Mr. LOTT, Mr. KEMPTHORNE, Mr. SHELBY, Mr. SMITH and Mr. CRAIG THOMAS):

S.J. Res. 9. A joint resolution proposing an amendment to the Constitution of the United States barring Federal unfunded mandates to the States; to the Committee on the Judiciary.

UNFUNDED FEDERAL MANDATES
CONSTITUTIONAL AMENDMENT

Mr. HATCH. Mr. President, I am today introducing in the Senate a joint resolution proposing a constitutional amendment that would grant States and localities relief from any further unfunded Federal mandates.

This amendment would restore the balance between Federal and State power that the Constitution was meant to preserve, but that decades of Federal heavyhandedness have upset. Under this amendment—which would apply to statutes enacted after its ratification—unfunded mandates would not be enforceable against States and localities unless Congress so specified through a separate supermajority vote.

This is not a conservative or a liberal issue. It is an issue of effective, efficient government. Freeing States and localities of the burden of unfunded mandates will enable our State and local representatives to carry out the agenda—whether liberal or conservative—that their people have elected them to carry out.

Let me emphasize that this joint resolution is not intended as an alternative to the unfunded mandates legislation that Senator KEMPTHORNE is offering as S. 1. I fully support Senator KEMPTHORNE'S bill, and I am pleased to have Senator KEMPTHORNE'S support for this joint resolution. Senator KEMPTHORNE'S bill will be a major first step in providing real relief from unfunded mandates. This amendment will provide the next big step.

No matter is more basic to our constitutional structure than the relation between the Federal and State governments. We should not tinker with the Constitution. But we should also not accept, much less acquiesce in, the fundamental damage that has been inflicted on our constitutional structure. It is time to restore this structure.

Attached is a section-by-section analysis of this unfunded mandates amendment.

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

SENATOR HATCH'S CONSTITUTIONAL AMENDMENT ON UNFUNDED MANDATES SECTION-BY-SECTION ANALYSIS

This amendment would impose dramatic new limits on the federal government's power to subject States and localities to unfunded mandates. The amendment would bar direct unfunded mandates, except where Congress by a 2/3 vote has specified that States and localities should be subject to those mandates. It would also bar conditional mandates on the receipt of federal assistance by States and localities—e.g., in spending programs—unless the condition is directly and substantially related to the specific subject matter of the federal assistance (and again subject to a 2/3 override). The amendment would also codify the Supreme Court's 1992 ruling in *New York v. United States*, 112 S. Ct. 2408 (1992). The amendment would apply only prospectively—that is, only to statutes that become effective after it has been ratified.

Here is a section-by-section analysis:

Section 1. Section 1 has two parts. First, it provides that federal statutes cannot impose or authorize direct unfunded mandates on States and localities. Were this the only provision, Congress would then simply condition all of its mandates on assistance that States could not afford to reject. Accordingly, it is also necessary to limit Congress' power to impose conditional mandates (e.g., as part of a spending program). This is done through the second part of section 1. The requirement that a condition be "directly and substantially related to the specific subject matter of the assistance" is a significant improvement over existing constitutional case law, which requires only that conditions be "reasonably related" to the "purpose" of the assistance.

Section 2. Section 2 provides an exception to section 1: where Congress so specifies by a 2/3 vote, unfunded obligations or loosely related conditions may be imposed on States and localities. This provision ensures that in those cases in which mandates are truly warranted, they can be adopted.

Section 3. Section 3 codifies the Supreme Court's ruling in *New York v. U.S.*, 112 S. Ct. 2408, 2435 (1992), that under the Tenth Amendment the "Federal Government may not compel the States to enact or administer a federal regulatory program."

Section 4. Section 4 provides that the term "State" applies to State agencies and to cities and counties.

Section 5. Section 5 makes clear that the amendment would apply only prospectively.

Section 6. Section 6 is designed to make clear that courts could not order federal funding as a remedy for a violation of section 1. Instead, the consequence of a violation is that the obligation is not enforceable against the State or locality.

Section 7. Section 7 protects against the amendment somehow being misconstrued to expand federal power.

By Mrs. FEINSTEIN:

S.J. Res. 10. A joint resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center"; to the Committee on Energy and Natural Resources.

THE ROBERT J. LAGOMARSINO VISITORS CENTER
ACT OF 1995

Mrs. FEINSTEIN. Mr. President, today I am introducing a resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center." I am pleased to say Congressman ELTON GALLEGLY is intro-

ducing the measure in the House of Representatives.

The legislation is identical to S.J. Res. 152 and H.J. Res. 67 which we sponsored in the 103d Congress. The House of Representatives passed the measure in 1993 as part of H.R. 3252, the West Virginia Conservation Act. The Senate Energy and Natural Resources Committee also approved the measure last year, but the full Senate was unable to act before the 103d Congress adjourned.

As some of my colleagues will remember, Robert Lagomarsino served in the House of Representatives for 18 years, from 1974 to 1992, representing the nineteenth district of California which then included Santa Barbara County and part of Ventura County. A member of the House Interior and Insular Affairs Committee and the Subcommittee on National Parks and Public Lands, Bob Lagomarsino was active on a wide range of natural resource issues, including the Alaska National Interest Lands Act, the Strip Mine Control Act, the California Wilderness Act, the Sespe Condor Rivers and Range Act, and hundreds of other bills.

But perhaps Bob Lagomarsino is most closely associated with protection of the Santa Barbara Channel and the establishment of the Channel Islands National Park. Even before his election to the House of Representatives, Bob Lagomarsino worked to protect the fragile Channel Islands and their remarkable scenery and wildlife. As a Member of the California State Senate, Bob Lagomarsino authored the bill creating a state sanctuary around the Channel Islands. As a Member of the House, Bob Lagomarsino sponsored the legislation which expanded the existing Channel Islands National Monument and redesignated the area as a National Park. He then worked hard to secure the funding necessary to complete the park. Additionally, as a Member of the House, he fought to protect the Channel Islands National Park from potential oil spills, successfully persuading oil companies not to ship Alaskan oil through the Santa Barbara Channel and opposing new federal oil leases in the area.

Given Bob Lagomarsino's long association with protection of the Channel Islands, I believe it is most fitting for us to designate the visitors center at the Channel Islands National Park as the "Robert J. Lagomarsino Visitors Center". I hope my colleagues in the 104th Congress will join me in recognizing the contributions of this distinguished Californian and enact this measure promptly.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed at this point in the RECORD.

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

S.J. RES. 10

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The visitors center at the Channel Islands National Park, California, is designated as the "Robert J. Lagomarsino Visitors Center".

SEC. 2. LEGAL REFERENCE.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the visitors center referred to in section 1 is deemed to be a reference to the "Robert J. Lagomarsino Visitors Center."

SENATE CONCURRENT RESOLUTION 1—PROVIDING FOR TELEVISION COVERAGE OF OPEN CONFERENCE COMMITTEE MEETINGS

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That it is hereby authorized to provide coverage by television cameras of all open conference committee meetings.

Mr. DOLE. Mr. President, on June 2, 1986, the Senate opened its doors to the American people through television cameras, a giant leap in increasing the access of Americans to their Government. However, in some areas, the Senate needs to take further steps to enter the 20th century when it comes to opening our proceedings to the public.

The American people sent a lot of messages to Congress on November 8, but certainly one was that they expect us to deliver on our promises. We heard that message loud and clear, and we expect the people to hold us accountable. As our employers, the American people have every right to observe their Government in action, and we have a responsibility to ensure that public access.

Today, along with my friend from South Dakota, Senator DASCHLE, I am introducing two resolutions to increase public access to the proceedings of Congress. The first is a Senate resolution which would permit the electronic media to cover the majority leader's and minority leader's so-called dugout briefings. These briefings, which have traditionally been open only to reporters with notepads, have been held on the Senate floor for a few minutes prior to the day's session. Senate rules currently do not permit broadcasting of the Senate floor while the Senate is not in session, but this resolution would allow it for these sessions.

The second resolutions is a concurrent resolution which would permit coverage by television cameras of all open House-Senate conference committee meetings. These public meetings have been open to print reporters and journalists without television cameras. It is high time we permitted more of the American people to see with their own eyes this important part of the legislative process.

I ask that these resolutions be printed and referred to the appropriate committee.