United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, THURSDAY, MARCH 16, 1995 No. 49

Senate

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Let us pray:

O Lord, our Lord, how excellent is Your name in all the Earth. What is man that You are mindful of him and the Son of Man that You visit him? You have created him a little lower than the angels and crowned him with glory and honor. You have given him dominion over the work of Your hands.

Gracious God, ultimate Sovereign of this Nation and Lord of our lives, we are stunned again by Your majesty and the magnitude of the delegated dominion You have entrusted to us. We respond with awe and wonder and begin this day with renewed commitment to be servant leaders. In a culture that often denies Your sovereignty and worships at the throne of the perpendicular pronoun, help us to exemplify the greatness of servanthood. You have given us a life full of opportunities to serve, freed us from self-serving aggrandizement, and enabled us to live at full potential for Your glory. We humble ourselves before You and acknowledge that we could not breathe a breath, think a thought, make sound decisions, or press on to excellence without Your power. By Your appointment we are where we, doing the work You have given us to do, called to lead this great Nation. You alone are the one we seek to please. We have been blessed to be a blessing. And so we greet this day with, ''Life's a privilege!'' intentionality and ''How may I serve?'' incisiveness. Grant us grace and courage to give ourselves away to You and to others with whom we work this day. In Your Holy Name Yahweh, in Jesus Christ our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

RESERVATION OF LEADER TIME

Mr. CRAIG. Mr. President, this morning, the leader time has been reserved.

SCHEDULE

Mr. CRAIG. Mr. President, the majority leader has indicated that the Senate will resume consideration of H.R. 889, the supplemental appropriations bill, if an agreement can be reached with respect to a limited number of amendments. Senators should, therefore, be aware that rollcall votes are expected throughout today's session.

MORNING BUSINESS

Mr. CRAIG. Mr. President, there will now be a period for morning business for not to extend beyond the hour of 10 a.m.

RECOGNITION OF SENATOR CRAIG

The PRESIDENT pro tempore. Under the previous order, the Senator from Idaho [Mr. CRAIG] is recognized to speak for up to 35 minutes.

TAX CUTS

Mr. CRAIG. Mr. President, I have asked for, and received, this time today so a good many Members of the Senate can talk about one of the most important issues that the Senate will consider this year; that is, the issue of tax cuts. And certainly promises made are promises to be kept.

Those of us in the Republican Party are absolutely committed to providing a budget package that will produce a respectable tax cut to the American people, and especially to American families—families and family groups—who for some years have not received the benefit of the kind of consideration under our current tax law that we think they ought to. Certainly no policy of the Federal Government, no Federal law, should conflict or make it difficult for the family unit of our society to exist, and we believe the current tax structure does just that.

This special order this morning will be conducted by two Senators who have led the issue of family tax cuts and family consideration, Senator COATS and a freshman Senator who was one of the leaders in the House in the past few years on this key issue, Senator GRAMS.

So at this time, I yield to Senator COATS to allocate the time accordingly.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Indiana.

Mr. COATS. I thank the Chair.

Mr. President, I thank my colleague from Idaho for his introductory statements, for his support for this effort, and for yielding the time to Senator GRAMS and me.

(The remarks of Mr. COATS, Mr. GRAMS, Mr. KYL, and Mrs. HUTCHISON pertaining to the introduction of S. 572 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. COATS. Mr. President, could I inquire how much time is remaining?

The PRESIDING OFFICER. The Chair advises the Senator from Indiana, there is no time remaining. However, no one else is seeking the floor.

Mr. COATS. Mr. President, I ask unanimous consent to proceed in morning business for up to 5 minutes.

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

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

Printed on recycled paper containing 100% post consumer waste

LINE-ITEM VETO

Mr. COATS. Mr. President, we hope later today to be bringing to the floor the line-item veto. Senator MCCAIN and I are leading that effort. We are in final stages of negotiation as to the final form of the legislation. It is something that has been discussed at length over the past several years. Senator MCCAIN and I have offered it alternately and jointly several times. We have not been able to secure the necessary 60 votes to break a filibuster on the line-item veto or to secure a budget waiver.

This is the year we believe that it is time for the Senate and time for the Congress to fulfill its commitment to the American people on an item that an overwhelming majority of the American people support. Poll after poll show the support for line-item veto in the 70 to 80 percent range; 43 Governors enjoy the line-item veto and have for many, many years and have effectively demonstrated that it works in their State.

Line-item veto is simply a measure by which the President can provide a check and balance against the gaming that Congress has engaged in on appropriations bills, in particular, and also on tax bills, I would say, in terms of attaching an item that has not been exposed to the light of debate on that item and a separate vote on that item, but has been attached to an otherwise necessary appropriations bill or tax bill that is being sent to the President.

Under the current law, the President has only one of two options: Either accept the entire bill as it is written—sometimes it covers thousands of items—either accept that or reject the entire bill. So the President, in a sense, is being held in a position that some will describe as blackmail but others will say is at least extraordinarily difficult because it allows Members of Congress, when they see a popular bill moving through the Congress, to attach an item that could at best be described as pork barrel, an item that does not benefit the national interest, but an item that goes to the benefit of a very selected parochial interest.

We are annually embarrassed by the disclosure in the popular news media of some of the items that have been attached to these bills. Constituents say, ''How in the world could you pass that? How in the world could you allow a grant that studies the well-being of America's lawyers? How could you pass something that would allow the study of the bathing habits of South American bullfrogs? How in the world could it be made a priority the expenditure of money to refurbish the Lawrence Welk Museum,'' and on and on and on it goes, schools in France, special bridges, special buildings—items that go toward, I suppose, pleasing a selected constituency in someone's congressional district or someone's State, but certainly would not fall within the list of priorities and receive, I believe, a majority vote if that specific item was debated on the floor of the Senate and voted on.

But Members know, if a bill is rolling through here that provides necessary funds for the Department of Defense, as this supplemental appropriations bill we have been dealing with this week does, or a measure provides earthquake relief or hurricane relief for either California or Florida or other parts of our country, or if a measure goes to fund something popular or needed or necessary health care measures, veterans' benefits, whatever, they know that the President is going to find it very, very hard to veto that entire bill to get rid of the extra pork that is attached to that bill.

And so the President's only choice is to veto the whole thing and sometimes, as a consequence of that, shut down the entire Government or accept the bill, and more likely than not, he has to accept the bill.

Line-item veto gives the President the opportunity to say, ''I'll take that bill, but I won't take this special interest provision that is on line 16 of page 273, and I'm going to line-item veto that particular item.''

This is a check and balance on what I would say are the egregious habits of Congress to accomplish in the dark of night without the light of debate, without the risk of a yea-or-nay vote on a particular item, to accomplish something that could never be accomplished in full debate and with a vote. It is designed to check that practice.

Congress, if it thinks that the President has not followed its wishes, can bring that item up, because under the Constitution, if the President vetoes an item, we can override that item. Yes, it takes a two-thirds vote. It ought to be harder to spend the taxpayers' dollars, particularly on those items that the executive branch does not think are appropriate and have not had the normal process of authorization and debate and vote so that their constituents, our constituents, know where we stand on these particular items. That is the whole concept and purpose behind line-item veto.

The President of the United States has supported line-item veto. Some people have said, ''Why would Republicans want to give a Democratic President the line-item veto?'' We think the Presidency deserves that authority to check the excessive and unnecessary, unwarranted spending habits of Congress that do not follow the normal procedures in devising these spending items.

So we will be debating that. I expect the debate to be fairly fierce. We probably will get a filibuster on our efforts. This is the year, though, that if we are going to fulfill our commitment to the American people to make substantive changes in the way we do business, this is the year to do it.

We will hear all kinds of excuses about delegation of power and will this really work and how much will this save. I guarantee you, it will save more than if we do nothing. This is a debate between the status quo, let us keep doing things the way we are doing them; oh, we will promise to change, we will promise to do it differently, we will summon the will, we will do what is necessary—no, we will not, because we have not. Year after year, decade after decade, promises—just rhetoric—no reality, no fulfillment of the promise.

This is the time. I am deeply and bitterly disappointed that we could not pass a constitutional amendment to balance the budget. That would have provided the mechanisms by which we can eliminate this debt which would force us to own up to our responsibilities, which we have not done over the past several decades. But at the very least let us enact line-item veto so that we can get at some of this problem and so that we can restore credibility with the American people that we are responsible in handling their money and we can eliminate this practice of providing pork-barrel spending that never gets the debate it deserves and is never subjected to a vote.

Mr. President, we will be talking a lot about that later. I think my 5 minutes has about expired. Given the fact no one was available to speak, I thought it might be more interesting than a quorum call.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota [Mr. DORGAN] is recognized to speak for up to 10 minutes.

TAX CUT PROPOSALS

Mr. DORGAN. Mr. President, I was intending to come to the floor today to speak briefly about the work that is going on in the other body in which the majority party is proposing a tax cut of nearly $200 billion over the coming 5 years. So I listened with some interest to the discussion on the floor of the Senate about the formation of something called a 500 Club, apparently a group of Senators who feel that the Senate also should move quickly on a tax cut.

I was especially interested in a couple of things. I was interested in the fact that at least a couple of the speakers this morning were the same speakers who were on North Dakota radio programs in recent weeks talking about the need for a constitutional amendment to balance the budget. They talked about their desire to balance the Federal budget, the fact that they were the willing warriors, willing to stand up and fight and do the right things and have the courage to cut spending to balance the Federal budget.

All this is very curious to me. There must be some arithmetic book somewhere in America that tells us that if you are in a very big financial hole, what you ought to do is just keep digging. It seems to me, if you are in a very big hole, you stop digging and

start trying to figure a way out of it. And you do not, it seems to me, whether you run a business, whether you are operating your own family financial situation, or whether you are trying to manage the fiscal affairs of the Federal Government, decide that the way to address a serious deficit problem is to cut revenue.

I guess if the question is should we reduce taxes, should we try and figure out what is popular and then stand up and proclaim ourselves for that, I would say sign up most of the Members of the Senate; they sure want to do the popular thing. It is the easy thing to do. But I guess the question these days is not so much what is popular but what is right.

I also noted this morning that in this Chamber there rested on an easel several charts that showed the popularity of the proposed tax cuts. Obviously, people have done polling, and it shows if the American people are asked the question, ''Would you like a $500 tax credit per child,'' the answer is overwhelmingly ''Yes.'' ''Would you like an expanded IRA program?'' The answer is, ''Oh, yes.''

Well, I happen to think that some of those things are worthy goals. I would likely support some of those initiatives in the future. But is it believable that those who proclaim most loudly in this Chamber that they are for a balanced Federal budget are the first ones to come to this floor with their charts showing what their polls have shown—that tax cuts are popular? So now they say, ''Now we are forming a club for tax cuts.'' What happened to balancing the budget?

Is 2 weeks a lifetime in the memory of those who proclaim that we need to balance the budget? I happen to think we ought to balance the budget. I happen to think we also ought to be serious about it. I think it is more than just posturing. I think it is performing. I think it is heavy lifting. And the fact is those who now say our next step in balancing the Federal budget is to cut Federal revenue I think just missed the basic arithmetic class.

Now, I understand that they say, well, this is a families first plan. I refer to the Joint Committee on Taxation. The Joint Committee on Taxation did an analysis that was disclosed on Monday, and it said that three times as much of the proposed tax breaks will go to those earning over $100,000 a year as will go to those earning under $100,000 a year. So this is for families, apparently wealthy families, or at least it is weighted in a way to give most of them to those who already have substantial income and substantial wealth. It's an unusual way of defining families.

I guess there is nothing wrong with that, if that is what one believes, but it seems to me, if we were in a situation where a tax cut would be the first step to balance the budget—and I cannot conceive of that being the case, but if we were in that position, it seems to me, if one were interested in families, one would construct an approach which says the bulk of this benefit will go to working families in this country, not that the bulk of the benefit will go to the wealthy families.

Every time you stumble through the forest and come across a stream, it seems to run in a predictable direction, and that is what happens in this Chamber. It is hard to break bad habits.

I came here in 1981, serving in the House of Representatives, and I recall the discussion about the tax cut proposal then. The tax cut proposal was going to balance the Federal budget. An economist named Laffer told us so, and of course it turned out to be a laugher. He is still an economist, but trillions of dollars of debt have piled up as a result of faulty economic strategy. And so we had a very large tax cut and a very significant Federal deficit, and the American people will end up paying for that.

The question now is, at a time when our country suffers from a very substantial deficit and a massive accumulated debt, what do we do to deal with it? Some say, ''Well, let us change the U.S. Constitution and that will deal with it.'' Of course, it will not. You can change the Constitution 2 minutes from now and 4 minutes from now the debt and deficit will be exactly the same as it was when you started.

Cutting the deficit will require individual actions by Members of the Senate and the House. Those individual actions must be, it seems to me, a combination of several approaches. You either need less spending or more revenue or a combination of both. But it seems to me incredible that the first step out of the box, for those who spent the last month talking about how desperately they wanted to change the American Constitution and how fervently they wanted to balance the Federal budget, is to say we are going to do that now by reducing the Federal Government's revenue.

I know they will stand up and say, ''Well, you are heartless. Gee, don't you think that tax cuts matter to families?''

Yes, they do. I understand the genesis of all this. This is about polls and popularity. This is about doing the easy thing and also, incidentally, doing the wrong thing. I do not think the President ought to propose tax cuts, and I do not think the majority party of the House or Senate ought to propose them. And I do not think anybody on this side of the aisle ought to propose them either. Our job at this point is to deal responsibly with the Federal budget deficit. We ought to cut spending and use the money to cut the deficit. When we have done that job and only then should we start talking about cutting revenue.

Let me say that again because I think it is important. I know the easiest thing is to sort of waltz over to the floor and talk about our new plan to cut taxes. Well, gee, that is popular, but it is wrong. Our first responsibility is to decide to cut Federal spending, and all of us ought to be involved in that. And I would say to my friends on the majority side of the aisle that many of them have a willingness to do that. I applaud them for it. And I think many on our side of the aisle have a similar willingness to cut Federal spending. Cut Federal spending and use the savings to cut the Federal deficit. When we have finished that job, and only when we have finished that job, should we then decide that it is time to cut some taxes.

I think a number of the proposals to cut taxes are good proposals and have merit, and I would support them under the right circumstances at the right time. But I have to say that to hear again today and to hear for the last several weeks those who were boasting the loudest about their determination to cut the Federal deficit and to change the Constitution to do so, to hear this I think misses a few steps along the way in our desire in this country, in our understanding that we must in this country reduce the Federal deficit. They then come to the floor a week or two later and say, now, our next step is not to push for a constitutional amendment; our next step is to push for a tax cut, and then they come to the floor and put charts all over the back of this room to tell us how enormously popular these tax cuts are.

Well, spend some more money for those polls and tell us something we know next time. We know that. Tax cuts are enormously popular. So poll again. Spend a little more money and put up another chart. Tax cuts are popular.

The popular thing is not always the right thing. The right thing at this point is to understand the bull's eye of this target. The bull's eye is to deal with the Federal budget deficit. And most people back home in Montana, Oklahoma, North Dakota, and elsewhere, in my judgment, believe the responsible approach would be to aggressively cut spending, use the money to aggressively cut the deficit and then turn to the next item on the agenda which would be to find ways to change this Tax Code that give some benefit to families, that preserve an incentive for savings.

Understand that I am not someone who objects to the goal. But I am someone who believes that this is the wrong time. This is the wrong time for this kind of policy to be proposed to this Congress. I would also say when we talk about things like the capital gains tax cut and we say this is just for families out there, I am going to give them a chance at some point to show if it is for families. We will find out if it is for families. I am going to offer an amendment.

If we really have, at this point, some discussion about capital gains, I am going to offer an amendment and say: OK, let us have capital gains; you have

the votes to have capital gains. I will give you an amendment that says you can take up to $1 million in capital gains during your lifetime, but no more than $1 million. Of course, $1 million does not mean very much to the people in this country who are going to benefit from the suggestions we are seeing, but I want to see who supports families that have less than $1 million and who supports families that have more. Because if we are going to construct tax cuts that help families, let us target them, let us help American families who are out there working and struggling and trying to make ends meet.

Again I say, at the risk of being overly repetitive this morning, I hope all of those who spent the last couple of months talking about the dangers of the Federal deficit would stay in harness and be part of the team, keep marching and keep pulling when it comes to dealing with the deficit. We must not be diverted by polls and charts and by the attractiveness of deciding now is the time, with the kind of deficit we have, to propose nearly $200 billion in tax cuts during the coming 5 years.

I read my children children's books from time to time. They love the Berenstain Bears. The one I read them most often, perhaps, is the ''The Berenstain Bears Get the Gimmies,'' and in that book the parents can simply never seem able to control the habit of the Berenstain cubs saying ''Gimmie this, gimmie that, gimmie this.'' It is the way I feel about the tax cut proposals in the House and Senate by people who talk about the need to deal with the deficit and come to the floor saying: Gimmie this tax cut, gimmie that tax cut because it will gain favor with the American people.

That is not what this is all about, it seems to me. Our responsibility is to do the right thing. And I hope it will be agreed by everyone in this Chamber that the right thing is to aggressively work to cut Federal spending and then to decide to use that savings to cut the Federal budget deficit, and then, when we finish that job, to decide that we will turn our attention to dealing with the tax issues as they affect families—yes, all American families, and, yes, families that work and struggle and spend most of their day trying to make ends meet. That, it seems to me, represents the priorities all of us have an obligation to pursue here in this Chamber.

I yield the floor.

Several Senators addressed the Chair.

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

Mr. INHOFE. Mr. President, I ask unanimous consent to proceed for 5 minutes as in morning business.

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

THE FAMILIES FIRST BILL AND THE LINE-ITEM VETO

Mr. INHOFE. Mr. President, I have a couple of comments I wanted to make, a couple in response to the distinguished Senator from North Dakota and also one concerning line-item veto.

We heard from the Senator from Indiana many of the good things that would come in terms of accountability with the adoption of a responsible line-item veto for our procedure here in this Chamber. I suggest he may have overlooked one thing.

It is true the President of the United States, whether he is a Republican or a Democrat, whether he is a liberal or a conservative, would be held accountable for those things in which he really believed. If you look at a spending bill that goes to the desk of the President of the United States that has 100 unrelated spending matters in it, there is pork for all the favorites, yet there may be something in there for veterans benefits. So he will stand up and say, ''I am against all this pork but I have to sign it because I am for the benefits for veterans. They are well deserved.'' If we had line-item veto, he can support those things he proclaims to support and reject those that he proclaims to reject.

But the one thing that was not articulated by the Senator from Indiana is it also makes us more accountable, in that once you veto one item and that item is sent back to the Senate and to the House, it forces those Members to get on record so they can no longer answer their mail saying I was really against all those pork projects but I had to do it for the veterans.

So I think the name of the line-item veto is really accountability for the President as well as for the Members of the House and the Members of the Senate.

As far as the families first bill, I would only like to suggest, if one heard the complete presentation on this bill, he would see this could be accomplished and we could balance the budget by the year 2002, have the tax relief for the families, and at the same time have a slight growth in Government—not cut any Government programs.

I think it was well articulated by the Senator from Minnesota that, if we had a 2-percent growth cap, this would accomplish what we are trying to accomplish. But when you look at some of the tax cuts that are going to be suggested in the families first bill, you have to go beyond the economics of it and look at the social aspects. It is a fact today that a family of four making $25,000, living together happily—if that family, the man and wife, should get a divorce and continue to cohabit out of wedlock, and each become the head of a household, they can increase their take-home pay by 13 percent. That is the issue we are trying to get to.

The unfairness of the earnings test for our senior citizens in America—I have had people come to me in town hall meetings and say, ''For the first time in my life I have been forced to be dishonest because I am not reporting income that I am making, because I do not think it is right for the Government to come along and say I cannot have the Social Security I was entitled to because I want to remain productive after age 65.''

So I hope when people are considering the families first bill and the various tax cuts on the American family—all ages of that family—that they consider there are aspects other than economic aspects to be considered.

Since the 1960's we have gotten ourselves into a position where families are no longer important, no longer relevant, no longer significant. This is what the revolution of November 8 was all about. We are going to reverse that.

I yield my time.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I am going to take some leader time. We are, hopefully, about to come to some agreement on the business of the day, but until that happens I have a statement I wish to make on another matter.

MISSOURI RIVER MASTER MANUAL

Mr. DASCHLE. Mr. President, last week, Senator BAUCUS introduced the Missouri River Water Control Equity Act. I have cosponsored that bill because all the analysis of the current master manual guidelines for managing the dams along the Missouri River that I have seen confirms that change in the corp's management of the river is long overdue.

The assumptions about economic uses that drive the management of the river have not been seriously reexamined or revised in 50 years. In those 50 years, times and conditions have changed dramatically. But the management of the river has not kept pace.

In 1992, the General Accounting Office noted that the master manual for operating the dams is outdated. GAO concluded that the corps has been managing the river based on ''assumptions about the amount of water needed for navigation and irrigation made in 1944 that are no longer valid.''

According to GAO, ''the plan does not reflect the current economic conditions in the Missouri River Basin.''

The Corps of Engineers, caught between the competing self-interest of the upstream and downstream States, has recommended only modest revisions in the master manual. In May 1994, the corps selected a ''preferred alternative,'' which calls for shortening the navigation season by 1 month and a higher spring flow rate.

Given the conditions that now exist along the Missouri River, these changes are clearly insufficient to equitably distribute the economic benefits of the river. For example, shortening the navigation season by only 1 month means that the concerns of the

navigation industry—which accounts for less than 1½ percent of the economic benefits of the river—will continue to drive management of the river for the foreseeable future.

A recent review of the master manual revision by the Environmental Protection Agency found that more emphasis should be placed on recreation and less on navigation. EPA concluded that, ''The preferred alternative identified in the draft environmental impact statement is likely to result in little, if any, improvement to the Missouri River ecosystem.''

Navigation is a declining $15 million industry. Recreation in the upstream States is a growing industry worth more than $50 million today. Continuing to give clear precedence to navigation cannot be justified.

And while I am intrigued by the corps' proposal to increase the spring rise to more closely mimic natural flow conditions, I am concerned about possible impacts on bank erosion. The Missouri River has for years been plagued by bank erosion and siltation, which slowly but inexorably takes productive land from the shores and deposits it in the river, smothering fisheries and reducing the hydroelectric generating potential of the dams. It is critical that the corps develops and implements a systematic plan to reduce erosion along the river.

Under current management conditions, the four upstream States, Montana, Wyoming, South Dakota, and North Dakota—States that sacrificed prime river bottom land for the construction of dams—receive 32 percent of the benefits from the river. The four downstream States receive 68 percent of the economic benefits. To illustrate how minor are the corps' proposed changes to the master manual, under the referred alternative, downstream States continue to receive 68 percent of the economic benefits.

Times have changed. Management must change with them. In the business world, management that fails to adjust to changing conditions does not survive. The corps should strive to better reconcile the management of the river with the economic conditions that exist today.

Given the results of the GAO report, the corps' own evaluation, and the EPA review of that analysis, the proposed revisions in the master manual should have gone much farther. Greater consideration should have been given to increasing the permanent pool from its current level of 18 million acre-feet. It is clear that there are significantly greater recreation and wildlife habitat benefits at higher permanent pool levels. Given the immense and growing economic value of recreation in the upstream States, the management priorities for the river need to change.

I intend to do everything possible to encourage the corps to recognize the changes and trends in the use of the river and to develop more defensible management guidelines. The bill introduced last week is a first step. It focused a beam of light on this process and reveals the long-overdue changes that should be made.

This process will be long and arduous. To succeed in achieving meaningful change, a great deal more education and discussion will be required. I hope that my colleagues will approach this issue with an open mind and allow their judgment to be guided by objective analysis of the conditions today, rather than by memories of what they were 50 years ago.

In the end, management policy for the river should be driven by facts and reason and a desire for equity. I am confident that if those are the criteria employed, more serious and defensible change will certainly result.

Mr. President, I yield the floor.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, I ask that I may speak as in morning business for such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

DRUG TRAFFICKING IN THE UNITED STATES

Mrs. FEINSTEIN. Mr. President, 3 weeks ago, the Senate Judiciary Committee, of which I am a member, held a very interesting hearing on drug trafficking and the increase of drug use in the United States. I would like to say a few words on the subject.

California has now replaced Florida as the major point of importation of cocaine in the United States. The California Bureau of Narcotics Enforcement reports that 80 percent of the clandestine methamphetamine manufacturing labs seized and dismantled in the United States are in California. More illegal drugs are coming into this Nation today than ever before. And Federal efforts at stopping the flow of drugs into this Nation are simply inadequate.

Last week, I met with the head of the Drug Enforcement Administration, Thomas Constantine, who told me that the DEA knows of at least forty 727-sized planes controlled by the Cali drug cartel in Colombia being used to smuggle cocaine into this country—forty 727-sized planes. Most of these planes are offloaded in northern Mexico, and drugs are moved across the California border and other Southwest borders.

Mr. Constantine also indicated to me that the Cali drug cartel's net profit last year was $7 billion, that the cartel controls the air traffic control system of Colombia, that they control the phone company, which allows them to backtrack and tape all phone calls, and that they are first-rate practitioners of intimidation and violence.

Consider just some of the following, Mr. President. Cocaine smuggled across the California line accounts for at least 70 percent of the drugs sent over the entire Southwest border by rings based in Mexico, making the State the prime staging area for the shipment of cocaine from cartels in Colombia and other South American countries.

Last year, the amount of cocaine seized coming across the United States-Mexican border plummeted, and not a single pound of cocaine was confiscated from the more than two million trucks that passed through three of the busiest entry points along the Southwest border—Laredo and El Paso in Texas, and Nogales in Arizona.

According to the Los Angeles Times, only 3.7 percent of laden trucks are comprehensively inspected at three San Diego-area ports of entry. The average rate along the entire Southwest border is 11.4 percent. However, last year, laden trucks crossing the border increased 51 percent, and empty trucks increased 38 percent.

Let me say clearly, I believe current Federal efforts to stop the entry of illegal drugs are not working.

THE LINE RELEASE PROGRAM

Let me describe one example of the failure of the Federal Government to stop drug smuggling. It's called the line release program. I believe this program should be discontinued immediately pending an evaluation of its effectiveness. Three weeks ago, I wrote to Secretary Robert Rubin making that recommendation.

The line release program was created in 1986 to expedite commerce entering the United States from Canada. In recent years, the program was expanded to the Mexican border as well.

Under the line release program, so-called low-risk United States companies are permitted to ship goods from Mexican manufacturers without inspection. But the line release program has had a major unintended effect. In the single-minded pursuit of increased commerce, more trucks and commercial vehicles are being waved through border checkpoints without being inspected. The result: The amount of illegal drugs coming across the border is higher than ever before.

According to a Los Angeles Times story from February 13, 1995, since the line release program was implemented, shipments of goods have increased dramatically at four critical points of entry along the United States-Mexico border—Laredo and El Paso in Texas, Nogales in Arizona, and San Diego in California. Yet, even as the number of shipments increased, the rate of inspections and drug seizures decreased dramatically.

I ask unanimous consent that this Los Angeles Times story be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mrs. FEINSTEIN. The same Los Angeles Times story states that not 1 single pound of cocaine was seized at three of the major points of entry into the United States in 1994. Not 1 pound.

One local official reportedly said:

> Obviously, we're in an area of international trade. We're not in a situation where we can just stop traffic for the sake of narcotics risk. . . We examined three percent of all the laden trucks that crossed. That is a lot of trucks.

Right? Wrong.

My view is quite different. Increased commerce does not justify increased drug smuggling. It is time to close down our border to illegal immigrants and to illegal drug smuggling. It is unacceptable to have a Federal program in place that comprehensively checks just 3 percent of the trucks coming across the border where we know the highest level of drug smuggling occurs.

Let me give you an idea of one incident in California. This past November, 5 tons of cocaine was headed to a home in Rialto in San Bernardino County. I am not talking about bags of cocaine. I am not talking about pounds of cocaine. I am not talking about kilograms of cocaine. I am talking about tons—5 tons in 1 shipment going to one house in Rialto, California. That is the level on which drug smuggling is now taking place.

On February 27, 1995, I sent a letter to Treasury Secretary Rubin asking the administration to discontinue the line release program in California pending an immediate evaluation of its capability to seek out and confiscate drugs coming across the border.

I ask unanimous consent that a copy of this letter be printed in the RECORD following my remarks.

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

(See exhibit 2.)

Mrs. FEINSTEIN. Recently, I asked the Customs Service, particularly the Director of Customs, for a complete list of the more than 10,000 individuals and companies that have been approved to participate in this so-called line release program. I have yet to be provided with that list.

In addition, this past Friday, I wrote to Secretary Rubin regarding a March 10 story in the Associated Press.

I ask unanimous consent that this letter and the Associated Press story be printed in the RECORD following my remarks.

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

(See exhibit 3.)

Mrs. FEINSTEIN. Mr. President, the Associated Press story to which I refer cited two particularly alarming items.

First, the owner of a harbor warehouse in Los Angeles who continues to this day to profit from a Customs Service inspection station located on his property, even though he is currently under federal indictment on charges of bribing an immigration agent $10,000 for false documents for himself and employees.

Second, the Treasury Department inspector general's office has failed to secure a single indictment of a Federal official in the western region in the last 5 years, despite numerous allegations of wrongdoing.

The inspector general's office, which is responsible for investigating criminal offenses at the Customs Service and other agencies within the Treasury Department, has been successful in other regions of the country, having obtained 14 felony convictions in the Northeast region, 8 in the Southern region, and 1 in the Central Division—but none in the Western region where the problem is the most serious.

These allegations are very disturbing, and I believe they deserve the full and immediate attention of the Justice Department.

OPERATION HARD LINE

The Clinton administration recently announced a new Federal initiative to address the problem of cocaine smuggling across the southwest border. This effort, termed ''Operation Hard Line,'' will transfer between 40 and 80 Customs agents to the southwest border, direct new funds toward needed resources and technology, and focus with greater intensity on intelligence-gathering and assessment.

It is too early to say if Operation Hard Line will have an impact. But I am very skeptical. The problems at the border are simply too great for Band-Aid solutions.

Enforcing the border is a Federal responsibility and the fact is that the job is not being adequately performed.

The Federal Government must take strong action and make a long-term commitment to go after drug traffickers. The administration must demand that Mexico assist the United States in this effort in every way, as this Nation is assisting Mexico in so many other areas.

Forty 727-size planes constantly land in northern Mexico, offload tons of cocaine, and move them through our borders. How this happens and how we are going to stop it is something we must address. We cannot tolerate corruption at high levels in the Government of Mexico as is now being written up on the front pages of our newspapers, where a Mexican official responsible for stopping narcotics has a bank account of several million dollars. Where do we believe that money came from?

As a member of both the Judiciary and the Foreign Relations Committees, I intend to take an aggressive oversight role of Federal efforts to stop drug smuggling across this Nation's borders and will report regularly to my colleagues in the Senate on the progress.

I will also begin to explore legislation to deny United States foreign aid to countries such as Colombia, who do not take appropriate steps to control the flow of contraband out of their own countries.

This administration has just sent $20 billion in loan guarantees to Mexico, of which $6 billion has already been drawn down. I think the United States deserves cooperation from the highest levels of the Mexican Government in what is a major scourge on the relationship between our two countries, the trafficking of large amounts of cocaine.

Shortly, I hope to see for myself the Customs Service's surveillance efforts at the border. Recently, it was described in a television report on NBC's ''Dateline.'' What the story showed was a former Customs agent pointing out a truck, a huge container truck, going right through a Customs' checkpoint, and saying, ''This truck is a known drug smuggler. Watch what happens.'' And the truck went right through under the ''line release'' program.

I find it hard to accept that the Federal Government is so desperate to increase commerce that it will allow drugs to freely enter the United States.

Mr. President, I thank you for providing me with this opportunity to update my colleagues. I will report further on developments.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Los Angeles Times, Feb. 12, 1995]

BORDER INSPECTIONS EASED AND DRUG SEIZURES PLUNGE

(By H.G. Reza)

CUSTOMS: CORRUPTION PROBES FOCUS ON U.S. POLICY TO PROMOTE MEXICO TRADE. FEW TRUCKS ARE EXAMINED.

SAN DIEGO.—The amount of cocaine seized from Mexican trucks and cargo at the border plummeted last year, as U.S. Customs Service officials pressed on with a program to promote trade by letting most commercial cargo pass into this country without inspection.

Not a single pound of cocaine was confiscated from more than 2 million trucks that passed through three of the busiest entry points along the Southwest border where federal officials say most of the drug enters the country.

Of the 62,000 pounds of cocaine that Customs seized from commercial cargo nationwide, less than a ton was taken from shipments along the border with Mexico.

One reason for the sharp decline in seizures is that Customs officials appear to be doing a poor job of identifying and inspecting those trucks and cargo containers being used for drug smuggling, according to an internal report obtained by The Times.

''The target selection methods are * * * critical and apparently in more need of improvements given the huge number of examinations without success,'' said the Dec. 13 report by a Customs analyst.

Officials say liberalized importing procedures have dramatically increased the number of trucks crossing the border from Mexico, producing trade benefits for both countries. And now the Customs Service is considering new measures to speed up the entry of air and auto travelers into the United States.

But, according to records and interviews, the facilitation policy also has become the focal point of wide-ranging corruption probes at a number of Southwest border crossings and inspection facilities.

Since last summer, federal authorities have been looking into allegations that corrupt Customs officials and inspectors are tipping smugglers that certain shipments and vehicles have been targeted for narcotics inspections.

Sources said investigators also are examining allegations that:

Some inspectors and officials in San Diego were bribed by Mexican drug rings to remove intelligence information from Customs computers.

Investigators also are focusing on allegations that smugglers are transporting drugs in the uninspected trucks that bring cargo from Mexico.

A principal target, sources said, is an inspector who in 1990 attempted to release a propane tanker although drug-sniffing dogs had sounded the alarm. The tanker later was found to be carrying four tons of cocaine.

Inspectors and officials in the Long Beach area were bribed to allow trucks from Mexico and contraband, including AK–47 rifles and ammunition from China, to be smuggled into the ports of Long Beach and Los Angeles in ship containers.

The investigation is concentrating on private warehouses in the Long Beach area where cargo containers are examined by Customs inspectors for contraband, drugs and compliance with importation laws. The warehouses are customarily paid a fee for use of their facilities and assisting in the inspections.

But sources said importers allegedly were charged up to $425 per container for hundreds of examinations that were never done. Investigators have been told that two Customs officials received kickbacks.

In interviews, Justice Department officials declined to confirm or deny the existence of the investigations. ''If anyone has information regarding corruption within the Customs Service, we would certainly be interested in receiving that information,'' said Assistant U.S. Atty. Michael Flanagan in Los Angeles, who is overseeing some of the investigations.

Customs officials declined to comment on the investigations. They also defended their low seizure rates and the ''facilitation program'' that since the late 1980s has allowed increasing numbers of trucks and cargo containers to go uninspected at the border.

Lou Samenfink, Customs cargo control branch chief in Washington, said he does not know why seizures have fallen off and pointed out that the Customs Service instituted a new and improved random system in October for identifying shipments to be inspected.

''It could just as easily be that [drugs are] not there,'' he said. ''It could certainly mean that our targeting policy is wrong, or that it's so effective that the smugglers aren't using commercial cargo to bring drugs in.''

The Drug Enforcement Administration reports that 244,626 pounds of cocaine were seized nationwide by federal law enforcement agencies in 1993, the most recent year for which statistics are available. And officials estimate that only about 10% of the cocaine smuggled into the country is seized.

Joaquin Legarreta, spokesman for the DEA intelligence center in El Paso, said most cocaine enters the United States across the Mexican border, and most comes through regular ports of entry in commercial trucks and passenger vehicles.

In 1986, Customs began a ''facilitation'' policy to speed up the shipment of cargo from Canada, and the program was expanded to the Mexican border in recent years.

As part of this policy, ''low-risk'' U.S. importers are allowed to ship commodities from a Mexican manufacturer virtually without inspection, after passing a rigorous background check. Under the so-called ''line release'' program, some importers go months without having their shipments inspected.

Former Customs Commissioner William Von Raab, who helped establish the program on the Canadian border, said he was shocked when it later was used on the Mexico border.

''It's terrible. [This] was developed to be used at a border with the highest level of integrity and lowest level of risk,'' Von Raab said. ''I certainly would never have deployed it at the Mexican border.''

The San Diego district has the lowest inspection rate for commercial trucks, records show. Only 3.7% of the laden trucks are inspected at Otay Mesa, Calexico and Tecate in California and Andrade in Arizona, compared to an average rate of 11.4% along the entire U.S.-Mexico border.

''Obviously, we're in an area of international trade,'' said Rex Applegate, port director of the San Diego district. ''We're not in a situation where we can just stop traffic for the sake of narcotics risk. . . .We examined 3% of all the laden trucks that crossed. That is a lot of trucks. That is a lot of intrusion.''

Sources said inspections are conducted randomly, once every 500 to 2,500 entries, and certain shipments are targeted based on intelligence information.

The facilitation program has resulted in increased truck traffic all along the border, especially last year when records show that laden trucks increased 51% and empty trucks increased 38%. In anticipation of the North American Free Trade Agreement a year ago, U.S. and foreign investors opened new manufacturing plants on the Mexican side of the border, triggering an increase in cargo shipments to this country.

Numerous inspectors and agents have told The Times they believe that the facilitation policy has provided narcotics smugglers with an easy way of bringing tons of cocaine into the U.S.

''The smugglers know our system as well or better than us,'' said Jay Erdmann, an inspector for 25 years who is retiring next month. ''Why should they smuggle the dope through the desert when they can use line release?''

San Diego port director Applegate said the importing and drug targeting procedures are ''very sophisticated.''

''Quite frankly, the line inspector is not aware of this,'' Applegate said. ''These guys are like platoon sergeants questioning the war strategy.''

But he also said inspectors have a responsibility to target vehicles, based on behavioral analysis of the drivers.

''This risk assessment * * * depends a lot on the inspector's own knowledge,'' Applegate said.

A Dec. 13 document entitled ''1994 Port Tracking Report'' said Customs concentrates its drug enforcement efforts on shipments from 16 ''high-risk'' countries in South and Central America and the Caribbean.

The report said that, although most ''high-risk containers pass through the Mexican border, ''substantially less'' cocaine was seized there last year than the previous year.

Nationwide, customs inspectors and agents seized 62,850 pounds of cocaine from commercial land, air and sea haulers last year—only 2,000 pounds less than in 1993.

But along the Southwest border, 1,765 pounds was confiscated in 1994—all at Calexico—compared to 7,708 pounds in 1993 and 234 pounds in 1992 when truck traffic was lighter. Customs statistics show there was a similar decline in marijuana seizures, from 17,736 pounds in 1993 to 9,459 pounds last year.

Officials were unable to provide statistics for cocaine seizures in previous years along the entire border.

At the Otay Mesa commercial port—third largest on the border and located seven miles east of San Diego—there were no cocaine seizures in the past three years. There also were no seizures during the period at El Paso, the second largest commercial border crossing.

Laredo, Tex., the biggest commercial port, had no cocaine seizures last year. Inspectors there found 5,027 pounds of drug in 1993 and none in 1992.

Meanwhile, Customs officials have two new proposals to make it easier for airplane and auto travelers, not just trucks, to enter the United States, The Times has learned.

One plan under study, called Airport 2000, would require airline employees to input the names of passport holders into Customs computers.

Customs inspectors would then check the names for criminal records or ties to drug smuggling. If the name used by the traveler does not arouse suspicion, he would be allowed to leave the airport without having to go through Customs inspection.

''Airport 2000 is a concept developed here and is passenger oriented,'' said Dennis Shimkoski, a Customs Service spokesman in Washington.

A plan being studied in San Diego would make optional the now-mandatory license plate check of every vehicle entering this country from Mexico. Like Airport 2000, the plan was conceived to cut costs and ease entry into the United States.

Computer checks of license plates have led to the seizure of hundreds of stolen vehicles and thousands of pounds of drugs. The computer checks also tell an inspector if the vehicle is suspected of being used in smuggling and if the driver has a criminal record.

Applegate dismissed complaints from inspectors and Customs agents that the plan signals a retreat from the drug war and invites corruption in the ranks of inspectors.

''The issue is very simple. Our land border traffic is increasing, and our budget is not,'' Applegate said. ''There would be a certain number of inspectors who would view this as the grossest sellout in customs history. [But] how much is it costing the Customs Service to input all this data and what are we getting for it?''

Von Raab, the former Customs commissioner, said he believes that the proposals will weaken enforcement efforts. ''I have always seen Customs as a regulatory agency to guard borders and collect tariffs,'' he said.

Customs inspectors and agents have complained for years about what they call a loophole in the facilitation program. They alleged in interviews that drug rings are paying unscrupulous truck drivers and trucking companies to smuggle cocaine and other drugs—but Customs officials do not subject drivers and trucking companies to the same background checks as importers and manufacturers.

A veteran investigator who has worked on several high-profile drug cases in San Diego said that ''you can have the biggest drug dealer in Mexico drive a truck through the compound * * * and the [line-release program's] computer would never tell you who he was, even if he used his real name.''

''That's correct,'' said Barry Fleming, who supervises the line release program in San Diego. ''Right now, I have to agree with the inspectors. [The problem is] the carriers. How do we operate in the unknown where we don't know the risk of the driver, the tractor [truck] or the trucking company?''

When asked why there were no cocaine seizures at the Otay mesa commercial port between 1992 and 1994, Fleming said: ''Is it [because of faulty] targeting? Probably it is. We don't have enough intelligence.''

Carolyn Goding, president of the San Diego Brokers Assn., agreed that there is ''nothing

to stop an unscrupulous driver from throwing some cocaine underneath the seat.'' However, she said the program ''is working well for the honest importer by helping facilitate the movement of cargo.''

EXHIBIT 2

U.S. SENATE,
Washington, DC, February 27, 1995.

Hon. ROBERT RUBIN,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY RUBIN: In an earlier letter, dated February 17, 1995, I requested an investigation and reevaluation of federal efforts to seize illicit narcotics coming across this nation's borders. Since then, I've learned a great deal more and today I am writing to express my strong belief that the Customs Service's ''line release'' program (as we know it today) should be discontinued in California pending an evaluation of its ability to seek out and confiscate illicit contraband entering this country.

I understand approximately 10,000 companies now participate in a broad effort to move large trucks across the border with Mexico, often without inspection of cargo. I have asked the Customs Service for a full list of the companies approved to take part in the ''line release'' program but have yet to receive this information. I would like to re-state my request for this information.

My strong belief that the ''line release'' program should be discounted pending further review is based on a number of factors:

(1) It is known that the Cali Cartel in Columbia is shipping tons of illegal drugs on planes as large as 727's to Mexico, and then transporting drugs across the border and into the continental United States in trucks. Recent press reports have documented increased incidents of illegal smuggling since the ''line release'' program began, and a dramatic decrease of inspection and drug seizures. In fact, in 1994 not a single pound of cocaine was confiscated from more than two million trucks that passed through three of the busiest entry points along the southwest border—Laredo and El Paso in Texas, and Nogales in Arizona.

(2) Hearings of the Senate Judiciary Committee have demonstrated that drug smuggling is on the rise and California has become the major point of cocaine importation in the United States.

(3) An internal Treasury document recently brought to my attention, and subsequently printed in a news report this past Friday, suggests that serious deficiencies in the ''line release'' program may actually facilitate the flow of illegal drugs into California.

These developments have served only to increase my skepticism as to whether the ''line release'' program ever made sense at all. In 1993, before NAFTA, Customs officials seized almost four tons of cocaine off trucks crossing the border; in 1994 it was down to less than a ton. Attached is a story from yesterday's New York Times which very accurately reflects the way I feel. I have also attached recent stories printed in the Los Angeles Times which raise alarming questions about illegal drug smuggling across this nation's 2,000 mile border with Mexico.

In my opinion, the ''line release'' program only encourages the continued and increased flow of drug smuggling. California simply cannot be the testing ground for programs that are ineffective and which only invite increased drug smuggling.

I would appreciate a response as soon as possible regarding this matter. I would also like your views as to whether you believe Operation Hard Line, the new initiative by the Customs Service to tackle the problem of cocaine smuggling into California, adequately addresses the problems raised about the ''line release'' program.

Thank you, in advance, for your personal attention to this matter. I look forward to hearing your thoughts.

Sincerely,

DIANNE FEINSTEIN,
U.S. Senator.

EXHIBIT 3

U.S. SENATE,
Washington, DC, March 10, 1995.

Hon. ROBERT RUBIN,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY RUBIN: Two weeks ago, I wrote to you regarding my strong belief that the ''line release'' program currently being administered by the Customs Service should be discontinued in California pending an evaluation of its effectiveness to seek out and confiscate illicit contraband entering the United States. I have not yet received a response.

I believe strongly that this is a urgent matter which merits your priority attention. To this end, I am also enclosing a copy of an Associated Press story from yesterday which raises additional questions about the situation at the border, including an alleged 1993 incident in which the then-District Director of the Customs Service, who was later promoted, may have prevented investigators from conducting a surprise inspection of the ''line release'' program at the southwest border. This investigation was aimed at determining whether unauthorized trucks, potentially carrying drugs, were allowed to cross the border without inspection.

As I stated in my February 27 letter, I believe the ''line release'' program only encourages the continued and increased flow of drug smuggling across the southwest border.

Again, I urge your priority attention to this matter and look forward to a response to my original letter as soon as possible.

Sincerely,

DIANNE FEINSTEIN,
U.S. Senator.

[From the Associated Press, Mar. 10, 1995]

CUSTOMS FAILS TO ACT ON SUSPENSION FOR INDICTED WAREHOUSE OPERATOR

(By Michael White)

LOS ANGELES.—Eight months after a harbor warehouse owner was indicted on bribery charges, he's still profiting from a Customs Service inspection station on his property although investigators urged that it be shut down.

That illustrates a lack of clout that frustrates the U.S. Treasury Department's Office of the Inspector General in its role as watchdog over some of the government's biggest moneymakers, including Customs and the Internal Revenue Service, according to interviews and government records.

The problem is particularly acute in the agency's Western region where, unlike the rest of the country, inspector general's investigators have failed to obtain a single indictment of a federal official in five years.

''I think that was one of the reasons I was hired two years ago, was to change the direction, and that doesn't happen over night,'' said James Cottos, assistant inspector general for investigations in Washington.

In the case of the harbor warehouse, the inspector general's auditors recommended last October that National Distribution Services be suspended from doing business. Its owner, Steve Moallem, had been indicted on charges he paid an immigration agent $10,000 for false documents for himself and employees, records show.

Being picked as the site for an examination station can mean big profits for a warehouse operator, who charges importers for storing and unloading cargo to be inspected.

Neither Customs nor the Treasury Department itself has acted on the recommendation to suspend the company.

''We can't force the (Customs) agency to do anything,'' said Rick Dory, a Treasury Department attorney.

Customs spokeman Mike Flemming said the case is up to Treasury officials in Washington.

The Inspector General's Office is charged with investigating criminal offenses by management level employees at Customs, the IRS, the Secret Service and a variety of other Treasury agencies.

During Cottos' tenure, Treasury's Northeast Region has logged 14 felony convictions. The Southern Region has had eight and the Central Division one. Statistics for the office's performance before his tenure were not available because good records were not kept, Cottos said.

In the West, however, things are different.

The inspector general's office was absent last year when the Justice Department launched a corruption investigation among Customs officials in Los Angeles and San Diego, said a source familiar with the investigation.

The unusual move was made at the insistence of witnesses who doubted the effectiveness of the inspector general's office, said the source, who spoke only on the condition of anonymity.

The concern stemmed in part from a 1993 incident in which the inspector general's office tried to investigate allegations that cocaine-laden trucks were crossing the border unimpeded under a Customs program intended to speed the flow of cargo from Mexico.

In that case, inspector general investigators, accompanied by Customs narcotics agents trying to make unannounced inspections of vehicles and records at the Otay Mesa port of entry near San Diego, were denied entrance by Customs officials.

Under orders of Custom's San Diego District Director Rudy Camacho, the investigation team was told to leave, according to several sources who witnessed the incident.

They returned the next week in a visit arranged with Camacho's office, but by then word of the operation had leaked to truckers and import brokers they were targeting, according to a January 1994 memo by the investigators.

''Rudy Camacho ran them out of San Diego,'' said one veteran inspector familiar with the incident.

Camacho, later promoted to commissioner of Customs' Western region, said he told the investigators to leave because they had, without his authorization, brought Customs inspectors along. He said he had sole authority over Customs inspectors' activities and scheduling.

His office later cooperated fully with the investigators, he said.

Cottos said Treasury agencies often resist his office's attempts to investigate internal wrongdoing.

''People don't want anybody else to come in and do an investigation of them,'' he said.

Mrs. FEINSTEIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT—H.R. 889

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate now resume consideration of H.R. 889 and the remaining committee amendments to be agreed to en bloc be treated as original text for the purpose of further amendments; that the following amendments be the only remaining amendments in order in the first degree and they be subject to relevant second-degree amendments following a failed motion to table and limited to time agreements where appropriate, with the same time limit applying to any second-degree amendment and that no rule XVI point of order lie against Senator BUMPERS' NASA wind tunnel amendment. Mr. President, this includes the following amendments: The Hutchison endangered species amendment; the Brown Mexico amendment; the Coverdell Georgia flood amendment; Stevens manager's amendment; the Hatfield manager's amendment; the McConnell assistance to Jordan debt amendment; the Specter SOS Korean nuclear agreement amendment; the Roth-Glenn SOS nonproliferation amendment; and the McCain military construction amendment.

Mr. President, in addition, my understanding is the following Democratic amendments are included in this amendment: The Baucus amendment on South Korea trade; the Boxer amendment on military personnel; the Byrd amendment that may be relevant to the subject; a Daschle relevant amendment; a Feinstein environmental cleanup amendment; the Graham Cuba amendment; the Inouye manager's amendment; the Leahy Jones Act amendment; the Nunn amendment to relevant topics; the Wellstone amendment to relative topics; and also the Bumpers amendments in his own name, which we reserved a spot for covering Iran and NASA wind tunnels for his own name as well. That, obviously, is in addition to the one previously reserved, which is a joint Democratic-Republican amendment.

I further ask that following disposition of the above-listed amendments, the bill be advanced to third reading and final passage occur on H.R. 889, as amended, without intervening action or debate.

The PRESIDING OFFICER. Is there objection to this agreement? Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BROWN. Mr. President, I ask unanimous consent that when the Senator from Arkansas [Mr. BUMPERS] offers his amendment in reference to wind tunnels, that there be 45 minutes for debate prior to a motion to table, to be limited in the following fashion: 30 minutes under the control of Senator BUMPERS and 15 minutes under the control of Senator STEVENS.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance military readiness for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bumpers amendment No. 330, to restrict the obligation or expenditure of funds on the NASA/Russian Cooperative MIR Program.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The pending amendment is amendment No. 330 offered by the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am prepared to go forward with that amendment. We have worked out a second-degree amendment that was going to be offered either by the Senator from California [Mrs. FEINSTEIN] or the Senator from Missouri [Mr. BOND]. But neither of them is present right now, so I would like to just temporarily lay that amendment aside and, if there is something else we could get to, I would be willing to do it.

Let me ask unanimous consent that the amendment be temporarily laid aside and allow the floor managers to go forward with any other amendments that are pending. And in that request, Mr. President, I am going to state specifically that I am not necessarily asking that this be the pending business after the next amendment is adopted. I will be around here, and I will call the amendment up at some point.

Mr. BURNS. Will the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. BURNS. Mr. President, will the Senator from Arkansas want to go to his wind tunnel amendment at this time?

Mr. BUMPERS. Yes, I am prepared to do that.

Let me remind the Senator that Senator MIKULSKI obviously wants to be in the Chamber when that is debated, and I would suggest that we try to contact her to see if she is available. She may be attending a committee hearing or something else and cannot make it right now. But I am prepared to go forward with that amendment.

Mr. BURNS. I think the Senator makes a good point and maybe we should contact those Senators to get them involved. I think they want to be a part of this debate, and we would do that right away. And then maybe the Senator could offer his wind tunnel amendment.

Is there any other amendment that is pending?

Mr. BUMPERS. It is my understanding, Mr. President, that virtually all of these amendments except the wind tunnel amendment have been agreed to. Is that correct?

Mr. BURNS. That is the information I have.

The PRESIDING OFFICER. It is the Presiding Officer's understanding there are some that have not been agreed to.

Mr. BUMPERS. I am sorry, Mr. President; I did not understand the Chair.

The PRESIDING OFFICER. It is the Chair's understanding that not all amendments have been agreed to.

There is pending the Senator's request to lay aside the current amendment. Does the Senator wish to pursue that?

Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

Mr. President, I ask unanimous consent that I may speak not to exceed 12 minutes as if in morning business.

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

(The remarks of Mr. PRYOR pertaining to the introduction of S. 573 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, what is the pending business?

The PRESIDING OFFICER. The bill is before the Senate. It is open for debate.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 330

Mr. BUMPERS. Mr. President, I call up amendment No. 330 and ask for its immediate consideration.

Mr. President, I think a substitute amendment to my amendment has been agreed to by both sides.

Briefly, it says that a pending agreement between the United States and Russia that would allow Russia to buy American nuclear reactors and technology, known as a ''Section 123 Agreement,'' be canceled unless the President certifies to Congress that the Russian nuclear agency will not sell nuclear reactors to Iran.

Mrs. FEINSTEIN. Mr. President, I rise today in strong opposition to the Bumpers amendment to rescind funding for the national wind tunnel complex [NWTC]. I believe this project to be a sound investment in the future of the competitiveness of the U.S. commercial aviation industry.

NASA is pursuing the development of two new wind tunnels as a part of the NWTC strategy to provide facilities for aircraft testing with technology not currently available in the United States. These facilities would allow the commercial aviation industry to continue to compete on an international level for the next generation of wide-body commercial transportation aircraft.

The United States has built only one major wind tunnel in the past 30 years and while the existing wind tunnels have been upgraded over the years, none has been able to keep pace with the state-of-the-art capability, productivity, and technology of new, modern—and largely foreign-owned—wind tunnels. The United States has recently seen its share of the international commercial transport aircraft market fall from 100 percent to an estimated 65 percent. While we still enjoy a commanding presence in this vital industry, we must now prepare ourselves to be competitive in the future.

Contrast our actions with those of our European competitors who have invested in six new Government-financed wind tunnels over the last 15 years. These investments pay dividends in the commercial aircraft market as can be witnessed by the increasing marketshare of European companies such as Airbus.

The fiscal year 1995 VA–HUD bill provided $400 million as a down-payment to begin construction of these two facilities. This investment follows funding in fiscal year 1994 to study the feasibility of wind tunnels. NASA estimates the final cost of the wind tunnel complexes to be $2.5 billion and has plans for the facilities to be up and running by 2002. I agree with those who are calling for the greater industry involvement in this project and look forward to working with my colleagues and industry officials to help make cost-sharing a reality. I have spoken personally with the CEO's of major commercial aviation manufacturers who all agree with NWTC is needed to ensure their continued competitiveness. Now is not the time to waver in our support for the domestic aircraft industry.

In anticipation of the Administration's continued support of the National Wind Tunnel Complex Program, an industry teaming agreement was signed among Boeing, McDonnel Douglas, Lockheed, Northrup-Grumman, Pratt & Whitney, and General Electric to support the development of the facilities. NASA has been in the process of evaluating feasible sites, including the NASA Ames Research Center located in the San Francisco Bay area. The Ames Research Center, which is currently home to several operational wind tunnels, meets most of the technical criterion NASA is looking for and can be a model of government and private industry working together toward mutual interests.

While the Administration has not met the condition set forth in the fiscal year 1995 VA–HUD bill, they have, in fact, requested that the funds be carried over to allow for a more complete site selection process. I ask my colleagues to agree with the Senate Appropriations Committee's recommendation to grant the administration time to move ahead with this important investment in the future of domestic aviation technology. I oppose the Bumpers amendment to rescind funding for the national wind tunnel complex and urge my colleagues to do the same.

Mr. ROCKEFELLER. Mr. President, I rise to explain why I believe the Senate should reject the amendment offered by the distinguished Senator from Arkansas to cancel funding for wind tunnels.

Before getting into the arguments for proceeding with this program, I want to remind my colleagues of some essential facts about the bill before us. This bill, labeled the Defense supplemental and rescissions appropriations, will cut the Federal deficit.

Its first goal is to replenish critical parts of the Defense Department's budget, and it does that by transferring funds from other areas. That means we are not asking the American taxpayers to borrow.

And because this is an opportunity to shave the Federal budget, this bill also contains $1.5 billion of cuts in Government spending for the sole purpose of reducing the deficit. Here is more proof that one does not need to amend the Constitution to shrink the deficit.

But the Federal budget is always an exercise in setting priorities. Certain needs, from the country's military security to our social fabric, have to guide how we make choices about Government spending. And I would argue that we need to keep planning for the future, especially to invest in opportunities to sustain the country's economic strength and jobs.

That is why I question and oppose the amendment by my friend from Arkansas. Yes, it is tempting to give up on the effort involved in NASA's plan for exploring the potential for building wind tunnels in the United States. But it is the wrong thing to do at the wrong time. It would be a retreat from the future, and another blow to this country's ability to maintain a prosperous commercial aircraft industry.

Since 1915, the National Aeronautics and Space Administration [NASA] and its predecessor agency have worked closely with the country's aircraft industry, providing one another with technical support. And, in turn, that technical support and the entrepreneurship of our airplane manufacturers have made the aircraft industry one of America's great economic successes. America is the world's leader, and the industry generates not only billions of dollars in export sales but also supports tens of thousands of jobs across our country. NASA's aeronautics research program is a proven investment in jobs—good jobs for Americans. And it is particularly important at time when foreign competitors, particularly Airbus, receive major help from their governments.

The subject before us, wind tunnels, are a key part of the NASA Aeronautics Program, and may be a vital tool for keeping our aircraft industry the world's leader. these tunnels are the facilities in which companies test and refine their new designs. New designs can be largely analyzed through computer simulations but in the final analysis companies must test physical models in advanced wind tunnels.

Wind tunnels are also precisely the kind of investment in which a government role is both appropriate and necessary—valuable national facilities that help a range of companies but which are so expensive that no one company or even group of companies can readily fund by themselves.

I want to note that our Government has operated wind tunnels for decades, serving both commercial and defense needs. But there's a very big catch. The tunnels in the United States are mostly 40 years old. In stark contrast, Europe has wind tunnels that are much more modern. Our companies can test its designs on the other side of the ocean, in foreign countries therefore.

That leads to an extremely serious dilemma for American aircraft manufactures—either test their new aircraft designs in less sophisticated facilities here in the United States, or test in Europe where data on the best new American designs would undoubtedly end up in the hands of foreign competitors.

I want to emphasize one important point here: NASA wind tunnels directly support a major U.S. industry—an industry which in turn generates sales, jobs, and I hasten to add, considerable tax revenue. And West Virginia is one of the States with the right conditions to build the wind tunnels. We have the most inexpensive and abundant supply of electricity in the Nation. And along

with our natural and other infrastructure resources, we are a state brimming with talented people ready to forge ahead building and operating this leading edge technology. Pulling the rug out from this initiative, aimed directly at improving this country's economic situation, seems reckless.

The amendment from the Senator of Arkansas would cancel a decision made by Congress last year to devote $400 million to planning just how to overcome this serious gap between America's wind tunnels and those in foreign countries. Because of the high economic stakes involved for our Nation, Congress appropriated the money to begin developing a new pair of state-of-the-art American wind tunnels.

Congress also conditioned that funding on an expectation that the administration would lay out a clearer plan on how to proceed with this effort and how to obtain the necessary commitments from the private sector. NASA is now finishing its assessment of future wind tunnel needs and how much industry is willing to share the costs of new facilities. The administration is asking this body to preserve the money until that study is completed and a full assessment can be made. Again, in light of the stakes—involving jobs and the future of a critical industry—I really think it's more than reasonable to reserve these funds if we are fully convinced they'll be a worthwhile investment.

The Senate should await the results of that assessment before we take rash action today that would bring an end to this initiative and its potential for the country. We should wait for the full facts, and not take precipitous action that risks jeopardizing a vital export industry. For these reasons, I urge my colleagues to oppose this amendment.

Mr. HELMS. Mr. President, I strongly support Senator BUMPERS' amendment because it is reasonable to link further United States funding for technical cooperation with the Russians on the space station with Russia's arrogant sale of nuclear reactors to Iran.

The Bumpers amendment makes the choice for the Russian Government quite simple. On the one hand, the Russians can continue to develop economic relations with the United States and move onward into the 21st century on the cutting edge of space-based technology. Or the Russians ban pursue a dangerous nuclear relationship with Iran one of the world's most reprehensible governments. But Russia cannot have it both ways.

The two greatest threats facing the security of the United States and its allies are Islamic fundamentalism and nuclear proliferation. The proposed Russian sale of nuclear reactors to Iran is an intersection of these threats. Even the Russians must realize the danger this poses to their own nation. I am truly surprised that no reasonable figure of authority in Russia is willing to confront that obvious reality. Despite all the rhetoric that one hears from Moscow about the threat of Islamic fundamentalism to the south of Russia, it appears that short-term profit is the most important interest for the Russian Government.

Recently the head of the Russian Ministry of Nuclear Power compared the profit he could turn from nuclear sales to Iran with the level of assistance that the United States gives to Russia. In essence he said that the funds the United States provides to Russia could easily be replaced by unrestricted worldwide sales of reactors and uranium. This reckless and insulting view of our Nation's efforts to develop a stronger relationship with Russia may have escaped comment by President Clinton, but it will not pass muster in the Senate.

The United States will not join in a bidding war with terrorist countries like Iran for the fickle friendship of the current Russian Government. Our appeal to Russia is broadly based upon reason and principle. While economic assistance has been a feature of the United States' effort to build closer ties with Russia, far exceeding any aid has been our willingness to build closer relations. We have extended an open hand in order to help Russia recover from the wounds of 70 years of totalitarian, Communist government. If bean counting bureaucrats in the Russian Nuclear Power Ministry see more profit by tying Russia's future to Iran—then let them have at it. But they can't—and won't—have it both ways.

Mr. GLENN. Mr. President, I rise in opposition to the amendment offered by my friend from Arkansas, Senator BUMPERS. While we share many similar interests and beliefs, it seems that we are usually on opposite sides of the issue when it comes to debating NASA and aerospace issues. In this case, I believe my friend's amendment is misguided and would bring a premature end to what promises to be valuable national facility.

I would also like to congratulate the chairman of the HUD/VA Appropriation Subcommittee, Senator BOND, as well as Senator MIKULSKI for laying out the very convincing arguments for proceeding with this program.

Mr. President, no one can doubt the vital role which wind tunnels play in the design of aircraft and engines. In fact in my earlier career, I had first-hand experience with what can be learned with these type of facilities. I would like to begin my remarks with a short description of how these facilities are actually used.

Wind tunnels are used in two major ways for airplane design. First, they are used to develop and confirm aerodynamically the geometric shape of the airplane and its wings. Improvements in airplane aerodynamics lead to reduced fuel consumption and improved economics. While computer testing, called computational fluid dynamics, is playing an increasingly important role in aircraft design, it has in no way replaced wind tunnel development and testing.

The second major way wind tunnels are used in airplane design is to help predict handling qualities, controllability, aerodynamic loads, fuel consumption, inlet/nozzle/nacelle and such important characteristics as takeoff and landing speeds. Wind tunnel testing provides the most accurate method for predicting crucial airplane characteristics. Wind tunnel test data are used in preflight prediction of drag, weight, and propulsive efficiency.

Mr. President, during the debate on wind tunnels we will hear mentioned two particular parameters used to describe the capability of wind tunnels. The first term is ''Mach number'' and the second is ''Reynolds number.'' Mach number is the more familiar term and is defined as a ratio of vehicle speed to the speed of sound. Determination of Mach number is critical for high-speed flight.

The Reynolds number is defined as the ratio of the inertia forces to the viscous forces that a fluid exerts on a surface as it flows past. The Reynolds number is also related to Mach number.

The National Academy of Sciences has found that ''high productivity, high Reynolds-number subsonic and transonic development wind tunnels * * * [will lead to improved aircraft] cruise and takeoff/landing performance by at least 10 percent each.'' Mr. President, a 10-percent improvement in airplane performance benefits our economy and our environment.

I ask unanimous consent to have printed in the RECORD the executive summary from the aforementioned National Academy study, Aeronautical Facilities: Assessing the National Plan for Aeronautical Ground Test Facilities.

The value of such scientific advances in helping to keep the American aircraft industry in the forefront of international sales is obvious. In fact, had it not been for the outstanding work done over many, many years by our aerodynamicists using the world's most advanced wind tunnels, our leadership in both military and commercial aircraft would never have taken place. Commercial sales of U.S. aircraft would not comprise our largest single factor in balance of payments outside of agriculture. Now we see foreign nations with more modern tunnels than we have, along with an expanding group of scientists and aerodynamicists. This does not bode well for America's future lead in designing and building the finest aircraft in the world. That is important for both our military and commercial aircraft.

Existing U.S. wind tunnels have served us well; and have helped make the U.S. aircraft industry the world leader. In fact much of what has been learned from wind tunnels has occurred in my home State of Ohio, at NASA's Lewis Research Center. Unfortunately the upgrades and improvements to the

existing inventory of wind tunnels have been already been made. Existing U.S. wind tunnels have the following problems: Inadequate capability in Reynolds number; low productivity, with emphasis on research; average of facilities is between 30–40 years, with the associated problems of old technology and high maintenance costs.

In fact, all but two of the U.S. wind tunnels have been operating for more than 30 years, and the two exceptions are low Reynolds number, special purpose facilities used only for light commercial and military airplane development.

Mr. President, most existing U.S. wind tunnels were funded by the Federal Government. And as my colleagues have discussed, the newer facilities in Europe have been built with substantial Government support. While I believe that Senator BUMPERS is correct in pointing out the apparent disparity in the industry's contribution to this facility, I would argue that a final deal has not yet been signed. I would encourage the administration to continue to pursue the best possible sharing of cost.

Mr. President, I will conclude by asking our colleagues to look to the future. In 10–20 years I hope that environmentally acceptable, supersonic commercial airliners and transports will be a practical, economic reality, and will be manufactured in the United States of America.

Mr. President, I encourage my colleagues to vote against the Bumpers amendment.

I ask unanimous consent that the aforementioned summary of the National Academy study be printed in the RECORD.

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

[From the National Academy Press, 1994]

ASSESSING THE NATIONAL PLAN FOR AERONAUTICAL GROUND TEST FACILITIES

EXECUTIVE SUMMARY

At the request of the National Aeronautics and Space Administration and Department of Defense, the Aeronautics and Space Engineering Board (ASEB) of the National Research Council independently reviewed the findings of the interagency National Facilities Study (NFS). In order to make the ASEB report available shortly after the NFS report, the NFS Task Group on Aeronautical R&D Facilities briefed the ASEB periodically during its study. After release of the NFS report, the ASEB held a far-ranging workshop to critique the NFS results. The workshop involved 49 experts in aeronautical technology development; ground test facilities; and, especially, the use and operation of wind tunnels. The purpose of this report is to document and explain the ASEB's assessment of the NFS report, including recommendations for future action.

The conclusions and recommendations of the NFS seem to be supported by factual material wherever it was available, although in some cases they are based on the best judgment of the study participants. The following nine items summarize the ASEB's findings and recommendations. The first five items reinforce key thrusts of the National Facilities Study. The ASEB concurs with each of these items. The last four are recommendations for additional action that go beyond the recommendations of the National Facilities Study.

Recommendations reinforcing the key thrusts of the national facilities study

1. The ASEB agrees with the NFS report that significant aerodynamic performance improvements are achievable, and the nation that excels in the development of these improvements has the opportunity to lead in the global market for commercial and military aircraft.[1] The highest priority facilities for achieving these performance improvements are new high-productivity, high-Reynolds-number subsonic and transonic development wind tunnels.[2] The NFS report estimates that cruise and takeoff/landing performance could be improved by at least 10 percent each. Performance improvements are essential for the U.S. aeronautics industry to maintain or increase market share. Based on the information available to it, the ASEB considers these projected increases in performance to be potentially attainable and believes that the proposed facilities could substantially facilitate such improvements.

These forecast advantages do not include the probable operating and development cost reductions that would accrue to future U.S. military aircraft programs. In addition to direct cost reductions, access to improved ground test facilities would make advanced military aircraft more competitive in the world market, thereby further reducing the defense burden carried by U.S. taxpayers. Foreign sales of U.S. military aircraft result in lower unit costs for U.S. government and foreign purchasers.

2. The ASEB agrees with the NFS report that new high Reynolds number ground test facilities are needed for development testing in both the low speed and transonic regimes to assure the competitiveness of future commercial and military aircraft produced in the United States. The NFS report documents that Reynolds and Mach number performance of the best subsonic and transonic development wind tunnels in the United States and Europe are close to parity.[3] However, the average age of major U.S. tunnels is about 38 years, and many of the older U.S. wind tunnels are subject to costly maintenance and breakdown. Furthermore, there are no adequate domestic alternatives for many older U.S. facilities. For example, during the past several years U.S. manufacturers have conducted a large amount of their low speed testing in European facilities during refurbishment of the Ames Research Center 12-foot subsonic wind tunnel, which is 48 years old.

TABLE ES–1—PROPOSED CAPABILITIES OF NEW LOW SPEED AND TRANSONIC WIND TUNNELS

Tunnel parameter	Low speed tunnel	Transonic tunnel
Reynolds Number	20 million at Mach 0.3 (full span model) 35 million at Mach 0.3 (semi-span model).	28.2 million at Mach 1 (full span model).
Mach Number	0.05–0.6	0.05–1.5.
Productivity	5 polars per occupancy hour*.	8 polars per occupancy hour.
Operating cost	<$1,000/polar	<$2,000/polar.
Operating pressure	5 atmospheres	5 atmospheres.
Total temperature	110°F	110°F at Mach 1.
Maximum power	45 MW	300 MW.
Test Section Size	20 ft × 24 ft	11 ft × 15.5 ft.
Flow quality	Low turbulence	Low turbulence.
Acoustic test capability	Acoustic test chamber.	Not applicable.

*A polar is a single test run consisting of 25 data points (see Appendix

Source: NFS, 1994.

In contrast, European industry has a new government-funded trasonic facility coming on-line during 1994 that is expected to significantly outperform any transonic development facilities in the United States in terms of Reynolds number capability.[4] The NFS report examines this situation in detail with regard to the development of new commercial air transports, which has very high flight Reynolds numbers.

More-capable wind tunnels will facilitate improvements in aircraft performance and producibility. However, as documented by the NFS, no wind tunnel in the world meets or can be affordably modified to meet the goals defined by the NFS for development of future transport and military aircraft (see Table ES–1).[5]

The ASEB agrees with the NFS that building the two tunnels as proposed is likely to enable subscale development testing for more than half of the new commercial transport aircraft projected for the next twenty years or so at flight Reynolds and Mach numbers. However, the flight Reynolds numbers of (1) very large commercial transports, (2) high speed civil transports, (3) high performance military aircraft, and (4) some revolutionary design concepts that might emerge in the future would exceed the capabilities of the proposed tunnels. Thus, the test results for these aircraft would have to be extrapolated to analyze their performance at flight Reynolds number. Nonetheless, this process would generally be more accurate than extrapolations based on data obtained from the less capable tunnels now available. In particular, the new wind tunnels would allow testing models of existing aircraft such as the B–737 and MD–90 at flight Reynolds number. Comparison of wind tunnel and flight data for these aircraft is likely to significantly improve the correlation of wind tunnel and flight data for future designs of conventional aircraft that have flight Reynolds numbers beyond the test limit of the proposed tunnels.

The NFS report recommends taking immediate action to reduce the projected cost ($2.55 billion) and schedule (eight years) of acquiring the proposed low speed and transonic wind tunnels.[6] The ASEB agrees that reducing cost and schedule is an important goal, but it cautions against using management-directed cost and schedule estimates to provide the illusion of achieving this goal.

3. Along with the procurement of new facilities, the ASEB agrees with the NFS that selected upgrades to existing facilities are also essential to adequately support future research and development programs. These upgraded facilities will be important during the interim before new tunnels are operational and, afterwards, to round out the United State's test capabilities matrix. However, facility upgrades cannot alone satisfy future ground test requirements.

In particular, the ASEB endorses the NFS's proposed upgrade to the common 16S/16T drive system at Arnold Engineering Development Center and urges further consideration of additional activities to improve the reliability of the drive-system motors and compressor. In case of failure, major motor repairs could take from four months (to rewind a motor stator) to over three years (for complete motor replacement). Although Arnold Engineering Development Center estimates that motor problems requiring complete replacement are very unlikely, credible accidents such as an electrical arc-over with severe internal motor damage could reduce the operational capability of 16S (and 16T) for up to a year.[7] This would have a severe impact if it occurred at a critical point in an aircraft development program. Additional improvements to the drive system should be carefully considered to reduce the probability of such an occurrence.

[1] Footnotes to appear at end of article.

4. The ASEB agrees with the NFS that the United States should acquire premier development wind tunnels rather than rely on continued use of European facilities. Over the past 25 years, as European aeronautics technology has risen to equal U.S. technology, the United States' market share in transport aircraft has declined 30 percent. Although market share is a function of many factors, if other nations achieve a higher level of aeronautical technology, erosion of the U.S. market share may accelerate, with accompanying reductions in balance of trade and jobs.[8] Continued advances in aerodynamic technology are necessary to avoid this situation. The proposed facilities represent an investment that is only a small fraction of the potential future gain and will provide an opportunity to enhance U.S. technology development. Acquisition of advanced high-productivity wind tunnels in the United States—where U.S. designers can efficiently coordinate their wind tunnel testing, model building, and computational activities—will improve the effectiveness and efficiency of the aircraft design and development process.

When aircraft designers introduce a new product, they must determine how far to push available technology before selecting the final design. The nation with the most efficient design-test-redesign process can achieve either (1) a given level of performance sooner or (2) better performance within a given period of time. Inferior, inefficient design or test processes, on the other hand, allow the competition to produce an equal or better product sooner. Slow design and test methodologies also extend the period that manufacturers must fund product development, increasing the costs of bringing new products to market.

Although U.S. designers have access to European facilities, the ASEB believes that the scheduling constraints faced by U.S. users and the inefficiency of conducting transatlantic design and development efforts inevitably delay the introduction of new products. Conversely, European competitors have greater access to better test facilities and, potentially, to the data generated when U.S. aircraft manufacturers use their wind tunnels. In combination with other improvements that industry is making in its design and manufacturing process, the ASEB believes that the construction of advanced development wind tunnels will be an important contribution to the productivity of the U.S. aeronautics industry.

Because of national security concerns, foreign facilities are especially inappropriate for development of military aircraft. The U.S. defense industry is generally limited to U.S. facilities, even if more-capable facilities are available elsewhere.

The NFS report identifies three options for funding the construction of the proposed subsonic and transonic wind tunnels: industry only; a government/industry consortium; and government only. After assessing these options, the NFS ''envisioned that the facilities will be constructed primarily with government funding,'' and it concluded that ''funding by industry alone is not a viable source of capitalization.'' However, it also determined that the possibility of obtaining funding jointly from government and industry ''could not be ruled out'' and it recommended conducting ''further studies to look at innovative funding approaches and government/industry consortia arrangements.'' The ASEB understands that these studies are underway.

5. The ASEB agrees with the NFS that additional action is necessary to address future requirements for supersonic, hypersonic, and aeropropulsion test facilities. It is not appropriate to immediately proceed with the construction of new supersonic, hypersonic, or aeropropulsion development facilities. Each of these areas, however, will be important to the aeronautics industry of the future. Thus, appropriate action should be taken to ensure that required facilities will be available when necessary.

Supersonic Facilities. The Department of Defense will have continuing needs for supersonic ground testing of new upgraded military flight vehicles and systems, and NASA's High Speed Civil Transport Program will create additional demands for access to supersonic wind tunnels.

Incorporating supersonic laminar flow characteristics into military and commercial aircraft would significantly reduce drag and surface heating and increase fuel efficiency. However, designing a cost-effective supersonic laminar flow facility to conduct development testing is beyond the current state of the art. Solution of the complex problems involved will require a continued program of theoretical and experimental investigation.

In order to partially address shortfalls in U.S. supersonic facilities regarding productivity, reliability, maintainability, and laminar flow test capabilities, the 16S facility at Arnold Engineering Development Center, which would be used to support development of a first-generation high speed civil transport, should be upgraded. In addition, research should continue on supersonic laminar flow technology and facility concepts.

Hypersonic Facilities. More-capable hypersonic ground test facilities are needed to provide the option for future development of hypersonic vehicles. State-of-the-art technology, however, is not adequate to build major new hypersonic facilities that will have the needed capabilities in areas such as model size, run time, pressure, temperature, and velocity. Therefore, near-term efforts should focus on a program of research to select, develop, and demonstrate the most promising hypersonic test facility concepts. Long-term efforts to build hypersonic development facilities will be contingent upon successful completion of the near-term facility research effort and concurrent efforts to validate future requirements for hypersonic vehicles.

Aeropropulsion Facilities. Aeropropulsion test facilities within the United States have the capability to test current air breathing engines under the operating conditions experienced during takeoff, climb, cruise at flight speeds up to Mach 3.8, approach, and landing. Looking to the future over the next 10 to 30 years, air breathing engine test facility requirements will be determined by engine size, type, configuration, and air flow requirements.

The Aeropropulsion System Test Facility at Arnold Engineering Development Center, as currently configured, is adequate for altitude testing of the newest generation of high-bypass engines. However, a 40 percent increase in flow capacity might be required to handle the next generation of ultra-high-bypass, gear-driven propulsor engines such as the PW4000 Advanced Ducted Propulsor. These engines could be certified after the year 2000—if the aircraft manufacturers develop new, larger aircraft requiring such engines. Implementation of facility upgrades for these larger subsonic engines would take four to eight years, so there is time to ''wait and see'' before deciding how to proceed.

Recommendations going beyond those of the national facilities study

As previously indicated, the remaining four items go beyond the recommendations of the National Facilities Study report. These recommendations of the National Facilities Study report. These recommendations will (1) reduce risk associated with carrying out the actions recommended by the NFS and (2) facilitate long-term efforts to provide U.S. users with improved aeronautical ground test facilities.

6. The Wind Tunnel Program Office should conduct trade studies to evaluate design options associated with the proposed new low speed and transonic wind tunnels.[9] Facility configuration trade-off studies conducted by the NFS on Reynolds number, productivity, and life cycle cost appear to be sound. However, additional configuration studies should be conducted during the design phase of the wind tunnel program. These assessments should take into account the differences in tunnel and model parameters between subsonic and transonic wind tunnel testing. They should evaluate the merits of the following design options:

a. Using a single tunnel to test both the low speed and transonic speed regimes. While a single tunnel would be unlikely to offer the same capabilities as two separate tunnels, the extent to which performance and operational costs would be compromised should be evaluated in terms of savings in acquisition costs. This assessment should verify the accuracy of projected utilization rates to determine if a single facility could meet the expected demand for test hours.

b. Making incremental changes to the tunnel operating pressures (e.g., from 5 to 5.5 atmospheres). Increasing wind tunnel operating pressure would allow facility size and cost reductions without sacrificing Reynolds number capability. The extent to which higher pressures could be used without unduly jeopardizing the cost, efficiency, and effectiveness of the overall ground test process is unclear, and the interaction between tunnel pressure and model design should be investigated further for both the transonic and subsonic tunnels. This investigation should take into account the considerable differences that exist between these two flight regimes. In particular, use of higher pressures is likely to be more feasible for subsonic wind tunnels than for transonic wind tunnels because of the differences in dynamic pressures.

c. Including within the baseline design the ability to provide future growth in Reynolds number capability through use of higher operating pressures (up to 8 atmospheres), reduced temperatures (down to about -20 °F), and/or a heavy test gas (such as SF_6). Incorporating these capabilities into the new facilities would add significant cost. There are also technical concerns regarding wind tunnel tests using high pressure or gases such as SF_6. However, it would add only a few percent to the cost of the new facilities to plan ahead for future upgrades that would use one of these capabilities. For example, initially designing the Low Speed Wind Tunnel pressure shell to withstand 8 atmospheres would facilitate subsequent facility upgrades to higher operating pressures. Experience with existing facilities shows that test requirements often evolve beyond the expectations of the original designers. Failure to initially build in growth capability would make future facility upgrades highly unlikely and limit the ability of future facility operators and users to enhance tunnel capabilities. (Appendix D provides more information on how pressure, temperature, and test gas impact wind tunnel performance capabilities.)

d. Improving the robustness of the tunnel designs. Designing selected subsystems and components of the new wind tunnels with margin for growth relative to pressure and operating power could improve system reliability, increase facility lifetime, and reduce the costs of future upgrades.

In addition, the Wind Tunnel Program Office should ensure that the new transonic

and low speed facilities will be able to adequately support development of supersonic aircraft. The importance of low speed and transonic wind tunnels extends beyond their application to subsonic and transonic aircraft. They will also be of special importance to supersonic aircraft such as high speed civil transports that must also operate in lower speed regimes during take-off, acceleration, transonic flight over land, and landing. The design of the proposed new wind tunnels should be compatible with the test requirements of higher speed aircraft to the extent that this additional capability is affordable and does not unacceptably degrade the tunnels' ability to execute the primary mission. The detailed design phase of the new wind tunnels should also ensure that features necessary to adequately accommodate development testing of military aircraft, including stores separation testing, are incorporated into the design of the new wind tunnels as appropriate. Ongoing efforts by the U.S. Air Force to more closely define military requirements for future development wind tunnels will assist in this effort.

7. NASA and the Department of Defense should continue support for facility research in the subsonic and transonic regimes. The highest priority need in the area of low speed and transonic facilities is for new development facilities. Related research, which includes both vehicle- and facility-oriented efforts, is also important to long-term competitiveness. For example, the ability to construct practical development test facilities that use heavy gas (such as SF_6) and/or very high operating pressures (15 atmospheres or more) would (1) greatly reduce facility size and cost and (2) increase Reynolds number test capability. Continued funding of appropriate research is an essential precursor to the development of future generations of ground test facilities and future upgrades of existing and planned facilities.

8. NASA and the Department of Defense should expand coordinated efforts that involve aerodynamic test facilities, computational methods, and flight test capabilities. Computational methods such as computational fluid dynamics are used during the aircraft design process to analyze and predict aerodynamic characteristics in all speed regimes. However, they must be validated by experimental ground and flight tests before they can be relied upon for design or evaluation in any phase of development. Improved aerodynamic wind tunnel testing will provide a better understanding of aircraft fluid dynamics, including Reynolds number and boundary layer effects. This understanding will permit more-accurate scaling of ground test data to in-flight performance. Nonetheless, for the foreseeable future, computational methods will not eliminate the need for highly capable wind tunnels to support development of advanced aircraft. Continued work to improve computational methods and continued flight exploration (e.g., X-planes) are required adjuncts to the acquisition of new and improved wind tunnels. Better scaling methodologies are needed as soon as possible. They will be useful during the interim before new tunnels are available, and, in the long run, they will extend the utility of new tunnels for the design of very large and usually configured future aircraft.

9. NASA and the Department of Defense should develop a continuing mechanism for long-term planning of aeronautical test and evaluation facilities. Assigning the responsibility to study future requirements and conduct long-range planning to a permanently established body would provide greater continuity than the current process of relying on intermittent, ad hoc committees. Experience with current facilities indicates that the service life of major new facilities could easily extend to the middle of the next century. The long-term utility of major new facilities will be greatly enhanced if their designs are based on a broad view of future test requirements.

An overall assessment of Volume II of the NFS report and a complete list of the ASEB's findings and recommendations appear in Chapter 7.

FOOTNOTES

[1] The National Research Council report ''Aeronautical Technologies for the 21st Century'' (NRC, 1992) documents historical trends and projects future gains in aircraft performance as a result of technological advances.

[2] Overall priorities are discussed in more detail in Chapter 6 starting on page 44.

[3] Mach and Reynolds numbers are defined in Appendix D.

[4] The U.S. National Transonic Facility has a Reynolds number capability of 119 million, but its productivity is an order of magnitude less than other large transonic facilities. Thus, even though it has a limited (design-verification) role to play in the development of new aircraft, it is not a ''development'' wind tunnel. Its primary role is as a research facility.

[5] The NFS initially established a Reynolds number test capability of approximately 30 million as a goal for both the low speed and transonic wind tunnels. After assessing the impact of performance goals on facility design and cost, the NFS recommended accomplishing this goal in the low speed regime using semi-span models. Semi-span models include only the left or right half of an airplane. This increases the Reynolds number capability of a given facility relative to tests using full-span models.

[6] The National Facilities Study included a very detailed costing effort, which is documented in Volume II–A of its final report.

[7] Laster, M.L. June 17, 1994. National Aeronautical Test Facilities Study Information Memorandum. Directorate for Plans and Requirements, Arnold Engineering Development Center. Arnold Air Force Base. Tennessee.

[8] For a more thorough discussion of the factors affecting the eroding U.S. position in aeronautics, the necessary but insufficient role that advances in technology play, and specific technology advances that are possible and desirable, see ''Aeronautical Technologies for the Twenty-First Century'' (NRC, 1992), pages 26–34 and the discussions of current industry status, market forecast, and barriers for each of the major speed regimes.

[9] NASA has established a Wind Tunnel Program Office at Lewis Research Center. This office, which reports to the NASA Administrator, is now working with industry to develop an acquisition strategy and conduct design trade studies for two new low speed and transonic wind tunnels, as recommended by the National Facilities Study. Participants in this effort include veteran wind tunnel designers, operators, and users from government and industry. If federal responsibility for development of these facilities is reassigned, then the designated successor should assume responsibility for actions assigned in this report to the Wind Tunnel Program Office.

Mr. BUMPERS. The Senator from Missouri, I think, now wants to offer his amendment, which I have agreed to, as a second-degree amendment.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 332 TO AMENDMENT NO. 330

(Purpose: To provide a limitation on the use of funds for entry with Russia into an agreement on exchange of equipment, technology, and materials)

Mr. BOND. Mr. President, I send an amendment to the desk in the nature of a substitute on behalf of myself, Mrs. FEINSTEIN, Ms. MIKULSKI, and Mrs. HUTCHISON, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mrs. FEINSTEIN, Ms. MIKULSKI, and Mrs. HUTCHISON, proposes an amendment numbered 332 to amendment No. 330.

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

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

The amendment is as follows:

In lieu of the matter proposed to be added, add the following:

SEC. . (a) Notwithstanding any other provision of law, no funds appropriated by this Act, or otherwise appropriated or made available by any other Act, may be utilized for purposes of entering into the agreement described in subsection (b) until the President certifies to Congress that—

(1) Russia has agreed not to sell nuclear reactor components to Iran; or

(2) the issue of the sale by Russia of such components to Iran has been resolved in a manner that is consistent with—

(A) the national security objectives of the United States; and

(B) the concerns of the United States with respect to nonproliferation in the Middle East.

(b) The agreement referred to in subsection (a) is an agreement known as the Agreement on the Exchange of Equipment, Technology, and Materials between the United States Government and the Government of the Russian Federation, or any department or agency of that government (including the Russian Ministry of Atomic Energy), that the United States Government proposes to enter into under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153).

Mr. BOND. Mr. President, I thank my colleague from Arkansas for working out what would have been a very troubling first-degree amendment that would have held hostage a very important cooperative scientific and space technology venture to address a foreign policy issue which, though widely important, was unrelated to the space station.

The shuttle-MIR rendezvous program was a cooperative effort between NASA and Russia which has important benefits for both nations, and is being paid for by both nations. It is not a paid grant for assistance to Russia. The United States has contracted with the Russian Space Agency for a number of services and activities, excluding the launch and support of an American astronaut to their MIR space station.

As we heard on the news today, the American astronaut has in fact come aboard the Russian space station. Our astronaut will utilize this Russian facility to conduct scientific experiments and will return to Earth aboard the space shuttle when it docks with the MIR space station in June. This mission will provide important experience and understanding of such docking procedures which are critical to the deployment of the international space station.

In addition, the experiments conducted by the astronaut aboard the Russian MIR space station will provide the United States our first opportunity to obtain long-term microgravity scientific data.

The amendment, as originally proposed, therefore attempted to threaten the Russians by saying that unless you

do it as we say, we will shoot ourselves in the foot, which did not make a great deal of sense because we made the mistake when Russia invaded Afghanistan. We punished our own farmers by cutting off grain sales to the Soviet Union. In that case, Russia was free to purchase cheaper foreign grain on the foreign market. Only U.S. producers were hurt. This amendment avoids the temptation to shoot ourselves in the foot again by denying our scientists and engineers the opportunity to utilize the investment made by Russia in the MIR space station.

I am very pleased to say that with the efforts of Senator HUTCHISON, Senator MIKULSKI, and Senator FEINSTEIN, we have worked out a compromise with our colleague from Arkansas. We all share concerns over the potential sale by the Russians of nuclear reactors to Iran. We believe that adequate safeguards against the proliferation of nuclear technology must be secured. The revised amendment, however, targets the Russian Ministry of Atomic Energy for loss of United States assistance should any sale be carried out without adequate nonproliferation guarantees. This, in fact, targets our efforts on the agency which is causing us great concern.

With this modification, the amendment is strengthened, and focuses on the parties in Russia responsible for this sale of the reactor technology. I commend the Senator from Arkansas for calling our attention to this very troubling development.

But I believe the substitute amendment is a good amendment, and I urge its adoption.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I do not want to delay this, because we have agreed to it. But I want to say this is not the sort of amendment that I would normally offer. I very much want the United States and Russia to develop a new cooperative attitude toward each other. I have voted for some funding for Russia, which is not very politically popular in this country. But I want Russian democracy to succeed. But I also want the Russians to show some appreciation for the assistance we have been giving them.

The cooperative space effort which was the subject of my original amendment. I remain very much opposed to it, and I will try to kill it later on this year. But I support giving Russia aid to build housing for their military so they can dismantle their military forces faster, and giving them money so they can dismantle their bombers, nuclear warheads, and launchers. That is all very much in our interest. It is not just to accommodate them; it is in our interest. But then there is this gigantic space cooperation program; which is a jobs program in America, but which does not do anything else for us.

But I want to say that when the Russians cavalierly say we are going to sell nuclear reactors to the biggest renegade nation on this planet, namely, Iran, I belong to the ''Wait-Just-a-Minute Club.'' There is not any question about the fact that more terrorism comes out of Iran than any other country on Earth. So I take very strong exception to the Russians irresponsibly cutting a deal to sell nuclear reactors to Iran, which has more oil than they could possibly put in all the generators they could build through the millennium. Iran can only want nuclear reactors for one thing. That is for a nuclear weapons program.

Mr. President, this amendment is not terribly tough. My first amendment said we will stop all space cooperation for the Russians until the President certifies that the Russians have assured him they will not sell these reactors to Iran. That caused about 10 heart attacks around here in people who are interested in the space station. And, quite frankly, I like to cooperate with the President, who is very much opposed to my amendment.

Finally, I yielded to this particular amendment, which is not totally toothless, because the Russians want our nuclear technology.

They want it very badly. And the head of MINATOM, I think, will get the message. Perhaps the Russians will finally call off this deal to sell reactors to Iran. So now we are saying in this amendment to the Russians and to the President: Mr. President, you need to put all the pressure you can on President Yeltsin and the MINATOM agency, which is very independent, and you need to get a commitment from them. If this is not strong enough medicine, I promise you stronger medicine will follow because here we are spending about $1.5 billion a year trying to help the Russians. And that aid is not popular around this country.

I know what is popular in this country as well as anybody does. I am saying that if we do not get some results out of this amendment, stronger medicine will follow. There is only one thing more irresponsible than the Russians selling nuclear reactors to Iran, and that is for us to sit by and do nothing.

I thank Senators FEINSTEIN, BOND, MIKULSKI, HUTCHISON, and others who worked with me in crafting this amendment, which is quite different from the one I originally offered. I am prepared to now vote on the amendment.

Mrs. FEINSTEIN. Mr. President, I rise in support of the substitute amendment being offered by the senior Senator from Missouri [Mr. BOND], to the Bumpers amendment. I was pleased to work with my colleagues and the administration in helping draft this important amendment.

I support Senator BUMPERS' efforts to block the export of Russian nuclear reactors to Iran. However, the amendment misses the target. It threatens to jeopardize a program of great importance to the United States and other Western countries—the international space station—and it penalizes the Russian Space Agency as opposed to the bad actors in Russia: the Ministry of Atomic Energy, or MINATOM.

The Bumpers amendment would withhold funding for the first stage of the international space station program—the space shuttle-MIR cooperative effort—until the President certifies to Congress that Russia has agreed not to sell nuclear reactor components to Iran.

As many of my colleagues know, the space shuttle-MIR Cooperative effort is a prelude to implementation of the space station program. It consists of seven shuttle flights to the Russian MIR space station that will reduce technical and scientific risks to the assembly and operation of the international space station. In addition, it consists of U.S. participation in the MIR program. Earlier this month, United States astronaut Norm Thagard was launched on a Russian spacecraft to the MIR space station to perform science investigations. Thagard will be aboard MIR for more than 90 days.

The Bumpers amendment, if enacted into law, would put an end to the shuttle-MIR cooperative effort and essentially kill the international space station, a program that, according to NASA, is proceeding smoothly and meeting all cost, technical, and schedule milestones. This amendment would also impact our other international partners in the space station program—Europe, Japan, and Canada—who have already contributed over $8.5 billion to the program.

While I cannot support Senator BUMPERS's amendment because of its impact on the space station program, I, too, am concerned about the Russian export of nuclear reactors to Iran. That is why I am supporting the substitute amendment being offered by Senator BOND, myself, and others. Instead of punishing the Russian Space Agency—who, by the way, has been cooperating with our efforts to halt the proliferation of missile technology around the world—the substitute amendment would target the bad actors in Russia, MINATOM, the organization that signed the nuclear deal and will actually export the reactors to Iran.

While protecting important programs that the United States has with MINATOM—such as the material protection control and counting program, as well as the high enriched uranium contract—the substitute amendment would block any agreement under section 123 of the Atomic Energy Act. A 123 agreement is of great interest to MINATOM because it would give Russia's atomic energy agency broad access to United States nuclear technology and equipment, such as reactors, nuclear fuel, and major components for reactors. A 123 agreement would permit MINATOM to modernize its nuclear reactor program, thus making it more competitive internationally.

This substitute amendment hits the Russian atomic energy agency where it hurts. MINATOM wants a 123 agreement. In fact, it recently submitted a detailed proposal for such an agreement to the U.S. Department of Energy, where it is currently pending.

I also believe that by targeting MINATOM instead of the Russian Space Agency, this substitute amendment will have greater influence over Russia's proposed sale of nuclear reactors to Iran. As the Congressional Research Service points out, MINATOM has a:

> * * * tendency to pursue policies independent of President Yeltsin's stated positions. Many officials suspect that MINATOM is more concerned about making money than about controlling nuclear materials * * *. Many view MINATOM as a largely independent, self-interested bureaucracy.

By targeting MINATOM directly, the United States will have greater leverage in trying to block the Russian export. The lack of a 123 agreement could force MINATOM to reconsider the Iranian nuclear reactor deal.

Senator BUMPERS is right that we must do everything practical to stop Iran from becoming a nuclear-capable nation.

Iran is a supporter of state-sponsored terrorism and funnels money to Islamic fundamentalist terrorist groups such as Hezbolah;

Secretary of State Warren Christopher said that Iran is on a crash program to acquire nuclear weapons; and

Though the International Atomic Energy Agency [IAEA] has found no evidence of a nuclear weapons program in Iran, our intelligence agencies believe that Iran is actively pursuing such a program and, according to press reports, is 6 to 8 years away from having a bomb.

A nuclear-capable Iran is a very real threat to the United States and the entire world. Even though the proposed Russian export of nuclear reactors to Iran is allowed within the context of the Nuclear Non-Proliferation Treaty [NPT], and even though the reactors are light-water reactors, I believe that Iran is a reckless country that cannot be trusted with any type of nuclear technology.

The Bond-Feinstein substitute amendment targets the bad actors in Russia that are proceeding with the export of nuclear reactors to Iran. I believe that this amendment will have a much greater influence on the Russians and will do more to encourage MINATOM not to export the nuclear reactors to Iran. In addition, this substitute amendment will not jeopardize a program that is important to California and the entire Nation—the international space station.

I urge my colleagues to support the substitute amendment.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I rise in support of the Bond-Hutchison-Feinstein-Mikulski substitute to the Bumpers amendment. I want to thank the Senator from Arkansas for his cooperation in resolving this issue. Know that I support the policy questions that his original amendment raised, and am appreciative of the fact that when resolving one policy issue related to possible nuclear proliferation, we were not creating damage and havoc in America's space program.

I urge the adoption of the substitute. I thank the Senator from Arkansas for his cooperation.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the substitute amendment of the Senator from Missouri.

The amendment (No. 332) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOND. Procedurally, Mr. President, do we need to adopt the underlying amendment to which the substitute has just been adopted?

The PRESIDING OFFICER. Yes, that is appropriate at some point. Is there further debate?

Mr. BOND. No.

The PRESIDING OFFICER. We will move to the adoption of the Bumpers amendment, as amended.

The question is on agreeing to the amendment.

The amendment (No. 330), as amended, was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 333

(Purpose: To rescind funds made available for the construction of wind tunnels)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 333.

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

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

The amendment is as follows:

> At the appropriate place in CHAPTER VII of TITLE II of the bill add the following:
>
> ''INDEPENDENT AGENCIES
>
> NATIONAL AERONAUTICS AND SPACE ADMINISTRATION NATIONAL AERONAUTICAL FACILITIES
>
> (RESCISSION)
>
> Of the funds made available under this heading in Public Law 103–327, for construction of wind tunnels, $400,000,000 are rescinded.''

Mr. BUMPERS. Mr. President, today, the House of Representatives is voting on a very important piece of legislation called rescissions. They are proposing to cut $17 billion out of this year's budget. A good portion of that will be used to pay for California disaster aid. The net reductions in the House rescission is over $11 billion.

As a Democrat, I want to say there are things in that rescission bill with which I disagree. But I applaud the people in the House who are indeed finding some spending cuts that we can make without discommoding this Nation and an awful lot of people. I might say, by way of digression, that I agree with 70 percent of the people in this country who say that every dime of that ought to go on deficit reduction, not for tax cuts.

Further digressing, I am not voting for any tax cuts. I am going to vote for everything that will reduce the deficit of this country and keep faith with the American people. You cannot do that by saying here is a new $200 billion tax cut, and now we are going to start balancing the budget. Not only does that not make sense, it is not even popular. The poor person working on an assembly line will get enough to buy a 13-inch pizza each Friday night out of the tax cuts. Based on the inflation figures coming out, there is a chance he is going to pay more interest on his house and car and on everything he buys on time if we inflate this economy with $200 billion in additional tax cuts.

What in the name of all that is good and holy are we talking about? Tax cuts to generate economic activity? The inflation rate is up this morning to a level that is alarming to everybody, and Alan Greenspan raised interest rates in the last 14 months seven times to dampen economic activity. You have Greenspan on the one hand saying, ''I am raising interest rates to slow economic growth,'' and you have the Republicans in the House saying, ''We are going to give all this tax money to you to stimulate economic growth.'' You cannot have it both ways. You should not. We ought to put this money where everybody in America wants it—on the deficit.

I am going to help the Republicans balance this budget by the year 2002, if they will let me.

That is why I am standing here today. Last year, Mr. President, with no authorization from anybody, the HUD–VA Appropriations Committees in the House and Senate went to conference, and approved $400 million for wind tunnels that was included in the Senate bill. Mr. President, $400 million ain't beanbags.

The Presiding Officer is smiling because he and I have gone after a lot of these boondoggles, from the super collider to the space station, and you name it. And the President, thank goodness, had the good sense to kill the advance neutron source. That is another $3 billion we were getting ready to spend. And now we have wind tunnels.

That is not the best of it. Not only did we go to conference with the House, which had nothing in its budget for wind tunnels, and approve this $400 million for wind tunnels to accommodate the aircraft industry even though it had not been authorized in either House, but here is what they said—and I want every one of my colleagues watching or listening to this in their offices and those on the floor, if they do not hear another word I say, I want them to hear this. Here is the text of the appropriations bill that came out of the conference committee:

For construction of new national wind tunnel facilities, including final design modification of existing facilities, et cetera, the National Aeronautics and Space Administration, $400 million is to remain available to NASA until March 31, 1997, provided—

Listen to this proviso.

that the funds made available under this heading—

Namely this $400 million.

shall be rescinded on July 15, 1995, unless the President, in his budget for 1996, requests the National Aeronautics and Space Administration for continuation of this wind tunnel initiative.

This is what the conference report came back with. This will be rescinded unless the President asks for the money.

Well, the President did not ask for the money in his fiscal year 1996 budget. Now what is the argument? ''Did we ever fool you.'' Is that the argument? ''Boy, did you bite into this one.''

You will never find anything easier to cut than this $400 million.

Let me say to my Republican brethren who want to privatize everything: How can you go around talking about privatizing everything and then say to the aircraft industry, already is getting $60 million to study wind tunnels, how can you say to them, ''We know you would like to have these wind tunnels and we know you don't want to spend your money to do it, so we will spend old Uncle Sucker's money to build these wind tunnels for you.''

You will hear people talking about, ''Oh, this deals with aircraft safety. This deals with aerodynamics. If we don't do it, the European Airbus consortium is going to eat our lunch.''

That is kind of like the superconducting super collider. There is one in Geneva that was going to cost about $1 billion or maybe $2 billion, so we had to build one in Texas about five times as costly.

Somebody is building wind tunnels over there, so we are getting ready to embark, Mr. President, not on a $400 million venture, but somewhere between $2.5 and $3.2 billion. And the project has not been authorized—$3 billion; $400 million of which the conference committee said will be rescinded unless the President asks for it. Now the President is not a piker about asking for money. He surely had some reason not to ask for it.

And so, here we are cutting food stamps, cutting aid to children and homeless mothers—most of which is hardly applauded by the American people—cutting $1.7 billion to give the poorest children a job during the summer months. That is a cut that says, ''You kids hang around the pool hall this summer. We are cutting this program totally, because we have to start this wind tunnel.''

I do not know, technically, how valid the arguments are about the need for these wind tunnels. All I know is we have a pretty healthy aircraft industry in this country and they ought to be doing it.

Do you want to privatize something? Privatize the wind tunnels. It is corporate welfare at its worst.

Mr. President, I do not think we have a time agreement on this.

Is there a time agreement, Mr. President?

The PRESIDING OFFICER. There is an agreement that limits time prior to a motion to table. Under that agreement, it is 45 minutes. The Chair believes that is divided, with 30 minutes reserved to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. There are 20 minutes remaining to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, to some of the people around here who profess to be deficit hawks, along with me, let me implore you: Do not vote for this because it is going to be built in somebody's State. Do not vote for it because you want to help the Boeing Corp.

One other point, Mr. President. The private sector is expected to put up 20 percent of the money. Think about this. Mr. President, here is the $64 question. I will let you guess. How much do you think they have committed so far? Oh, I can tell by the look on your face you already know. Zip. Not one penny.

So I plead with my colleagues to be able to go home and say, yes, we took out $400 million, headed for $3 billion, because we believe in the private enterprise system in this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Does the Senator note the absence of a quorum?

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum with the time to be charged equally to both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BUMPERS. Mr. President, I will just make one quick point, a very important point that I overlooked. And that is this rescission is in the House version of the defense supplemental we have before us today. So the House has already taken the $400 million out. And in order to avoid any conflicts, any conflicts in the conference with the House we should do the same thing here.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I yield myself such time as I may need.

Mr. President, our committee has recommended substituting $400 million in public housing new construction funds for rescission rather than the wind tunnel appropriation.

Very simply, this is an effort to get us back on track for transforming the out-of-control Housing and Urban Development policies. We need to stop spending in areas where we cannot spend money wisely, but we also need to save manufacturing jobs. New science and real manufacturing jobs are the things that depend upon this wind tunnel.

My colleague from Arkansas has said, ''Well, we do not want to be in disagreement with the House.'' Mr. President, if we were not in disagreement with the House, life might be a lot simpler around here, but I do not think that we would be earning the trust that the citizens of our States have put in us, because I happen to think that the House, if, in fact, they have rescinded the wind tunnel authorization, has made a major mistake.

The commercial airplane market in the United States is a $40-billion-a-year enterprise which the United States dominated until foreign competition, specifically Airbus, with strong governmental support, weighed in with aggressively priced technically advanced aircraft. Airbus has captured about 30 percent of the market and now increasing competition is expected from Russia, China, Japan, and others.

Critical to the continued U.S. competitive position in this growing market is the development of new technically advanced aircraft. Access to wind tunnels, such as the ones currently under study, are necessary for such development and such facilities do not currently exist in the United States.

Airbus, by contrast, has several facilities available to it in European countries, including a new transonic facility in Germany. The development of these wind tunnels will be a joint venture between the Government and industry, with significant industry financial contributions. NASA and industry participants have underway an extensive study of design configuration of this wind tunnel complex, along with an assessment of financial and legal arrangements for a Government-industry consortium to build and operate the national wind tunnel facility.

These studies began last year and will not be completed until fiscal year 1997. The appropriation of $400 million for the wind tunnel facility was made

last year before the schedule of the ongoing study was determined. The contingency included for this appropriation—which call for further funding in fiscal year 1996—therefore, did not adequately reflect the time necessary to conduct the study.

Only after the analysis is completed will we be in a position to make recommendations on industry participation and further funding the complex. As I noted before, these decisions will be made in fiscal year 1997, and the administration has requested supplemental language to change the previously enacted limitation to extend availabilities of this funding to that fiscal year.

It is the committee's intention to recommend enactment of the administration's requested supplemental language. This item was not appropriate for inclusion in this defense supplemental and recision bill. It will be considered in connection with the next supplemental appropriation bill.

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

The PRESIDING OFFICER. Eleven and one-half minutes remain.

Mr. BOND. Mr. President, I would like to yield 5 minutes to my ranking member of the Appropriations Subcommitee, the Senator from Maryland, Senator MIKULSKI.

After that, I would like to give 2 minutes to the Senator from California [Mrs. BOXER].

Ms. MIKULSKI. Mr. President, I rise in opposition to the proposed amendment and in support of the Committee's recommendation regarding funding for the national wind tunnel complex.

The reason I oppose the amendment is that I believe that in our quest for quick fixes to help ease the budget deficit, that we do not make the kind of shortsighted cuts which will cost us jobs and productivity in the long run.

Wind tunnels are the 21st century test tubes for America's aeronautics industry. No industry defines our country's economy more than commercial aeronautics.

The European aeronautics consortium, Airbus, started just 25 years ago. But since that time, they've gained a 35-percent market share in commercial aviation. The European Airbus consortium now make and sell more commercial planes than McDonnel-Douglas, second only to Boeing. They are gaining ground on us, year by year, and threaten the long-term dominance of the United States in this centerpiece of our manufacturing base.

Mr. President, the commercial market for aircraft is forecast to be in excess of $800 billion in the next 20 years of which almost two-thirds will be sales to foreign airlines. Russia, China, and Japan are weighing entry into this market.

A vital factor in obtaining market share in the next century will be the ability of the U.S. manufacturers to introduce new aircraft that are capable of advanced performance through improved technologies.

The new low-speed transonic wind tunnels will enable U.S. manufacturers to more effectively simulate flight conditions and reduce cycle times in the development of new aircraft and derivatives.

It should come as no surprise that European governments have invested in six major wind tunnels in the last 15 years, which has provided Airbus with a distinct aerodynamic advantage.

Mr. President, U.S. aircraft testing facilities are so far behind the times that American airplane makers must go to Europe to do much of their testing and face the threat of having their most promising technology compromised in the backyard of their biggest competitor.

Commercial aviation is one of the few areas where U.S. preeminence in manufacturing now exists. We export far more than we import. This is one area of our manufacturing base where we still provide high-skilled, high-quality jobs for American workers.

But unless we act to make this industry fit for duty, we run the risk that U.S. commercial aviation may go the way of the VCR, the automobile, the textile industry, or the TV.

Mr. President, the $400 million that was appropriated in the fiscal year 1995 VA-HUD bill was provided to allow the Federal Government to join with the private sector in a cost-shared accelerated effort to develop these wind tunnel facilities. This is a Federal investment in pre-competitive research and development. It is not our intention to have the Federal Government pick winners and losers. We don't subsidize the production of commercial products. With this investment, we are simply making sure that U.S. companies who are up against other countries in this field have the kind of test facilities they need to retain their edge.

Mr. President, if we are not willing to fight for aeronautics, what kind of manufacturing strategy do we have?

It was an attempt to answer that question that persuaded Senator BOND and me to make the recommendation that we did. Rather than sacrifice future productivity and jobs, we elected to reduce funding available for public housing and new construction at HUD. We decided to defer some new starts and, given the administration's proposal to reinvent HUD which the VA-HUD Subcommittee will be addressing in the fiscal year 1996 bill, it makes little sense to add to the existing public housing inventory.

Mr. President, we need this wind tunnel initiative to go forward now. As we noted in the statement of managers that accompanied the fiscal year 1995 VA-HUD appropriations bill, the $400 million appropriated is needed to leverage reliable and resilient cost-sharing from the private sector and State and local governments that will bidding on potential sites for the wind tunnel complex.

The total cost of the national wind tunnel complex is estimated to be between $1.8 and $2.3 billion. This is more than either the Federal Government or private industry can fund alone. What is required is a partnership between the public and private sectors to share costs and technical know-how.

NASA has already established an industry team led by Boeing that includes McDonnell Douglas, Lockheed, Northrop Grumman, Pratt & Whitney, and General Electric. Working with NASA this industry team is developing engineering, performance, cost, financing and site evaluation options needed to lay the groundwork for a comprehensive plan and strategy for the development of the wind tunnels.

Although the administration has not requested additional funding for the national wind tunnel complex in its fiscal year 1996 budget request, the President is proposing that the $400 million appropriated in fiscal year 1995 remain available until fiscal year 1997 to allow for the completion of the comprehensive study. Guided by this study, construction of the wind tunnels can begin in fiscal year 1996, provided that funding provided in fiscal year 1995 is available.

There might be those in America who say, why does the U.S. Senate want to advocate more wind tunnels? The whole Senate is a wind tunnel.

Well, Mr. President, I know how they feel. Very often more gets said than gets done. What we did when we advocated the building of a national wind tunnel complex—this is the new infrastructure that enables the United States of America to be competitive in terms of developing the new aviation technologies that we need to have in order to have the new aeronautic aviation designs for the new planes of the 21st century.

The reason I oppose this amendment is that I do not believe in our quest for quick fixes. Those kind of one-liners we can put out on talk rodeo or radio are so shortsighted that we think if we knock something out like this, we can grab onto how we cut out $400 million and saved a little muffin at the school lunch program, then we have been doing something.

Mr. President, we need to have a future. We need to have jobs in manufacturing. The most important source of jobs in manufacturing right now are in our aviation industry, and yet we are being beaten to death in the new world market.

Our competitors abroad have government-financed wind tunnels that are helping them develop the new technologies of the 21st century. That is what these wind tunnels are. They are test tubes for America's aviation industry.

My colleague has spoken to the aeronautics consortium, Airbus, that started 25 years ago. With all the big bucks subsidies they get they have now gained a 35 percent market share in commercial aviation. The commercial

market for aircraft is forecast to be over $800 billion in the next 20 years. Russia, China, and Japan are talking about getting into this market.

Mr. President, keep in mind that the European Airbus consortium began in 1972 and by 1980 had a 20-percent share of the commercial market. By 1990, Airbus controlled 30 percent market share by the year 2005.

So we will have competition from fortress Europe and we will have competition from the juggernauts on the Pacific rim. This is why we need to develop this technology, so that we can continue to make sure we are not on a glidepath and heading into a crash when it comes to our aviation industry.

This is a partnership with the private sector. We are not picking winners and losers. We are paying for the previous competitive infrastructure with cooperation from the private sector. The private sector will pay to use wind tunnels.

We cannot afford further delay. We cannot continue to allow U.S. market share in aviation to erode. Make no mistake. The issues here are jobs today and jobs tomorrow. Jobs in manufacturing that employ everyone from high-tech engineers to highly skilled people in manufacturing.

I believe the best social program is a job. I want America to continue to be ahead in aviation. This investment is what will help the United States be able to stay there and develop the products necessary. I urge my colleagues to vote to table the BUMPERS amendment and to support the committee recommendation.

The PRESIDING OFFICER. As of the previous request of the Senator from Missouri, the gentle Senator from California is recognized.

Mrs. BOXER. Thank you, Mr. President, for calling me a gentle Senator. I will, in fact, try to be one.

While I agree with my friend from Arkansas on so many things, I think that this amendment is shortsighted for the economic future of our Nation.

I think people listening to this debate would wonder, what is a wind tunnel, anyway? A wind tunnel is a place where we can test an aircraft, a new aircraft design, before it is fully built. We can simulate the impact of flying that newly designed aircraft. It is very important to the aerospace industry. We are talking here about civil aviation.

As a matter of fact, a prominent NASA official has said, ''Wind tunnels and computers are the two most important tools in the research and development of new aircraft.'' Everyone would say immediately, of course, computers are critical. So are wind tunnels. I hope we will not lose that point.

The U.S. aircraft manufacturing industry is critical to our economy, as the Senator from Maryland has said, and to our balance of trade. I certainly know that, representing the great State of California. It is also important to our country's technological leadership.

Now, it is true that the industry is facing many challenges, and I want to point out why I think this amendment is off the mark. When my friend from Arkansas says that the companies can do this on their own, I would point out that is not so. Currently, our competitors in Europe are getting enormous subsidies from their host countries. Already, because they are building more state-of-the-art wind tunnels, we are losing market share to them.

Mr. President, I do not think I need to go into too many details. The time is short. I ask unanimous consent that a letter that I wrote to Dan Goldin, the Administrator of NASA, back in September 1993, be printed in the RECORD at this time.

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

U.S. SENATE,
HART SENATE OFFICE BUILDING,
Washington, DC, September 29, 1993.

DANIEL S. GOLDIN,
Administrator, National Aeronautics and Space Administration, Washington, DC.

DEAR DAN: The purpose of this letter is to underscore yet again the importance of the NASA National Wind Tunnel Facility to the State of California. I understand that NASA is preparing its long-range budget request for submission on Friday to the Office of Management and Budget, and I urge you to include in that request funds for new wind tunnel construction.

It is no secret that California is experiencing economic hard times. Our aerospace industry, with its preeminent technological base, highly-skilled workforce, and historic ties to defense production, has been particularly hard hit, with 128,000 jobs lost in the last several years alone. The latest round of base closures portends even more job loss and hardship throughout the state of California.

The wind tunnel project is essential to continued U.S. leadership in aviation technology. As you know, the complexity of modern aircraft and the pressure of international competition have created a critical need for increased domestic productivity and improved simulation requirements—and no current wind tunnel satisfies these requirements. However, such improvements are possible through construction of the new NASA wind tunnels.

It is my understanding that the new wind tunnels would support primarily civilian/commercial aircraft research and development. I understand further that commercial aircraft manufacturers would pay NASA for use of the wind tunnels, offsetting over time some initial construction costs and ongoing operating expenses.

Sincerely,

BARBARA BOXER,
U.S. Senator.

Mrs. BOXER. Mr. President, I would say to my friend from Missouri, thank you for leading this debate. I think this would be very foolish in the long run. Yes, in the short run we could save some dollars, but in the long run if we fall behind here it means the loss of jobs. Our economy cannot afford that kind of hit. I yield the floor.

Mr. BUMPERS. Mr. President, I yield the Senator from Nebraska 5 minutes.

Mr. EXON. Mr. President, I thank my friend and colleague from Arkansas for yielding.

Mr. President, first, I am pleased to learn that even distantly we are reaching a point when we will move ahead and dispose of the remaining amendments and hopefully, pass the defense supplemental defense bill today.

It is critical that we get moving on this. I am glad to see that the Senate has finally arrived at the position where they recognize we have to move on this bill.

As I understand it, we will have a vote on this today. I have been listening with great interest, Mr. President, to the remarks of my two colleagues who have spoken before me. They made some very excellent points that I think the U.S. Senate should take a very close and very hard look at.

In another time, in another day, I would be persuaded by the arguments made by the Senator from Maryland and the Senator from California. But the facts of the matter are this is a new day, this is a different day.

We are going to be deluged, I say, Mr. President, all of us on all sides of various issues that are going to be upcoming with trying to do something about the United States of America continuing to spend more money than it takes in, however worthy.

I will simply say that regardless of the excellent points that have been made by the two previous speakers, I must support wholeheartedly the effort to reduce these types of expenditures regardless of how worthy, given the situation that confronts us today.

Mr. President, all of these things are good. The question is, can we afford them? If we are talking about programs like this, then that is just one more deep bite of the knife or the machete—call it what you will—into programs for the elderly, the poor, the School Lunch Program, Women, Infants and Children, and all of these other things that we think are tremendously important.

I simply say that if we cannot make savings in programs like this that have already been zeroed out by the House of Representatives, then I suspect that we are going to have even more and more difficulty than we thought we had with regard to doing something constructively and thoughtfully about the deficit of the United States of America and the ever-skyrocketing national debt that is eating our economy alive.

Therefore, I say notwithstanding the good, valuable, articulate, and well-thought out recommendations by those who are opposing the Bumpers amendment, I simply say that I must at this time not only vote for the Bumpers amendment, but I hope that the Senate on this occasion will rise to the occasion and do what I think we must under the circumstances that confront us, and that is to approve the Bumpers amendment.

I yield back the remainder of my time to my colleague from Arkansas, and I yield the floor.

Mr. BUMPERS addressed the Chair.

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

Mr. BUMPERS. Mr. President, how much time is remaining on each side?

The PRESIDING OFFICER. The Senator has 13½ minutes. The Senator from Missouri has 2 minutes 41 seconds.

Mr. BOND. How much?

The PRESIDING OFFICER. Two minutes forty-one seconds.

Mr. BUMPERS. Mr. President, I want to reiterate that I voted for an appropriations bill last year that had language in it saying that this money was going to be rescinded, and the House kept their word and they rescinded it. We are reneging on something we voted to do last year.

I just, frankly, cringe when I see us putting $400 million into a program like this. The Senator from Maryland a moment ago listed the people this is designed to help. Can you believe this? Listen: Lockheed, General Electric, Boeing, McDonnell Douglas, Martin Marietta, Northrup, and Pratt & Whitney.

The kids who hang around the pool hall this summer, because we killed summer jobs, can fend for themselves, but we have to put $400 million in this year headed, listen to this, Mr. President, headed from somewhere between $2.5 billion and $3.2 billion for wind tunnels to assist seven of the biggest corporations in America.

You know, Bob Reich hit a tender spot with me when he started talking about corporate welfare. How in the name of all that is good and holy can the U.S. Senate even consider going down this path toward a $3 billion expenditure because Airbus—because Airbus—is building a good airplane?

I heard the same arguments in the early seventies, in the late seventies that I just heard from my good friend and colleague from Maryland when the Japanese were eating the American automobile industry's lunch. The American automobile industry said, ''Well, people are not going to like those little old minicars, they are going to quit buying them.'' They did not quit buying them, and shortly, the American automobile industry was on its haunches, losing money hand over fist. We did not give them $3 billion, and they are at this moment the most viable industry in America because they sucked it up, pulled up their pants and did whatever they knew they had to do: Build a better automobile.

But now we are saying to these seven corporate giants who have at this moment not committed one penny—they say, ''We'll put up 20 percent of the money.'' You have not heard anybody say they have done it or offered to do it.

So I am simply saying, you will never get a chance to save $400 million easier, and if we are going to go through this laborious process this year of cutting virtually everything in sight, for God's sake, let us cut this.

I yield the floor, Mr. President.

Ms. MIKULSKI. Will the Senator yield for just a question?

Mr. BUMPERS. Yes.

Ms. MIKULSKI. Is the Senator aware that the administration strongly supports the retention of the $400 million request?

Mr. BUMPERS. Mr. President, I am not familiar with the fact they strongly support it, and I am familiar with the fact they have asked for the study to be completed before they ask for any more funds for this project. But they are not committed and they are not proposing to be committed until the present study is completed and you will have plenty of time after that to decide and the Senate will, too. But for the time being, I am saying we ought to torpedo this misguided appropriation.

Ms. MIKULSKI. I am surprised the way the Senator characterizes this.

Mr. BUMPERS. Well, I will change it in the RECORD.

Ms. MIKULSKI. I know they do it in the House all the time. I would hope we would not get into that in the Senate.

If you yield the floor then, I would just like to bring to the attention of the Senator from Missouri that the administration has submitted a letter in support of the wind tunnel. I ask unanimous consent that it be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, DC, March 16, 1995.

Hon. BARBARA MIKULSKI,
U.S. Senate,
Washington, DC.

DEAR SENATOR MIKULSKI: The Administration strongly supports the retention of the $400 million appropriated in FY 1995 to build the National Wind Tunnel Complex and reiterates its request that the funds remain available until a decision whether to proceed can be made during the FY 1997 budget process.

NASA, its government partners, and an industry team need to continue to study and refine the wind tunnel concept and financing options to support a well-informed decision on proceeding with the project. At the completion of the current contract, preliminary design will be complete and government/industry shares of cost and risk will be negotiated. Until the study data can be carefully evaluated, it would be premature to either rescind or augment the current funding.

The Administration remains very concerned with the significant erosion of the United States' share of the global commercial aircraft market over the last 25 years. Several recent studies, including the NASA Federal Laboratory Review, have recommended construction of these highly productive and capable wind tunnels to maintain the world-class capability of the Nation's aeronautics industry. The Administration believes that the timing of this critical decision requires retention of the $400 million appropriation and we would appreciate your support in this matter.

Sincerely,

JOHN H. GIBBONS,
Assistant to the President for Science and Technology.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Senator from Maryland. I was going to ask that this letter dated March 16 from the science adviser to the President, which says ''The administration strongly supports the retention of the $400 million appropriated in FY 1995 to build the National Wind Tunnel Complex and reiterates its request that the funds remain available until a decision whether to proceed can be made during the FY 1997 budget process,'' be printed in the RECORD. If this is the same letter dated March 16, if it is already printed, I will not need to ask for its printing.

Mr. President, might I ask the distinguished Senator from Arkansas if he would be so be kind as to yield us 5 minutes of the time he has remaining. His wonderful oratory has brought forth far more speakers than we had envisioned. If the Senator could allocate us some of his time.

Mr. BUMPERS. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 7 minutes 48 seconds.

Mr. BUMPERS. Mr. President, I ask unanimous consent I be permitted to yield 4 minutes to the distinguished Senator from Missouri for such allocation as he chooses.

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

Mr. BOND. I thank the Senator. Let me first begin by allocating 1 minute to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in opposition to the amendment of the Senator from Arkansas which rescinds funds for the construction of new national wind tunnel facilities.

This next generation of research facilities is absolutely essential for the maintenance of the competitive advantage of the United States that it currently enjoys in the field of commercial aviation. This will be a national and an international resource. The development of these facilities is absolutely critical to maintaining this position.

I commend Senator BOND and Senator MIKULSKI for recognizing the importance of the U.S. aircraft manufacturing facility as spelled out in this wind tunnel and restoring these important funds.

I thank the Chair.

Mr. BOND. Mr. President, I allocate 1 minute of time to the Senator from Texas [Mrs. HUTCHISON].

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 minute.

Mrs. HUTCHISON. Mr. President, I wish to add my remarks to those of the

Senator from Missouri and those of the Senator from Tennessee and the great Senator from the State of Maryland.

This is exactly what responsible budgeting is. We have made a decision in the committee that as a priority we should be looking at the science projects that are going to create the new technologies that keep the new jobs in America.

Mr. President, HUD is in a state of flux. We have been spending $86,000 per housing unit to construct housing under HUD. Once constructed, it costs $4,000 to $5,000 per year to maintain. There are great questions if that is the best use of taxpayer dollars. I think it is most responsible to take money from housing construction when we think we are going to go into vouchers, which are going to work better, and we put that money into big science which creates jobs for the future.

Mr. President, that is what we are doing. We should table the Bumpers amendment and do what is responsible for the future of our country.

I thank the Chair.

Mr. BOND. Mr. President, I yield the time remaining with the exception of 30 seconds, which I reserve to offer a tabling motion, to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 minutes.

Mr. BURNS. Mr. President, I wish to first thank the ranking member and the manager of this bill for this time, and I especially wish to thank my friend from Arkansas for allowing me just a couple extra minutes. I appreciate that very much. He feels very strongly about this, as a lot of us on the other side of the issue feel very strongly about it. But one has to look at what it is all about, because in 1994 we appropriated $74 million for this program, and then in 1995 we appropriated another $400 million for the testing and related costs to move this program forward.

Now, that move forward had a certain number of conditions to it. Now, if those conditions are not met, then by July 1 this $400 million will be automatically rescinded. That was the condition of the appropriation. But if they are met, then this money carries over into the 1996 appropriations and to further on develop the wind tunnels.

We have to remember that as far as industrial wind tunnels in this country, we are not in very good shape. And once we go into the supersonic aircraft—and that is going to be the next generation of commercial aircraft for civil aeronautics—we are going to need the facility. Right now, 25 percent of the cost of your airplanes in this country goes to Europe for the use of their wind tunnels.

I do not know how long it takes before we finally work out this whole problem, but basically let us be very up front about this because if the conditions are not met by July 1, this $400 million is automatically rescinded. There were conditions put on this appropriation. I am chairman of the authorizing committee.

So what we are doing, we are allowing the administration and NASA to work out the details of how much private money is going to go into this program. It is going to be a mix.

The PRESIDING OFFICER. The Chair would advise the Senator his time has expired.

Mr. BURNS. I appreciate that. I have nothing to submit for the RECORD, but I would say this is going to be a commingled fund. I appreciate the time.

I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am prepared to close the debate and get a vote on this amendment.

Let me reiterate that this is corporate welfare, pure and simple. You heard the list of seven of the biggest corporations in America. They said they would put up 20 percent of the money for this. They have not committed one nickel—not a dime. If we cannot cut this $400 million, I shudder to think what is going to happen in this body the rest of this year.

The American people have a right to demand that those people who said, ''I will be as careful with your money as I would if it were my own,'' will do just that. They have a legitimate nonnegotiable demand that you fulfill that promise. You cannot get it all out of welfare programs. You cannot get it out of food stamps. You can get some of it from those places. But now we are going to start on a $3 billion program to accommodate GE and Lockheed and Boeing and McDonnell Douglas, Pratt & Whitney, and Northrop. We are starting down the road with a $3 billion expenditure because they do not want to do it. The automobile industry did it. The aircraft industry could do it, too. If we start down that road of corporate welfare, I shudder to think where we are going to wind up with the deficit this year and next.

So I plead with my colleagues, keep your commitment. Vote to cut spending.

I yield the floor and yield back such time as I may have remaining.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I thank my colleagues from Montana, from Texas, and from Tennessee for their very strong arguments in favor of the wind tunnel. It is extremely important for the commercial development of aeronautics. It is vitally important that we keep this technology and our developments on our shores. Because of the military applications, the distinguished ranking member and chairman of the subcommittee on defense also support the wind tunnels. Our future and our children's future in this area of science and technology depends on that.

I now move to table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The PRESIDING OFFICER. The legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, have the yeas and nays been ordered on the motion to table?

The PRESIDING OFFICER. That is correct.

PROGRAM

Mr. DOLE. Mr. President, I just wanted to announce before the vote started that at 12:30, we will be honored by the presence of King Hassan II of the Kingdom of Morocco. The King has been a loyal friend and ally of the United States, and I urge all of my colleagues to greet His Majesty and welcome him to the floor of the U.S. Senate.

At this very moment, he is in a meeting in S–207 which will conclude at about 12:30. So if you can stay for a few moments after voting, I know he will appreciate very much meeting you.

I thank the Chair.

VOTE ON MOTION TO TABLE AMENDMENT NO. 333

The PRESIDING OFFICER. The question occurs on the motion to table the amendment offered by the Senator from Arkansas, amendment No. 333.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] is necessarily absent.

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

The result was announced—yeas 64, nays 35, as follows:

[Rollcall Vote No. 105 Leg.]

YEAS—64

Abraham	Frist	Lieberman
Akaka	Glenn	Lott
Ashcroft	Gorton	Lugar
Bennett	Graham	Mack
Bingaman	Gramm	McConnell
Bond	Grams	Mikulski
Boxer	Grassley	Moynihan
Breaux	Gregg	Murkowski
Burns	Hatch	Murray
Campbell	Hatfield	Pressler
Chafee	Heflin	Rockefeller
Cochran	Helms	Santorum
Cohen	Hollings	Sarbanes
Coverdell	Hutchison	Shelby
Craig	Inhofe	Simpson
D'Amato	Inouye	Stevens
Daschle	Johnston	Thomas
DeWine	Kassebaum	Thompson
Dodd	Kempthorne	Thurmond
Dole	Kerrey	Warner
Faircloth	Kyl	
Feinstein	Leahy	

NAYS—35

Baucus	Ford	Packwood
Biden	Harkin	Pell
Brown	Jeffords	Pryor
Bryan	Kennedy	Reid
Bumpers	Kerry	Robb
Byrd	Kohl	Roth
Coats	Lautenberg	Simon
Conrad	Levin	Smith
Domenici	McCain	Snowe
Dorgan	Moseley-Braun	Specter
Exon	Nickles	Wellstone
Feingold	Nunn	

NOT VOTING—1

Bradley

So the moton to lay on the table the amendment (No. 333) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 334

(Purpose: To express the sense of the Senate that a member of the Armed Forces sentenced by a court-martial to confinement and a punitive discharge or dismissal should not receive pay and allowances)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 334.

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

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

The amendment is as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. It is the sense of the Senate that—

(1) Congress should enact legislation that terminates the entitlement to pay and allowances for each member of the Armed Forces who is sentenced by a court-martial to confinement and either a dishonorable discharge, bad-conduct discharge, or dismissal;

(2) the legislation should provide for restoration of the entitlement if the sentence to confinement and punitive discharge or dismissal, as the case may be, is disapproved or set aside; and

(3) the legislation should include authority for the establishment of a program that provides transitional benefits for spouses and other dependents of a member of the Armed Forces receiving such a sentence.

Mrs. BOXER. Mr. President, I have an amendment that we will take a very short time on. It has been agreed to on both sides. We are expressing the sense of the Senate that a member of the armed services sentenced by a court martial to confinement and a punitive discharge or dismissal should not receive full pay and allowances.

Mr. President, I will take but a moment to explain why this is such an important amendment and to express my gratitude to both sides of the aisle for agreeing to it.

We know that, in the month of June 1994 alone, the Department of Defense spent more than $1 million on the salaries of 680 convicts. I want to point out that among those were 58 rapists, 164 child molesters, and 7 murderers, among others. I know that every single man and woman in this Chamber wants to put an end to that kind of a practice. I have legislation, and many Members on both sides of the aisle are cosponsors of that legislation that would put an end to paying these convicted felons with taxpayer dollars.

That statute that I have authored is being considered in the Armed Services Committee today. I am very hopeful that it will move forward and become law. In the meantime, I think it is important on this bill that the Senate go on record as saying we oppose the military giving full pay to these convicted felons.

In closing, I want to give you just one example. In California, a marine, a lance corporal, who beat his 13-month-old daughter to death almost 2 years ago still receives $1,000 each month, or about $20,000 since his conviction. He spends his days in the brig at Camp Pendleton and does not pay a dime of child support and has managed to pack away this $25,000. I spoke with the murdered child's grandmother. She was totally shocked. She has not received a penny of support for the other living child that he still has. I know we all want to put an end to this.

At this point, I will yield the floor and thank my colleagues on both sides for including this sense of the Senate.

I ask unanimous consent that Senator BRADLEY be added as a cosponsor of this amendment.

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

MILITARY PAY FOR MILITARY PRISONERS FACING PUNITIVE DISCHARGES

Mr. NUNN. Mr. President, I want to commend Senator BOXER for her sense-of-the-Senate amendment concerning the anomalous situation in which some military prisoners facing punitive discharges continue to receive substantial amounts of military pay while in confinement.

The amendment would express the sense of the Senate that:

First, Congress should enact legislation that terminates the entitlement to pay and allowances for each member of the Armed Forces who is sentenced to a punitive discharge.

Second, that the legislation should provide for restoration of pay in the event that the punitive discharge is set aside.

Third, that the legislation should include authority for the establishment of a program that provides transitional benefits for spouses and other dependents of a member of the Armed Forces whose pay is terminated in such legislation.

Mr. President, I would briefly like to outline the background of this issue.

Under the Uniform Code of Military Justice, a court-martial has great discretion over the sentence. Depending on the maximum punishment authorized for an offense, a sentence can include a punitive discharge—bad-conduct of dishonorable—or dismissal of an officer, confinement, a reduction in rank, and forfeiture of pay. Although many individuals sentenced to a punitive discharge and confinement also are sentenced to total forfeiture of pay, there are exceptions.

Recent new stories have highlighted the fact that some persons with substantial confinement and punitive discharges continue to receive military pay. On January 11, Senator BOXER introduced S. 205 with the goal of ending pay for such individuals.

I support the purposes of the Boxer bill, and I congratulate her for initiating legislation to close this loophole. There are a number of technical questions which must be addressed by the Armed Services Committee with respect to the drafting of this legislation. These include:

First, should the restriction on pay also apply to prisoners sentenced to substantial periods of confinement even though the sentence does not include a punitive discharge?

Second, should the restriction apply at the time the sentence is announced by a military judge or at the time the sentence is approved by the commander who convened the court-martial?

Third, what should be the impact of a commander's decision to suspend the effect of a punitive discharge?

Fourth, how do we address the problem of prisoners who are currently receiving pay without violating the ex post facto clause of the Constitution (Art. I, sec. 9, cl. 3)?

Fifth, how do we address the transitional issues that face innocent spouses and children of such prisoners who are stationed overseas or far from their home of record without creating an expensive entitlement?

I have discussed these matters with Senator BOXER and have specifically addressed the questions to the Under Secretary of Defense for Personnel and Readiness, Edwin Dorn. Secretary Dorn has advised me that the Department of Defense is very close to completing a legislative proposal that would address my questions.

Mr. President, I am confident that we can close this loophole. I look forward to working with Senator BOXER, and with Senator COATS and Senator BYRD, the chairman and ranking member of the Subcommittee on Personnel of the Armed Services Committee, in addressing this issue.

Mr. HATFIELD. Mr. President, the amendment offered by the Senator from California has been cleared at our Appropriations Subcommittee on Defense and by the authorizers.

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that the Senate Armed Services Committee is in favor of this amendment, and there is no objection on our side.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to amendment No. 334 offered by the Senator from California.

The amendment (No. 334) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 335

(Purpose: To rescind funds for military construction projects at installations recommended for closure or realignment by the Secretary of Defense in the 1995 round of the base closure process)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself and Mr. BRADLEY, proposes an amendment numbered 335.

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

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

The amendment is as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. RESCISSION OF FUNDS FOR CERTAIN MILITARY CONSTRUCTION PROJECTS.

(a) CONDITIONAL RESCISSION OF FUNDS FOR CERTAIN PROJECTS.—(1)(A) Notwithstanding any other provision of law and subject to paragraphs (2) and (3), of the funds provided in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1659), the following funds are hereby rescinded from the following accounts in the specified amounts:

Military Construction, Army, $11,544,000.

Military Construction, Air Force, $6,500,000.

Military Construction, Army National Guard, $1,800,000.

(B) Rescissions under this paragraph are for projects at military installations that were recommended for closure by the Secretary of Defense in the recommendations submitted by the Secretary to the Defense Base Closure and Realignment Commission on March 1, 1995, under the base closure Act.

(2) A rescission of funds under paragraph (1) shall not occur with respect to a project covered by that paragraph if the Secretary certifies to Congress that—

(A) the military installation at which the project is proposed will not be subject to closure or realignment as a result of the 1995 round of the base closure process; or

(B) if the installation will be subject to realignment under that round of the process, the project is for a function or activity that will not be transferred from the installation as a result of the realignment.

(3) A certification under paragraph (2) shall be effective only if—

(A) the Secretary submits the certification together with the approval and recommendations transmitted to Congress by the President in 1995 under paragraph (2) or (4) section 2903(e) of the base closure Act; or

(B) the base closure process in 1995 is terminated pursuant to paragraph (5) of that section.

(b) ADDITIONAL RESCISSIONS RELATING TO BASE CLOSURE PROCESS.—Notwithstanding any other provision of law, funds provided in the Military Construction Appropriations Act, 1995 for a military construction project are hereby rescinded if—

(1) the project is located at an installation that the President recommends for closure in 1995 under section 2903(e) of the base closure Act; or

(2) the project is located at an installation that the President recommends for realignment in 1995 under such section and the function or activity with which the project is associated will be transferred from the installation as a result of the realignment.

(c) DEFINITION.—In the section, the term ''base closure Act'' means the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

Mr. HATFIELD. Will the Senator yield for a question?

Mr. MCCAIN. Yes.

Mr. HATFIELD. Can the Senator agree to a time?

Mr. MCCAIN. I will not take more than 10 minutes. I would be glad to have a 20- or 30-minute time agreement.

Mr. HATFIELD. I would like to propound that request.

Mr. MCCAIN. I yield to the Senator for that purpose.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the time on the McCain amendment be limited to 30 minutes, to be equally divided in the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, the purpose of this amendment is to rescind $19.9 million of the fiscal year 1995 military construction funds for projects located on installations that have been recommended for closure by the Secretary of Defense. It provides for an automatic rescission of military construction funds for additional bases that would be recommended for closure or realigned by the BRAC commission. It also delays the effect of the rescissions until the President submits the final BRAC recommendations by July 15, 1995. And it would permit retention of these funds if the bases are removed from the list by the BRAC.

Mr. President, let me say at the outset that all I am seeking here is that we not spend military construction money on bases that are on the closure list. I am befuddled, frankly, why there would be some opposition to this. I am not saying that we should do what I recommended some time ago, and that is, to have rescinded $6 billion worth of unneeded military spending. This is narrowly targeted to only those bases that are on the closure list.

The net effect of this amendment would be to save hundreds of millions of dollars by eliminating unnecessary constructions at military bases that are being closed, not those that are being opened. I want to restate that. This is nothing to do with bases that are not either scheduled to be closed or will be scheduled to be closed as a result of the BRAC commission or the BRAC process.

Spending scarce defense dollars on a project that stands a strong chance of becoming unnecessary due to the BRAC's action, in my view, is a senseless waste of money.

Last December, I asked the President to defer spending on nearly $8 billion in wasteful and unnecessary defense spending in the fiscal year 1995 appropriations bill until shortfalls and readiness and other high priority military requirements were reviewed and addressed. I included nearly $1 billion that was in the military construction appropriations bill that were unrequested by the military and were on that list. Then, in January, I wrote to Secretary Perry asking that he defer obligation of funding for all military construction projects at least until the base closure recommendations were released on March 1. That letter was ignored.

On its own, the Navy recognized the illogic of staring construction at bases that might be closed, and voluntarily deferred obligating its military construction funds. To my knowledge, though, the other Services did not take similar action.

Finally, when the Secretary of Defense base closure list was released, I again wrote to him, suggesting that he defer spending on military construction projects slated to occur at closing bases or bases undergoing realignment. I listed about $150 million in projects at the bases included on the Secretary's recommendations. Of these projects, over $100 million was unrequested in the fiscal year 1995 budget.

And finally, I wrote to the chairman of the Appropriations Committee, asking that he include in this bill rescissions of congressional add-ons for military construction.

I also suggested that the committee rescind over $6 billion in wasteful spending in the fiscal year 1995 defense budget, and reallocate the funds to higher priority defense needs.

Mr. President, I ask unanimous consent that the text of those letters that I mentioned be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 23, 1995.

Hon. WILLIAM PERRY,
Secretary of Defense,
The Pentagon,
Washington, DC.

DEAR MR. SECRETARY: As you know, I wrote to President Clinton on December 5, 1994, asking that he defer obligation of nearly $8 billion in defense spending for programs which contribute little, if anything, to national defense. While that request is still pending at the White House, I am writing to you today to ask your assistance in a related effort.

By March 1, you will release the final Department of Defense recommendation for base closures and realignments. In view of

the expected magnitude of the changes, it is inevitable that construction projects will be under way on at least some of the bases recommended for closure in this round. This is an egregious waste of millions, or even billions, of taxpayer dollars.

In my view, a fiscally responsible approach would be to defer the obligation of funding for all military construction projects approved for Fiscal Year 1995 until the results of the Commission's deliberations are known. I urge you to contact the President and request formal deferral of all military construction projects until July 1 of this year. In this way, we will avoid spending scarce defense dollars for unnecessary construction at closing military facilities.

I look forward to hearing from you at your earliest opportunity.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

U.S. SENATE,
Washington, DC, February 28, 1995.

Hon. WILLIAM PERRY,
Secretary of Defense,
The Pentagon,
Washington, DC.

DEAR MR. SECRETARY: With the release this morning of your recommendations for base closures and realignments, I believe it is imperative to act immediately to forestall the initiation of any military construction projects at bases slated for closure, as well as at facilities scheduled to be realigned to other locations.

As you may recall, I wrote to you on January 23, 1995, to ask that you seek deferral of all military construction projects until your base closure recommendations were publicly released. While I am not aware that you or the President formally undertook such action, I understand that the Navy may have voluntarily undertaken to defer obligation of military construction funds because of the uncertainty of the base closure process. I hope other Services recognized the fiscal responsibility of waiting to initiate construction projects until the base closure list was available.

For your information, I have included a listing of military construction projects, funded in the FY 1995 Military Construction Appropriations Act, at bases which are recommended for closure or realignment. This list totals $150 million in FY 1995 appropriations. At a minimum, I urge you to ensure that none of the projects which would be affected by your base closure or realignment recommendations are undertaken until the BRAC Commission has completed its review and submitted a final list to the President.

As always, I appreciate your consideration of my views. I look forward to hearing from you.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

FISCAL YEAR 1995 MILITARY CONSTRUCTION APPROPRIATIONS

[For projects at bases recommended for closure or realignment by the Secretary of Defense, March 1 1995]

MILCON projects at bases recommended for closure:

Texas: Brooks AFB, for directed energy facility	6,500,000
Pennsylvania: Fort Indiantown Gap:	
Replace underground storage tanks	1,800,000
Electrical targeting system upgrade	770,000
Flight simulator and aeromedical complex	4,584,000
Total MILCON at bases recommended for closure	13,654,000

MILCON projects at bases recommended for realignment:

California: Defense contract management office west	5,100,000
Florida:	
Eglin AFB:	
Climatic test chamber	20,000,000
Aquatic training facility	2,900,000
HC–130 parking apron	7,500,000
MC–130 nose dock/AMU	5,000,000
Airman dining facility	2,650,000
Homestead AFB:	
Hydrant and hot pit refueling system	2,000,000
Mobility processing facility	1,150,000
Renovate barracks	2,550,000
Repair physical fitness center	1,400,000
Georgia: Warner-Robbins (realign):	
Weapon system support center	4,700,000
J–STARS add to integrated support facility	3,100,000
J–STARS dormitory	5,525,000
J–STARS expanded flight kitchen	1,850,000
J–STARS utilities/miscellaneous support	3,825,000
Upgrade drainage system	2,200,000
Montana: Malstrom AFB:	
Underground fuel storage tanks	1,500,000
Underground fuel storage tanks minuteman FACS	4,000,000
New Mexico: Kirtland AFB:	
Underground fuel storage tanks	3,200,000
Child care center	3,500,000
Base support center	3,500,000
Repair water distribution center	8,800,000
Upgrade electrical distribution system	3,000,000
Replace underground fuel storage tanks	900,000
Oklahoma:	
Corrosion control facility [DBOF]	8,400,000
Extend and upgrade alternate runway	10,800,000
Storm drainage system	1,243,000
Virginia: Fort Lee:	
Repair electrical distribution	11,000,000
Soldiers ''One Stop Center''	4,600,000
Total MILCON appropriated for realigned bases	135,893,000

U.S. SENATE,
Washington, DC, March 1, 1995.

Hon. MARK HATFIELD,
Senate Committee on Appropriations,
Washington, DC.

DEAR MR. CHAIRMAN: I understand that the Senate Appropriations Committee will soon consider legislation to provide supplemental appropriations for FY 1995 and to offset additional spending with certain rescissions.

I wanted to raise with you my concerns and suggestions regarding a dangerous shortfall in defense funding. As you know, the defense budget has been declining since 1985, with a cumulative real reduction of nearly 45 percent by 1999.

This severe reduction has made it imperative that we work together to ensure that scarce defense dollars are spent only for the highest priority military requirements, namely, readiness, quality of life, and modernization. Therefore, I strongly believe that supplemental appropriations should be provided to restore the $2.55 billion diverted to peacekeeping purposes as well as to redress, as best we can, shortfalls in the FY 1995 appropriated level for military readiness.

I also believe that we have a fiscal obligation to offset these supplemental appropriations with spending rescissions in order to avoid any increase in the deficit. To this end, as you review the FY 1995 supplemental appropriations and rescission legislation, I urge you to consider for rescission unobligated funds for programs included on the attached list (Tab A).

This list represents nearly $6.3 billion in defense budget authority, and my rough estimate is that the outlay savings in FY 1995 achievable by rescinding these funds would be approximately $2.5 billion.

The programs I have listed do not, in my view, contribute directly to the readiness and capability of our Armed Forces. They represent wasteful, earmarked, non-defense, or otherwise low-priority programs which should not be funded at the expense of readiness within the constraints of the declining defense budget.

I should note an important caveat to my rescission recommendations. The list in Tab A is comprised primarily of programs which were added by Congress in an attempt to circumvent the funding priorities and procedures established by the military Services. Some of these programs could possibly represent military requirements which were only identified by the Services after the Administration's budget request was submitted to Congress. Such items could still be funded in competition with other priorities within the Pentagon's existing budget, but should not remain as earmarked add-ons.

The rescission of low-priority funding I've recommended should be used to offset the Administration's request for supplemental appropriations. As I said, however, even if the cost of these unbudgeted operations is fully restored to the appropriate accounts, readiness would remain seriously underfunded in FY 1995. Therefore, I urge you to support efforts to increase the amount of supplemental appropriations made available to the Department of Defense to fully redress the deleterious impact of declining defense budgets on military readiness. Accordingly, programs not essential to defense should be further reviewed to determine whether additional rescissions could be made and the funds redirected for high-priority military requirements.

I submit that a number of the defense programs suggested for rescission, such as most of the medical and university research activities, more appropriately belong in domestic, not defense appropriations bills, and should compete for funding with those accounts. I have provided a list (Tab B) of FY 1995 appropriations in the non-defense bills which could be rescinded in order to make funding available for any high-priority activities which were mistakenly funded in the defense budget last year.

In addition, I wish to express my support for the President's $2.4 billion in FY 1995 rescissions. I believe the Committee and the Senate should approve these rescissions, and that the monies should be dedicated to deficit reduction.

Of course, I know that the Committee may have its own rescissions in mind, and I understand that the House will soon pass a rescission bill offering additional opportunities which should be considered by the committee to fund readiness, higher spending priorities and deficit reduction.

I know you have a very difficult task and I appreciate your consideration of my views and request.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

DEFENSE APPROPRIATIONS TO BE CONSIDERED FOR RESCISSION AND REALLOCATION TO HIGH PRIORITY DEFENSE PROGRAMS

Fiscal Year 1995	Amount
Major programs:	
B–2 bomber industrial base set-aside	$125M
Industrial base set-asides, including $35 million for tank engines and $1 million for nuclear submarine main steam condensers	36M
Unrequested military construction Congressional add-ons	987M
Unrequested Congressional add-ons for excess Guard and Reserve equipment, including $505 million for C–130 transport aircraft	800M
C–21/C–XX aircraft	11M
Terminate Technology Reinvestment Program	550M
Former Soviet Union threat reduction	80M
National security education trust fund	14M
DOD support for Olympics and other celebrations	15.4M
Dual-use and conversion programs, including manufacturing technology, advanced simulation, etc.	1.5B
Medical and university research	1.5B
Personnel:	
Homeporting of 2 LST ships at Pearl Harbor to transfer Navy reservists from Oahu to Hawaii	10.0M
Manning of additional C–130 units (see O&M)	3.6M
O&M:	
National Center for Toxicological Research in Jefferson, AR (bill)	5.8M
Schofield barracks, Hawaii easement (bill)	9.5
National Guard Outreach Program in Los Angeles school district (bill—changed in conference to eliminate authorization requirement)	10.0M
Additional C–130 operational support for units in California, Kentucky, West Virginia, Louisiana, Tennessee, South Carolina, and Ohio (bill and report)	31.6
For Pacific Missile Range Facility, Hawaii, from O&M funds (bill)	45.9
Directed allocation of child development funds to Pacific region	15.0
National Training Center, George AFB	2.0
Wild horse roundup, White Sands Missile Range, New Mexico	1.5
OSCAR project at Letterkenny Army depot	1.9
Presidio of San Francisco, CA, infrastructure improvements	10.0
New Orleans NAS RPM backlog	6.0
Charleston naval complex	6.0
Establish Chester W. Nimitz Center	3.0
Establish Joint Warfare Analysis Program at Naval Post Graduate School	1.5
Transport LCU ship to American Samoa	.85
MacDill AFB operations	5.5
Electrical service upgrades at McClellan AFB, CA	1.65
Modification of Air Force Plan No. 3, Tulsa, OK	10.0
Natural gas study and infrastructure planning	2.2
Anchorage, AK fuel center	.5
Establish land management training center	2.5
Washington Square, Philadelphia, PA renovation	2.6
Cannon AFB dormitory and runway repairs	2.2
Improvement of navigational charts for Lower Mississippi River	1.0
To return excess medical supplies and equipment from Europe to the U.S. for ''use by Native Americans, local governments, and other deserving groups''	5.0
RPM for reserve centers in Cambria and Indiana Counties, PA	.3
Navy LST's in Pearl Harbor	7.0
C–130 operational support, Youngstown, OH	10.0
WC–130 weather reconnaissance activities	2.0
Los Angeles School District Youth Program	10.0
Calumet, MI, armory repairs	.12
Valparaiso, Gary, and Hammond, IN armory repairs	.4
California armory repairs	1.2
Distance learning regional training network in West Virginia, Pennsylvania, Virginia, Maryland, and District of Columbia	7.5
Establish continuity of operations center for Navy	13.0
New Orleans F. Edward Hebert complex	5.0
Procurement:	
Pacific Missile Range Facility, HI, from procurement funds (bill)	23.9
Natural gas utilization	2.5
Switch expansion at Schofield Barracks, HI	.5
Procurement of industrial process and information systems equipment for industrial operations facility at Tobyhanna Army Depot	12.0
Joint training analysis and simulation center	10.5
Laser articulating and robotic system, Philadelphia Naval Shipyard, PA	6.9
Natural gas vehicles	10.0
Electric vehicles	10.0
R&D:	
Research on ocean acoustics at National Center for Physical Acoustics, provided as a grant to the Mississippi Resource Development Corp. including $250,000 for purchase of unspecified ''special equipment as may be required for particular projects'' (bill)	1.0M
For seismic research at Incorporated Research Institutions for Seismology (bill)	12.0
National Center for Manufacturing Sciences (bill)	20.0
Establish an image information processing center supporting the Air Force Maui space surveillance site (bill)	13.0

DEFENSE APPROPRIATIONS TO BE CONSIDERED FOR RESCISSION AND REALLOCATION TO HIGH PRIORITY DEFENSE PROGRAMS—Continued

Fiscal Year 1995	Amount
Transfer to Department of Energy for ''Center for Bioenvironmental Research'' (bill)	15.0
Experimental Program to Stimulate Competitive Research (EPSCOR) (bill)	20.0
Los Alamos Meson facility	20.0
Naval Surface Warfare Center, Crane Division	.167
Jefferson Proving Ground, unexploded ordnance	5.0
Joint Agriculture/DOD project	4.5
Hawaii Small Business Development Center	5.4
Saltsburg Remediation Technology	1.0
Longhorn Army ammunition plant, TX	8.0
For first phase of $28.5 million project to establish shallow water range capability at Barking Sands, HI	11.0
C–130J development	5.0
Maui supercomputer	13.0
Maritime Technology Office	12.0
Electric vehicles	15.0
Maui High Performance Computing Center	7.0
Institute for Advanced Flexible Manufacturing Systems	4.0
Kauai, HI test facility	4.0
Increase in defense research funds set aside for historically black colleges and minority institutions, including minority women's institutions specializing in science, math, and engineering, and tribal colleges	10.0
Prototype disaster preparedness center in Hawaii	5.0
Other DOD programs:	
For nursing research (bill)	5.0M
Requiring continued operation of Plattsburgh AFB hospital in New York (bill)	3.0
Transfer to Navy Mil Con for ROTHR in Puerto Rico (bill)	10.0
Police Research Institute (not in either bill)	1.0
Southwestern Oregon Narcotics Task Force (not in either bill)	1.0
General provisions:	
Incentive payments to subcontractors under Indian Financing Act (bill Sec. 8025A)	8.0M
Mental health care dmonstration project at Fort Bragg, NC, with open-ended price and program growth clause (bill Sec. 8037)	18.5
Protection of 53d Weather Reconnaissance Squadron of Air Force Reserve (bill Sec. 8047)	.651
For independent cost effectiveness study of Air Force bomber programs (bill Sec. 8101)	4.5
For nuclear testing damage to Rongelap Atoll, for transfer to resettlement trust fund managed by Department of Interior (bill Sec. 8112)	5.0
Requirement to contract within 60 days of enactment for procurement of AN/USH–42 mission recorders on S–3B aircraft (bill Sec. 8133)	39.8
Utility reconfiguration project at Philadelphia Naval Shipyard (bill Sec. 8150)	14.2
Direction to award contract to sole U.S. supplier of nuclear steam generator tubing for aircraft carriers (bill Sec. 8151)	17.5
Fiscal Year 1994	
Technology Reinvestment Program	77M

DOMESTIC RESCISSION PROPOSALS

WASTEWATER EARMARKS

Over $1.2 billion dollars was earmarked for wastewater treatment grants in the FY95 HUD/VA Appropriation bill. Very few if any of these projects were authorized. A number of these were not properly studied before the funding levels were set and that some of the projects may have been funded above the 50% cost share required under the Clean Water Act. With this mind you I propose that we rescind funding for these projects which were not authorized, and/or have not been properly scoped and cost-shared. We have asked the Environmental Protection Agency to provide a list of the projects that meet this criteria and the dollar amount eligible for rescission.

HIGHWAY DEMONSTRATION PROJECTS

$352 million was appropriated for earmarked surface transportation projects which do not necessarily represent either federal, state or local priorities. We should rescind any unobligated monies. Projects not yet commenced should compete for selection among other priorities by state transportation authorities through the applicable process. The Department of Transportation is providing a list of the project eligible for rescission.

SPECIAL PURPOSE GRANTS

The VA/HUD Appropriation bill for Fiscal Year 1995 included $290 million in special purpose grants. According to estimates, only $7 million of this funding has been properly authorized. Examples of projects funded in the bill include:

$450,000 for the construction of the Center for Political Participation at the University of Maryland College Park;

$750,000 for the Scitrek Science Museum to create a mezzanine level in its building to increase exhibit space in downtown Atlanta;

$1.45 million to the College of Notre Dame in Baltimore, MD for capitol costs including equipping and outfitting activities, connected to the renovation of the Knott Science Center; and $2 million for Depaul University's library to provide direct services and partnerships with community organizations, schools, and individuals in North Carolina.

All of the unauthorized earmarks for which money has not been obligation should be rescinded. HUD is preparing a list of the projects which meet this criteria.

ELLIS ISLAND

The Department of Transportation's Fiscal Year 1992 Appropriation bill provided $15 million for the construction of a bridge to Ellis Island. The Park Services opposes the bridge. In a 1991 study on the construction of the bridge they wrote ''The permanent establishment of a bridge to the island represents an adverse effect to the cultural resources of the park, a National Register and World Heritage resource.'' The funding for this project has not been obligated and should also be rescinded.

Mr. MCCAIN. Mr. President, the bill reported by the Senate Appropriations Committee that we are now considering does rescind some of the programs I recommended, including a small cut in TRP and the other research and defense conversion programs. On the domestic side, the bill includes rescissions in highway trust fund demonstration projects.

But the committee-reported bill does not touch the many earmarks for special interest projects added by Congress. It does not rescind industrial base set-asides. It does not cut funding for DOD support to the Olympics and other international sporting events. It does not touch congressional add-ons for excess Guard and Reserve equipment. And it leaves intact several billion dollars for dual-use, defense conversion, and medical and university research programs that were earmarked.

Further, the bill does not rescind any military construction funds. It does not rescind any of the nearly $1 billion in congressionally-added military construction projects, much less funding for projects on bases slated for closure in this BRAC round.

The projects which would be affected by this amendment should not be built anyway. No responsible DOD official would continue a construction project at any base which has been ordered to be closed.

I think it is time to send a signal to the American people that we will not do this kind of thing anymore.

Mr. President, I believe that the opposition's argument against this proposition will be that it is in reaction to an action triggered by the executive branch in the form of the recommendations of base closing.

Mr. President, as we know, the BRAC is a nonpartisan commission that was

confirmed by Congress and the President must accept all of their recommendations or none. If this money is going to be rescinded anyway, then this amendment is redundant. The argument will be the rescission should be applied to all other accounts. Perhaps so.

But, Mr. President, I hope that this amendment would be accepted. I see no reason, frankly, for it to be opposed. I would be glad to work with the committee in order to see that it is acceptable. I cannot imagine—I cannot imagine—any Member of this body seeking to continue a military construction project on a base that is going to be closed. It is beyond me.

So I certainly look forward to the response of the managers of the bill. And, Mr. President, very reluctantly, very reluctantly, I may have to ask for the yeas and nays because of the clarity of this issue.

Mr. President, I reserve the remainder of my time.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that time be charged equally.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 335, AS MODIFIED

Mr. MCCAIN. Mr. President, I ask unanimous consent to modify my amendment by striking lines 5 and 6 on page 2 of my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 335), as modified, is as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. RESCISSION OF FUNDS FOR CERTAIN MILITARY CONSTRUCTION PROJECTS.

(a) CONDITIONAL RESCISSION OF FUNDS FOR CERTAIN PROJECTS.—(1)(A) Notwithstanding any other provision of law and subject to paragraphs (2) and (3), of the funds provided in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1659), the following funds are hereby rescinded from the following accounts in the specified amounts:

Military Construction, Army, $11,554,000.

Military Construction, Air Force, $6,500,000.

(B) Rescissions under this paragraph are for projects at military installations that were recommended for closure by the Secretary of Defense in the recommendations submitted by the Secretary to the Defense Base Closure and Realignment Commission on March 1, 1995, under the base closure Act.

(2) A rescission of funds under paragraph (1) shall not occur with respect to a project covered by that paragraph if the Secretary certifies to Congress that—

(A) the military installation at which the project is proposed will not be subject to closure or realignment as a result of the 1995 round of the base closure process; or

(B) if the installation will be subject to realignment under that round of the process, the project is for a function or activity that will not be transferred from the installation as a result of the realignment.

(3) A certification under paragraph (2) shall be effective only if—

(A) the Secretary submits the certification together with the approval and recommendations transmitted to Congress by the President in 1995 under paragraph (2) or (4) section 2903(e) of the base closure Act; or

(B) the base closure process in 1995 is terminated pursuant to paragraph (5) of that section.

(b) ADDITIONAL RESCISSIONS RELATING TO BASE CLOSURE PROCESS.—Notwithstanding any other provisions of law, funds provided in the Military Construction Appropriations Act, 1995 for a military construction project are hereby rescinded if—

(1) the project is located at an installation that the President recommends for closure in 1995 under section 2903(e) of the base closure Act; or

(2) the project is located at an installation that the President recommends for realignment in 1995 under such section and the function or activity with which the project is associated will be transferred from the installation as a result of the realignment.

(c) DEFINITION.—In the section, the term ''base closure Act'' means the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

Mr. MCCAIN. Mr. President, that would eliminate the placement money which was necessary for underground storage tanks at Fort Indiantown Gap and that would make this amendment more closely defined in that it only targets new construction—new construction—at this base which is earmarked for closure.

I reserve the balance of my time.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum, with the time equally divided.

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

The bill clerk proceeded to call the roll.

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

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

Mr. SPECTER. Mr. President, I have sought recognition for a moment just to be sure that I understand the thrust of the amendment of the distinguished Senator from Arizona. If I might have the attention of my colleague, Senator MCCAIN, for just a moment. He and I were just talking briefly, and I wanted to be sure——

The PRESIDING OFFICER. I advise the Senator from Pennsylvania that the time of the Senator from Arizona has expired. The Senator from Oregon has 5 minutes remaining.

Mr. INOUYE. I ask unanimous consent that the Senator from Arizona be granted 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Pennsylvania may proceed.

Mr. SPECTER. I thank the Chair, and I thank my colleague from Arizona.

As I understand the thrust of the amendment, the provisions which would strike $1,800,000 to replace underground storage tanks has been deleted from the amendment because that change or that work may be necessary in any event; is that correct?

Mr. MCCAIN. The Senator is correct.

Mr. SPECTER. And the items on electrical targeting systems upgrade, $770,000, and flight simulator and air medical complex, $4,584,000, and barracks, $6,200,000, will be reinstated in the event Fort Indiantown Gap remains open by proceedings under the Base Closing Commission.

Mr. MCCAIN. The Senator is correct.

Mr. SPECTER. Of course, I make these inquiries because of the concern which I have, and I know that my colleague from Pennsylvania, Senator SANTORUM, shares these concerns. We believe Fort Indiantown Gap is an important installation militarily, and we intend to fight the matter before the Base Closing Commission. So the net effect of this amendment, which I understand the managers are prepared to accept without a vote, would leave Fort Indiantown Gap unharmed in the event that it remains open.

Mr. MCCAIN. The Senator is correct.

Mr. SPECTER. I thank my colleague from Arizona.

Mr. MCCAIN. Mr. President, I want to thank the Senator from Pennsylvania. I am aware how sensitive and difficult the issue of base closures are. I think it is well known to all of us that no one fought harder or continues to fight harder on behalf of the Philadelphia Naval Shipyard than my colleague from Pennsylvania. He understandably is committed to preserving jobs and the military presence in his State, and I thank the Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my colleague from Arizona for those generous remarks. I have not made a comment about the Philadelphia Navy Yard for a long time on the Senate floor. I said enough in the past that there really is not a need to say very much more.

I would just make a couple of comments. That battle was lost in the Supreme Court of the United States on a very complex legal argument. Interestingly, the Harvard Law Review published an extensive review of that case, Dalton versus Arlen Specter, and came to the conclusion that the Court was wrong on its analysis of separation of powers. It is a very complicated constitutional issue as to how Congress may delegate to the President or executive agency authority to take action without sufficient standards.

The thrust of my argument had been that the Navy actually concealed evidence from certain admirals that the yard should be kept open. But there were many other complex legal issues, and it was at least some satisfaction to

win the case in the Harvard Law Review if not in the Supreme Court.

We got one interesting comment before the decision was reached. NBC television said that it was the ultimate in constituent service. We all say, ''I'm going to take that case to the Supreme Court of the United States.'' Well, we did.

I thank my colleague for mentioning it and giving me an opportunity for that brief rejoinder.

Mr. MCCAIN. Mr. President, when I heard that the Senator from Pennsylvania was going to the U.S. Supreme Court in this case, I never had a doubt that he was correct. It is, however, heartening to know that the Harvard Law Review corroborates that conclusion that all of his colleagues reached.

But seriously, it is the ultimate in constituent service and, I think, is an indication of the dedication that the Senator from Pennsylvania had to preserving the very livelihood of many of the residents of his State in the Philadelphia area. I know that he has their eternal gratitude for his herculean efforts.

Mr. SPECTER. I thank again my colleague, and I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The Senator from Oregon has 5 minutes. The Senator from Arizona has 30 seconds.

Mr. HATFIELD. Does the Senator from Montana wish any further time?

Mr. BURNS. Just about 1 minute.

Mr. HATFIELD. I yield 1 minute to the Senator from Montana.

Mr. BURNS. Mr. President, I thank my chairman, and I thank the Chair.

I am going to oppose and ask that this amendment be tabled. I think what we have here when we start looking at the BRAC, the Base Realignment and Closure Commission, we are all at once starting to send wrong messages before the process is even complete on those that are now being considered. I think probably the construction will not go on, especially new construction, on bases that are being considered now. I do not think that is going to happen.

So I know where my friend from Arizona is coming from and what he wants to try to do. But I think as chairman of that committee, I would like to see the funds at least stay there, have a possibility of letting that Commission complete its duty, and then rescind that money. I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. How much time do I have?

The PRESIDING OFFICER. The Senator has 30 seconds remaining.

Mr. MCCAIN. I ask unanimous consent for an additional minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I am confused by the comments of the Senator from Montana. He says the money is not going to be spent, that it would be restored if the base was off the list, and that is exactly what the amendment says.

In all due respect to the Senator from Montana, I am confused by the fact that he would oppose an amendment that says that the money would not be spent, but if the base is off the rescission list, then it will be spent.

I can only surmise that this is some kind of turf problem, but, Mr. President, as the chairman of the Military Readiness and Defense Infrastructure Subcommittee, I do not look kindly on spending money for military construction projects which are on a base closing list and should not be spent, with a provision that the money would be spent if the base was off the list.

So, Mr. President, I will expend no more time and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BURNS. I yield back the remainder of my time. I just think it sends the wrong message at this particular time in the process of BRAC. But I have no further comment.

Mr. REID. Mr. President, I oppose the amendment from the Senator from Arizona because it is premature and unnecessary. Moreover, it can have unintended effects, which might result in forcing later expenditures that would wipe out any savings he might anticipate if the amendment were to be passed.

First, Mr. President, the cuts he has anticipated in his amendment are premature and could affect the final decisions of the Base Closure Commission, prejudice the living conditions and rights of the people serving on those bases now and the communities which are associated with them. That would be unfair.

Second, the amendment assumes that the committees charged with authorizing and appropriating funds for military construction projects have not anticipated or are adequately providing for savings resulting from the BRAC process. That is just not the case. Mr. President, if you look at last year's conference report on military construction appropriations you will find a reduction in the President's request of some $135 million, split evenly among the services, and some taken from defense-wide programs. This was in anticipation of the fiscal year 1996 BRAC decisions, and we took a large sum because we anticipated a larger BRAC round, more closures, than actually have been recommended by the services and DOD than has in fact been recommended.

Third, it is unclear why the Senator feels it unnecessary to amend this appropriations measure. The Appropriations Committee has followed the guidance of the authorizing committee and only funded those projects which have been authorized. Why not wait until the authorization bill is crafted and the result of the BRAC Commission are known, rather than guess now, send confusing signals to the communities which have been identified for possible action by the Commission.

Does the Senator just want to penalize military communities further, in the name of spending cuts in this area?

Fourth, DOD is not asleep at the switch on this matter. The Department is not going to allow spending for fiscal year 1995 military construction projects that are recommended for closure.

So, Mr. President, I believe that both the Department of Defense, the authorization and appropriations committees are well aware of the need to reduce unnecessary construction programs resulting from the BRAC process, and have proven that they will take the action needed, in the framework of the BRAC decisionmaking process set up. No one wants to spend construction funds unnecessarily, and so I feel the amendment just jumps the gun, is not helpful, and prejudices the process that has worked well.

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 335 offered by the Senator from Arizona.

Mr. SPECTER. Mr. President, will the Chair desist on that matter for another matter which has just been called to my attention by my colleague, Senator Santorum? And that is an issue—if we may clarify, if we can have just a minute to do that—an issue which arises in the event that Fort Indiantown Gap is realigned instead of closed, that whatever the consequence is, I just want to understand the intent of the Senator from Arizona that these funds will be reinstated if the function of Fort Indiantown Gap continues, even if it is called a realignment.

Mr. MCCAIN. Mr. President, if I may respond, if there is a realignment which keeps that base open, then this rescission would not apply.

Mr. SANTORUM. If I can, if the base remains open as a Guard unit, which is what will happen, but is designated as closed by the BRAC because all active units will be pulled out, does that still maintain these programs?

Mr. MCCAIN. They do not. If it is a Guard installation, then we go through the regular functions, provisions for Guard units.

The PRESIDING OFFICER. I would remind Senators all time has expired and all time was yielded back.

The question occurs on agreeing to amendment No. 335 offered by the Senator from Arizona.

The amendment (No. 335) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

AMENDMENT NO. 336

(Purpose: To rescind fiscal year 1995 funding for listing of species as threatened or endangered and for designation of critical habitat under the Endangered Species Act of 1973)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON] proposes an amendment numbered 336.

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

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

The amendment is as follows:

On page 28, between lines 14 and 15, insert the following:

DEPARTMENT OF THE INTERIOR

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCES MANAGEMENT

(RESCISSION)

Of the funds made available under this heading in Public Law 103–332—

(1) $1,500,00 are rescinded from the amounts available for making determinations whether a species is a threatened or endangered species and whether habitat is critical habitat under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(2) none of the remaining funds appropriated under that heading may be made available for making a final determination that a species is threatened or endangered or that habitat constitutes critical habitat (except a final determination that a species previously determined to be endangered is no longer endangered but continues to be threatened).

To the extent that the Endangered Species Act of 1973 has been interpreted or applied in any court order (including an order approving a settlement between the parties to a civil action) to require the making of a determination respecting any number of species or habitats by a date certain, that Act shall not be applied to require that the determination be made by that date if the making of the determination is made impracticable by the rescission made by the preceding sentences.

Mr. HATFIELD. Mr. President, will the Senator yield——

Mrs. HUTCHISON. I will be happy to yield, Mr. President.

Mr. HATFIELD. On an understanding to the amendment.

I now ask unanimous consent that the Hutchison amendment be limited to 40 minutes to be equally divided in the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Texas is recognized.

Mrs. HUTCHISON. I thank the Chair.

The amendment rescinds $1.5 million in funds for new listings of endangered or threatened species or designation of critical habitat through the end of the fiscal year, which is a little more than 6 months from now. It provides that remaining funds may not be used for final listings of endangered or threatened species or final designation of critical habitat.

The amendment does permit downlistings, changing a species from endangered status to threatened status. In H.R. 4350, the House regulatory moratorium bill, the House passed a moratorium on new listings or designations until the earlier reauthorization of the Endangered Species Act or December 31, 1996. Rescinding funds for a more limited time period will provide a time out from new listings controversies and will provide the momentum necessary for reauthorization of the Endangered Species Act.

Mr. President, as many of us in this body know, we have a critical situation with the Endangered Species Act implementation. I do not think one Member of this body does not support the concept of protecting endangered species.

What has happened is, I think, the regulators have really gone far beyond congressional intent, and we have found ourselves in many States across our country having endangered species declarations for baitfish. In the Panhandle of Texas, we have baitfish now being looked at to be put on the endangered species list.

Now, I would not mind baitfish being on the list if it did not encroach on private property rights and the use of water. Water is very important for the farmers and ranchers in the panhandle. It is very important to the people of Amarillo. They rely on the water sources. So when you start saying to the people of this country we are going to take away water rights from people who are farming and ranching and making their living off the land, when you say we are going to take water rights from cities that need the drinking water supply, then you set up a choice. Then you say, OK, what is more important than water rights and private property rights of individuals?

Well, I do not think it is a baitfish. I think we might have some instances in which it would be worth saving some sort of specie that was in imminent danger of being extinct with some economic damage, but, Mr. President, that is not what is happening.

Let me take another example in my State of Texas. The jaguar is to be put on the endangered or threatened list. Now, the last time someone saw a jaguar in south Texas was sometime in the 1940's. There are no jaguars in Texas. Maybe one wandered up from Mexico during the Second World War, but when you are talking about taking private property rights because a jaguar appeared 30 years ago and has not been seen since, we once again have a crucial decision: What is right and best for the private property owners, for the taxpayers of our country, and for the endangered species and the preservation of nature.

I just want common sense to come into the equation, and that is the issue here. My amendment will say time out. The time has come for us to look at the policies. And we are going to take up the reauthorization of the Endangered Species Act. When we do that, we are going to be able to look at scientific bases. How are we going to determine what is really endangered? The fact that the Tipton kangaroo rat has feet 1 millimeter longer than the Herman rat, does that make the Tipton kangaroo rat take precedence over a farmer in California who was arrested and is now looking at a $300,000 fine and a year in prison because he might have run over a Tipton kangaroo rat, when the Herman rat, which is the same except the feet are one millimeter shorter, is not on the endangered species list?

So we are going to be able to take that up in the Endangered Species Act reauthorization. We are going to be able to take up cost-benefit analysis. We are going to be able to look at the people who might lose jobs like the logging industry in the northwest part of our country, where people were put out of jobs that had been in families for generations to save a spotted owl.

We are going to look at alternative habitats. We are going to look at the possibility that we could have taken spotted owls and put them in nearby public lands without any cost to the taxpayers and without the breaking down of the logging industry in the northwest part of our country, and most certainly without causing these people such disruption in their lives by losing their livelihood and their jobs. These people are being retrained. It is costing the taxpayers of America $250 million as the result of a bill we passed in 1993 to retrain workers who did not want to leave their jobs to save a spotted owl. So these are some of the things we are going to be able to take up in the Endangered Species Act reauthorization.

Mr. President, you and I have talked about the importance of having full hearings on the Endangered Species Act, to hear from everyone, from the Fish and Wildlife Department, from people who are involved in saving the environment, from people who are involved in saving animals, and from private property owners and people who believe that the Constitution, the fifth amendment for private property rights, is in fact a part of the Constitution and is intact.

So we know that it is going to take time to do that. But I wish to make sure, Mr. President, that we do not do something between now and the time of reauthorization or in this case until the end of the fiscal year that would put the rights of a baitfish above the farmers and ranchers in the Panhandle of Texas. We want to make sure that between now and the end of the fiscal year we do not have a jaguar that

would take away the leasing rights to many counties in south Texas. We want to make sure that things that go beyond the realm of reason do not happen in this country while we wait and do the Endangered Species Act reauthorization in the right way. That is what I wish to make sure, Mr. President, we are able to do.

So I appreciate the opportunity. I wish to reserve the remainder of my time in case someone would speak against this amendment. I realize it would be hard to speak against this wonderful amendment, but nevertheless if someone decides to do it, I would like to be able to reserve the remainder of my time to respond.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

Mrs. HUTCHISON. Mr. President, I yield whatever time we may have up to 5 minutes to my colleague from the State of Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, the amendment proposed by the Senator from Texas is, I think, constructive and vitally important to people in many parts of the United States. With each passing month we learn more about the distortions in the lives of our people caused by the application of the present Endangered Species Act. A mere finding of threatened or endangered status for any species subject to listing automatically results in restrictions on the use of property, restrictions in economic activity, and in cultural, social, and community disruptions. This amendment will give both the country and the Congress breathing space for a period of approximately 6 months during which the Endangered Species Act itself can be examined, as it will be, by a subcommittee headed by the present Presiding Officer presiding over this body.

I know he and I and the Senator from Texas all believe the Endangered Species Act should be continued, as it represents a real value held by all Americans, but that it must be changed so factors and values other than the species itself must be considered. Human values, people's jobs, their communities, their society, their culture must be weighed as we come up with balanced solutions to Endangered Species Act findings. That is not possible today under the act. The breathing space which will be imposed by the amendment of the Senator from Texas will allow that careful consideration to take place in this body. It will restore a degree of balance which is presently lost.

This is not and has not been asserted by the Senator from Texas to be a long-term or full solution to the necessity of balancing human and other interests in our environment. It is a step to allow that process to take place in a more careful and rational and thoughtful manner. As such, to protect our people and our communities for a 6-month period while we discuss the Endangered Species Act, the amendment proposed by the Senator from Texas is valuable, I may say vital, and I hope it will be adopted by this body.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I appreciate the Senator from Washington working with me on this amendment. He and I had been discussing the impact of these regulatory excesses on the economies of our respective States and he has been a valuable resource to me in putting this amendment forward. We are going to do everything we can to move in a positive direction to make sure we do what is right for this country, protecting private property rights and the abilities of our farmers and ranchers, while at the same time taking the time to reauthorize the protection of endangered species in a judicious and timely manner.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

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

The PRESIDING OFFICER. The Senator from Texas has 12 seconds remaining. The Senator from Hawaii has 15 minutes and 3 seconds.

Mr. INOUYE. Mr. President, I am pleased to yield whatever time the gracious lady from California requires.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I am pleased to be here to stand up in opposition to this amendment. The Senator from Texas had put forward a moratorium on the Endangered Species Act as a separate bill, and appeared before a committee on which I served, the Environment and Public Works Committee, and, Mr. President, you are an able member of that committee and chaired the particular subcommittee before which the Senator from Texas appeared.

We had a very long, complicated, and involved hearing on the wisdom of putting forward a moratorium on the Endangered Species Act. I have to say to you, Mr. President—and it is my very strong view—that in this U.S. Senate, with all the experience we bring to these issues, with all the expertise we bring to these issues, it seems to me to essentially stop the Endangered Species Act in its tracks, which is really what this amendment would do, is not the proper way to legislate. It is an abdication of our responsibility.

I am very pleased that the ranking member of our committee has come to join this debate. I say to him that I will be finished with my comments in about 3 or 4 minutes. I am very pleased that he is here to lead this fight because it is quite appropriate that he do so.

I do not know anyone in the U.S. Senate who is perfectly satisfied with the Endangered Species Act, who feels that it is perfect, who feels that it does not need to be fixed, who feels that we cannot improve it. And we are all quite dedicated to improving it. The chairman of the Environment and Public Works Committee, Senator CHAFEE, is a really great leader in this U.S. Senate. He, working along with our ranking member, last year proposed a new reauthorization of the Endangered Species Act. And together, in a bipartisan fashion, I have great confidence that they will lead this fight.

I think to come on this floor in the U.S. Senate and to add an amendment to a defense emergency supplemental bill that deals with a very important and sensitive environmental issue is simply not the right way to legislate.

Mr. President, 77 percent of Americans support maintaining or strengthening the Endangered Species Act, according to a May 1994 Times-Mirror survey. Interestingly, even 72 percent of Texans support maintaining or strengthening the act.

I have to say again that to torpedo the Endangered Species Act because there may be a problem in Texas is not the right way to legislate. I have been in Congress for awhile. I was 10 years in the House of Representatives, where I served very proudly, and 2 years here, where I am trying to do the best I can. When I have a problem that is local in nature, I do not bring it to the floor of the U.S. Senate and expect my colleagues to overturn an act that is supported by the American people. I will call in the various bureaucrats. I will sit them down around the table, and I will work with them.

I know that my friend from Texas is an excellent Senator and works very hard and knows what she needs to do for her people. I strongly advise that she withdraw this amendment and handle her problems in Texas, because I frankly do not want to see us gamble with this.

Let me explain what I mean. During the hearing that we held on the Senator's amendment, I asked her if she had ever heard of a Pacific yew tree. She said yes, she had heard of it, but she was not exactly sure what it had to do. I explained to her that the drug Taxal, which is in fact the one and only hope for curing ovarian cancer that we have at this time, and hopefully for preventing breast cancer, came from the Pacific yew tree. By the way, the Pacific yew tree was being used for its bark and was in danger of disappearing, and no one knew its value.

Why do I raise this issue for my colleagues to hear? It is because, on average, endangered plant species have fewer than 120 individual plants by the time they are listed. The fact of the matter is, when we get down to a point because of this moratorium that we

lose that last plant that could hold the secret for the cure of Alzheimer's, or the secret of a cure for prostate cancer, what is the good of that type of legislation? I say it is very harmful.

So in closing, Mr. President, I hope that we will all vote against this amendment. I do not think it has a place on a defense supplemental appropriations bill. If anything, we not only endanger species in this bill, we endanger ourselves if we vote for this amendment because we could, unwittingly, voting for this amendment, wipe out the last plant that holds the cure for some disease. We could wipe out the last animal. I know what I am talking about because we do not have grizzly bears anymore in California. The California grizzly is off the face of the Earth because we did not act in time.

I think that the Environment and Public Works Committee, under the able leadership of Senator CHAFEE and Senator BAUCUS as ranking member, and you, Mr. President, as the very important chair of the subcommittee that will deal with it—I have my faith in you. And I hope we will defeat this amendment and get on with our job of reauthorizing the Endangered Species Act in due course, in due time, and with due diligence.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, parliamentary inquiry: How much time is remaining?

The PRESIDING OFFICER. The Senator from Hawaii controls 8 minutes and 44 seconds; the Senator from Texas controls approximately 7 minutes.

Mr. INOUYE. Mr. President, I am pleased to yield all of my time to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. BAUCUS. I thank my good friend, Senator INOUYE from Hawaii.

Mr. President, as ranking Democrat on the Environment and Public Works Committee, I must oppose the Hutchison amendment. The reason is really very simple. It is because the Endangered Species Act needs to be improved. That is the reason, so that farmers, ranchers, homeowners, and others have an easier time coping with the requirements of the act. But this is no way to fix it.

At best, the Hutchison amendment is a makeshift stopgap measure that does not really solve the underlying problem. Let me repeat that: It does not solve the underlying problem. Once it expires, we are still faced with the problem. And worse, the amendment actually undermines our ability to make the act work while the situation deteriorates, deteriorates into false hope and false promises that things are going to be OK. Let me remind Senators of where things stand.

In the last Congress, we held a series of hearings, an extensive series of hearings on the Endangered Species Act. We heard from a wide variety of people that were having problems from the act. We heard representatives of the national interest groups, all the way to individuals, individual landowners and homeowners, who had to cope with the designation of their property as critical habitat.

I remember a hearing we held in Ronan, MT. Ronan is in the middle of grizzly habitat—the grizzly, an endangered species. Several hundred people packed the school gymnasium. The hearing lasted all day—a long, hot day, let me tell you, hot because of the physical temperature, not because of the emotion of people in the room.

We made a lot of progress. We identified reforms that can significantly improve the act while continuing to protect against the extinction of the species. Reforms, like peer review of listing species, an outside panel of peer reviews of scientists, outside peer review panels that can give us outside advice, and a larger role for States.

I think States, particularly State fish and game departments, who have to manage fish and wildlife in their State, should have a greater role, a greater reliance on incentives that have punishments, incentives for landowners, and particularly incentives for private landowners.

I must say that the bill I introduced had the support of both the western Governors and the environmental community. There were significant major changes in that legislation, and had we been able to finish our work last year, I think a lot of the problems we are now talking about here today would have been solved. We would not be talking about them at all.

This Congress, and the chairman of the Environment and Public Works Committee, Senator CHAFEE, and the chairman of the relevant subcommittee, Senator KEMPTHORNE, the Presiding Officer, have indicated that they intend to reauthorize the act. We are going to reauthorize the act.

Senator REID and other Democrats on this subcommittee have made it crystal clear that they are prepared to cooperate and work to pass a reauthorization bill this year. They want to pass a bill this year. The opposition to the moratorium is not opposition to reform. It is for reform.

The fundamental point I want to make here is if we are going to serve our people, let us reform the act. Let us not mislead them by passing a moratorium which does not address the underlying problems of the act. That, in my mind, is the best way to proceed.

Otherwise, we all know what will happen. A floor amendment here, an appropriations rider there, a waiver, a moratorium, an exemption, a carve-out—what is the result? We wind up responding to the crisis of the moment. We do too much of that around here and we never get around to the basic issues that must be resolved if we are really going to improve the act.

So, I believe, Mr. President, that the Hutchison amendment is a diversion. It is also more than that. The amendment cuts out money for species that are on the brink of extinction. That will make a bad situation worse. Some other species may be lost; others will survive, but, in the meantime, the population will have declined. As a result, our options will be more limited. Recovery will be more expensive. It will be more burdensome, not less.

I am reminded, Mr. President, of the problem with the owl. The main reason the Pacific Northwest faced a critical problem with the spotted owl in old growth forests is because neither the State of Oregon nor the State of Washington nor the U.S. Congress, nor Presidents heeded warning signals to do something about the potential extinction of the spotted owl. Ten, 15 years ago, agencies concerned with this issue sent us warning signals. What did we do? We all ignored them. We swept them under the rug and did not address the issue. I say that is going to be the consequence here—isolated individual problems. As I said, the more we delay, the more our options are limited and the greater the problem becomes and the more expensive the solutions.

Instead of shutting down the process, I believe we should be promoting efforts to go ahead, to conserve species before they are on the brink of extinction when greater flexibility exists to accommodate the legitimate needs of private landowners. This amendment would only affect the Fish and Wildlife Service's ability to list additional species. It does little or nothing to address the needs of private landowners who are affected by species already on the list. It does nothing about that. As a result, it is not only a shortsighted solution, but an incomplete one. It does not do what it purports to do.

Mr. President, there are legitimate problems with the act. I believe we should sit down, work together, find ways to minimize the burden the act imposes on all landowners, and we should not adopt this amendment.

At the appropriate time I will move to table this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. How much time is remaining on both sides?

The PRESIDING OFFICER. The Senator from Texas controls 7 minutes 6 seconds. The Senator from Hawaii controls 1 minute 52 seconds.

Mrs. HUTCHISON. Mr. President, I would like to yield up to 3 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me thank the Senator from Texas for offering this amendment and bringing to the floor of this Senate for the first time in this session what I think will

be part of a very critical debate that I hope we will resolve.

Let me say that there is nothing wrong with this amendment and it ought to be enacted. We ought to vote to support a moratorium on further listings until the Senator from Montana, the Senators from Oregon and Idaho, and the Senator from Texas, have a chance to resolve a very bad law that needs dramatic fixing at this moment.

We have heard rhetoric on this floor for the last 5 years that the Endangered Species Act is not working. It is costing hundreds of millions of dollars of lost economy and lost jobs, and we have done nothing about it. And now on the doorstep of an opportunity to change it, what is wrong with just stopping for a moment, stepping back from this administration's rush to judgment and in a panic throe list thousands of species simply because they think the Senate and the House are now going to change a law that has needed to be changed?

So I applaud the Senator from Texas for offering this amendment. We have heard arguments on the floor to say, well, that is a local issue, that the Senator from Texas does not understand she has a local problem, so why does she not deal with it locally? It is not legal in Idaho, Washington, Oregon, and Montana, for this very act at this moment is dislocating people, economies, farmers, ranchers and business people with the cavalier attitude on the part of the implementing agencies that ''so be it.'' It is all in the name of the species, and to heck with people.

I think it is time that this Congress resolve the issue, and do it quickly, first of all, with a moratorium and, secondly, with the responsible authorizing committees' handling of a reauthorization of the act. The chairman of the Appropriations Committee, yesterday, hosted a hearing on the very viability of a regional power system that is now being directly threatened by the impact of a decision and a proposed management plan by a Federal agency on the Endangered Species Act. That regional power organization has spent over $1.5 billion trying to save a variety of species of fish in the Columbian Snake River system. The process has been driven more by politics than by the good science that ought to make the decisions. If it is politics that is listing species instead of science, what is wrong with the amendment of the Senator from Texas?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CRAIG. Let us support the amendment and bring about a moratorium and stop this rush to judgment.

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

The PRESIDING OFFICER. The Senator from Hawaii has 1 minute 52 seconds remaining. The Senator from Texas has 3 minutes 56 seconds.

Mr. INOUYE. I ask unanimous consent that 8 additional minutes be allocated to the Senator from Montana.

The PRESIDING OFFICER. Is there objection?

Mrs. HUTCHISON. Reserving the right to object. You are asking for 8 minutes in addition to the 2 minutes? Are you asking for 10 minutes?

Mr. INOUYE. Yes, Mr. President. This is to accommodate the Senator from Nevada and the Senator from New Jersey. Would you like to have an additional 8 minutes?

Mr. CRAIG. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I would want an additional amount of time that would equalize it. I think we have set a time agreement here and perhaps we could accommodate to some degree, but perhaps not for 10 more minutes.

Mr. INOUYE. Five?

Mrs. HUTCHISON. I think that would be fine.

Mr. INOUYE. I ask unanimous consent that 10 additional minutes be allocated for this debate, 5 minutes under the control of the Senator from Texas and 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BAUCUS. I yield 4 minutes to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank my friend and colleague from Montana for allowing me just a few minutes to make some remarks, because I must say, because I come from New Jersey, the most densely populated State in the country, it does not mean that we have less of an interest about species that are in jeopardy, be they animal or flora fauna, than do they in the more remote parts of the country. And this debate, I think, ought to be taking place at a different pace and a different time. We just went through a hearing and a markup on Tuesday in the EPW Committee. It was carried and was going to be presented on the floor. Instead, I have to say that I am surprised that the Senator from Texas, after having won an agreement from the subcommittee to pass the amendment along, suddenly now it is attached to a rescission bill.

What is the urgency, Mr. President, of moving this so quickly? Are we willing to say today that we do not want to continue preserving those species that may save lives, that may interest our children and our grandchildren in a particular type of fish, or a particular type of bird, or particular type of animal? I am on the Environment Committee, as is the Senator from Texas. One of the things that I did when we had the oil spill up in Alaska a few years ago was to get up there very quickly and talk to the people in the communities.

They were heartbroken because of the threat to the abundant species that existed there, including bald eagles, including sea otters, including seals; grief stricken, Mr. President, grief stricken because it may be the end of a salmon run or a herring run or another bit of marine life around which whole cultures and whole communities were built.

So the madness, the urge to get this done so quickly, is something, frankly, I do not understand. And to come along, after we have had a full discussion—and if not full enough, we can continue it—but to rush at this moment into a moratorium that says we cannot do anything, tie the hands behind your back—we had a $2 million rescission; no, let us increase it by another $1 million.

I do not know exactly what the Senator from Texas has in mind, but I cannot believe that she or the proponents of this amendment would want to diminish the opportunity to protect a species that might, as we heard from the distinguished Senator from California, aid in fighting breast cancer or another type of disease.

I know that there are trees that produce a bark that is used medicinally and very effectively.

Mr. President, I rise today to express my dismay and unhappiness with the amendment offered by Senator HUTCHISON to increase the rescission of Fish and Wildlife funding and to restrict any remaining appropriated funds for making any final determinations that a species is endangered or that its habitat is critical.

The $2 million rescission already included in the bill will severely jeopardize the Fish and Wildlife Service's activities to administer the Endangered Species Act. It will diminish their ability to protect and recover species, to increase public involvement and to comply with existing court orders.

But this amendment, Mr. President, would effectively paralyze them.

I must say when I saw this amendment come to the floor, I was very surprised.

Just 2 days ago, our subcommittee held an expedited hearing on S. 191, Senator HUTCHISON's bill, which would put a hold on administration of the Endangered Species Act until it is reauthorized.

We expedited that hearing and agreed on holding a markup in good faith, even though some of us on the committee are philosophically opposed to this proposed legislation.

Now it appears that the Senator has decided to bypass the committee, despite our willingness to work with her, and bring her proposal straight to the floor.

I know that this act is not perfect. It has not been administered in the most effective manner. And we want to fix those problems.

But Senator HUTCHISON's efforts to freeze the Agency in its tracks is no solution.

The solution is to do what we began in committee on Tuesday: to seriously review what's right with the act, what's wrong, and what we can do to make it better.

Mr. President, the American people support this act. A recent poll found that 77 percent of Americans want to maintain the ESA or even strengthen it. The American people understand that the ESA enables us to take proactive steps before the decline of a vulnerable species is irreversible.

They want to save endangered species before key components of our ecosystem are relegated to the walls of natural history museums. we have a moral responsibility to make sure that does not happen.

The listing of an imperiled species is necessary to ensure that it receives the protections of the ESA. Each time a species is listed, it sends out a warning signal that the ecosystem is in decline.

There are currently 118 species that have been proposed for ESA listing. Senator HUTCHISON's amendment would render us powerless to protect the future of these 118 threatened species.

And for those who might not care about that, I would point out that it also would effectively prevent the Fish and Wildlife Service from meeting with landowners and resolving their concerns about the way current policies affect their lives.

Mr. President, this amendment accomplishes nothing. Our endangered species will continue to be endangered. The costs of recovery will continue to mount. And the Fish and Wildlife Service will find itself paralyzed to effect any improvements in the administration of this act.

Those of us who serve on the subcommittee want to work together in a bipartisan manner to implement real reforms in the Endangered Species Act.

Every Member who spoke at our committee's recent hearing on the Endangered Species Act, including the Senator from Texas, said as much. The general consensus following that hearing was that we would try to accomplish that goal—in the spirit of good faith and cooperation.

Mr. President, this amendment coming between the subcommittee's positive action on the Senator's bill and the full committee markup expected next Thursday, would make it very difficult—if not impossible—to operate in that spirit.

I urge my colleagues to table this amendment, and to support the Environment Committee's efforts to craft a more effective endangered species program.

Mr. President, I would have to say I am amused by good friends and colleagues who stand on the floor talking about rhetoric. As the decibels increase and the pace increases, we are talking about perhaps major changes in the ecology of our society. I would not treat this quite this lightly. I hope that we are able to defeat this amendment.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The Senator from Montana has 3 minutes and 12 seconds remaining; and the Senator from Texas, 9 minutes.

Mr. BURNS. Mr. President, I rise to support the amendment offered by Senator HUTCHISON of Texas. It is about time this Congress begin to put a little bit of common sense back into the Endangered Species Act.

Currently, there are about 60 listed or candidate species in Montana. And, there always seems to be a new species that some group wants listed or placed on the candidate list. The recent efforts by a group based out of Colorado who want the black-tailed prairie dog placed on the candidates list is an example of this.

This amendment would rescind $1.5 million for the Endangered Species Act for the new listings and habitat. That's a good place to start this debate. Let's put this moratorium in place, and then let us reauthorize the Endangered Species Act to include common sense and protect species and habitat.

The State of Montana needs this amendment, and I urge its adoption.

Mr. DOMENICI. Mr. President, I rise to state my cosponsorship of and support for the amendment offered by the Senator from Texas to rescind $1.5 million in fiscal year 1995 funding for certain new actions under the Endangered Species Act. I support this amendment for two reasons. First, it is generally acknowledged that the Endangered Species Act in its present form simply is not working as it should. Second, there is every indication the act will be thoroughly revised by this Congress. Consequently, this amendment will put a halt to spending more money on certain aspects of a program that all agree is broken and that will soon be fixed.

There is little question that the Endangered Species Act is broken. The act was passed in 1973 with the noble goal of saving threatened and endangered species from extinction, and having fought long and hard over the years to protect my State's precious natural resources, I fully support the ideals underlying the act. Twenty years of experience, however, have revealed that the act is fundamentally flawed in its practical application. Specifically, the act allows those who administer it to create social and economic chaos among communities unfortunate enough to be located anywhere near a listed species.

Let me give you an example of the chaos created by the act in my home State. The San Juan River runs through the northwestern part of New Mexico. Along the San Juan there is a dam, Navajo Dam, which has quite literally provided life to the residents of that part of the State. The dam ensures that the citizens in the surrounding cities and towns—cities like Farmington, Aztec, and Bloomfield, towns like Turley and Blanco—have adequate supplies of water for domestic use all year round. The dam powers a 30,000 kilowatt hydroelectric plant which provides electric power to all of the area's homes and businesses. The dam supplies water to the many rural irrigation ditches in the area, thus allowing agriculture to flourish. The dam has created one of the most beautiful recreational lakes in the State, Lake Navajo. And the dam provides water for, what I am proud to say, is some of the best trout fishing in the United States; as a consequence it provides jobs for no less than 20 world-class fishing guide services as well as jobs for the accompanying tourist industry. So this one dam does it all; it provides food, water, electricity, jobs, and recreation for all of the citizens of that region.

Living in the Colorado and San Juan Rivers, however, is a minnow known as the Colorado squawfish. This minnow has been listed under the act as an endangered species. Unfortunately for the people of northwestern New Mexico, a very small population of this minnow, a population which has never been recorded at more than 30 fish, is found in the area around Navajo Dam. As a result of this listing under the act, a committee was established to study how the squawfish might increase its numbers. As a part of this study, the committee would like to see what effects, if any, the historic, pre-dam flow of the San Juan River would have on the squawfish. To emulate this natural flow, the releases from Navajo Dam would have to be lowered to half of their current output for 4 months at the end of this year, and the committee has proposed that the Bureau of Reclamation do exactly that. Mr. President, this sounds to me as if we are using the people of the area as guinea pigs to study the squawfish.

Needless to day, this proposal has both terrified and infuriated the residents of the Navajo Dam area. They are terrified because, if adopted, the proposal will leave them with completely inadequate water supplies, will greatly increase the cost of electricity, and will wipe out many of the fishing and tourist jobs upon which they depend. They are infuriated because this possible social and economic upheaval will occur solely for the academic exercise of determining whether or not a historic flow on the San Juan River will benefit the squawfish. Although I commend the Bureau of Reclamation for conducting town meetings to determine what effects the proposal will have on the people of the area, I believe that the fact that the proposal is being seriously considered at all indicates just how out of control the Endangered Species Act has become.

Unfortunately, this is just one example of how economically and socially destructive the act can be and has been

on the people of my State. I could speak at great length about how listings have decimated the timber industries in small towns such as Reserve, NM. I suspect that most of the Members of this Chamber have been confronted with similar stories.

These situations, however, have generated widespread recognition that the act has failed miserably to protect citizens from the social and economic burdens it creates. Just recently, in fact, even Interior Secretary Babbitt, long a defender of the act, recognized that the current listing process can produce ''unnecessary social and economic impacts upon private property and the regulated public.''

Therefore, as I said at the outset, the Endangered Species Act is, in fact, broken. Fortunately, this new Congress, and Senators CHAFEE and KEMPTHORNE in particular, have made revision of the act a top priority, and I am sure that they will do an outstanding job in this regard. It is for this reason that I am cosponsoring this amendment. Rather than allowing the continuation of a process that fails in practical effect to protect communities from social and economic devastation, this amendment will prevent moneys from being spent on new listings of threatened or endangered species and on new designations of critical habitat for the rest of fiscal year 1995. As I believe it only makes sense that we stop spending money on something that is broken and that will soon be fixed, I fully support this amendment, and I urge my colleagues to do the same.

Mr. BAUCUS. Mr. President, might I ask the Senator from Texas, in terms of proceeding here, if she might want to speak now so we can even out the remaining time?

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I will be happy to do that, if the Senator from Montana will agree to let me finish on my own amendment.

Mr. BAUCUS. Yes.

Mrs. HUTCHISON. Will the Chair please notify me, then, when the time is equal?

The PRESIDING OFFICER. The Senator from Texas will have 6 minutes, approximately, but she will be notified.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senator GRAMM be added as a cosponsor of this amendment.

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

Mrs. HUTCHISON. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mrs. HUTCHISON. Mr. President, I want to respond to some of the things that have been said, because I think we have to put this in perspective.

The Endangered Species Act expired in September 1992. It has not been reauthorized, although we have appropriated money for its implementation. So, essentially, today what we are doing is saying, no longer are we going to fully fund the implementation of this act that expired 2 years ago.

We are not wiping out the implementation. I want to put this in perspective. We are taking out $1.5 million out of approximately $4.9 million in the act. So there will be $3.4 million for the biologists and the workers at the agencies to continue doing their job.

But what we are trying to do is say the time has come for us to put parameters around the implementation of this act because it has gone so far beyond reason.

Senator BOXER and Senator BAUCUS have both agreed that no one is completely satisfied with the Endangered Species Act implementation. That is absolutely true, which is why we should stop doing it now, so that we can reauthorize it and tell the people who have gone so far beyond congressional intent exactly what Congress intended; that we intended to protect species, but that we most certainly intend to have common sense in the equation; that we are not going to put baitfish ahead of the water rights of farmers and ranchers; that we are not going to put the jaguar over the leasing rights of the ranchers in south Texas when nobody has seen a jaguar in Texas; that the golden-cheeked warbler is not going to take precedence over the farmers and ranchers and people in the area of Austin, TX. That is what we are trying to do.

The Senator from California indicated that this might be sort of a local bill, and why do we not just take care of Texas and let everyone else fend for themselves.

Well, I would just mention that California now has 74 potential listings, any one of which could possibly go on the endangered or threatened endangered species list—74. I do not think this is local.

In fact, I met with the leaders of the Los Angeles business community a few weeks ago when I was out in Los Angeles, and they told me of their two top issues, one is the overzealous regulation in the Endangered Species Act. I hear that from Arizona, I hear it from Idaho, I hear it from Montana, I hear it from New Mexico. This is not a local issue. Everyone agrees we have to do something.

What I want to do is reauthorize it in a timely and judicious manner, and I want to have the time to do that.

The Senator from New Jersey says, ''Why the rush? Why the rush?''

The rush is not there. I introduced the bill to put a moratorium on the Endangered Species Act on January 7 of this year. It was March 7 before we had a hearing in the subcommittee. The markup is scheduled for March 23. So will this bill be able to be acted on before the April recess? I do not know. I hope so, because we still need the moratorium bill because we need to stop the overzealous regulation of this act by every possible means until we can reauthorize the act with all of the players at the table.

So this is not rushing. This is trying to keep a disaster from happening. It is trying to keep people from losing their jobs while we are taking this bill up in due course.

It was mentioned that the Pacific yew tree is being used to be a part of a medicine that helps cure breast cancer. And I certainly am supportive of that. As the Senator from California knows, she and I agree on the need for more research for breast cancer.

But, in fact, I think we have to understand that the Pacific yew tree is now being harvested by Bristol-Myers. That is one of the good things that can happen. When we do discover that there is a plant that can be used to help cure disease or keep us from having more disease, then we have the ability to harvest that tree, and that is exactly what is happening.

The PRESIDING OFFICER. The Senator is notified that she now has an equal amount of time as the Senator from Montana.

Mrs. HUTCHISON. I reserve the remainder of my time.

Mr. BAUCUS. I yield 2 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 2 minutes.

Mr. REID. Mr. President, I serve as the ranking member of one of the subcommittees of the Environment and Public Works Committee, over which there is jurisdiction of the bill introduced by the Senator from Texas.

I, in good faith, dealt with the chairman of the full committee and the chairman the subcommittee to work out a procedure to have hearings on her legislation. I was afraid something like this would happen, and it appears it has.

If this is how we are going to do business, I am going to be real upset in the future in entering into any agreements on the Environment Committee of which I have any dealings. I am going to be as mischievous as I can on this floor.

I dealt with the full committee chairman and the subcommittee chairman so that we could expedite a hearing on the bill of the Senator from Texas, have a full committee markup, and report this to the floor.

Now if we, probably because of the procedure set up here, do not have the votes to table this, I personally am going to get as many of my colleagues as I can, if this amendment is adopted to this bill, as important as it is, I am going to do everything within my power to get the President to veto this bill so that we can come back here and do things the right way.

I have stated numerous times that I believe the Endangered Species Act needs some work done on it. The State of Nevada is affected as much as any

other State. We are fourth in line as to endangered species listings.

But this is not the way to treat a very important matter. I am very upset. I am going to do everything that I can to make sure that the President—if, in fact, this bill passes—will veto it so we can start conducting business as ladies and gentleman.

Mr. BAUCUS. Mr. President, I yield the rest of our time to the Senator from Florida, Senator GRAHAM.

The PRESIDING OFFICER. The remaining time is 1 minute 20 seconds.

Mr. GRAHAM. Mr. President, the distinguished Presiding Officer and I, in the last Congress, were ranking member and chair of the subcommittee which had jurisdiction over the Endangered Species Act.

As the Presiding Officer knows, we were preparing to hold a series of hearings on this act with the goal of reauthorization in 1995. That is a goal which I hope we will continue to meet. I think it is important that we reauthorize this legislation.

During the course of my chairmanship of that subcommittee, I learned some important things about the Endangered Species Act, and I would just briefly in my remaining seconds like to enumerate some of the things I learned.

First, that the focus should not be so much on individual species as it should be on the habitat of those species. In many ways, the endangerment of a species is a signal of more fundamental problems in the habitat, problems which can have serious ramifications to the humans who occupy that habitat.

Second, in many cases the charges made against the Endangered Species Act were actually the responsibility of some other Federal, State, or local action for which the endangered species became the scapegoat.

Finally, Mr. President, I believe that we need to consider the reauthorization of this act. It certainly is in need of reform, but not the kind of amputation that is being proposed by this amendment.

The PRESIDING OFFICER. The Senator from Texas has 3 minutes remaining.

Mrs. HUTCHISON. Mr. President, I certainly understand when people have legitimate disagreements over the rights of private property owners versus the rights of animals and the concern that we have for protecting habitat.

I do object to the characterization that this is somehow an inappropriate amendment. I do not think we can say that. We have had expedited procedures on the bill that would put the moratorium in place—a bill that was introduced in January, that had 29 signatures on the request for a hearing in late January, that was very much worked on and compromised to accommodate the concerns of people who were legitimately interested in this bill—until we finally got a hearing on March 7.

We have not had a markup in committee. I think we can see from some of the concerns that have been raised that we may not be able to get this bill on the floor before April. I really do not think it is a fair thing to say that we have had expedited treatment of this bill.

I think what is important is that we put some common sense into the implementation of the Endangered Species Act. Congress passed the bill. It has expired. In fact, we have not been able to reauthorize it because the concerns are so great and the disagreements are so large.

So, we are going to take our time and we are going to reauthorize the bills, I hope, in a judicious way. The main thing we are going to have to do is put common sense into the equation.

What I am trying to prevent today is the use of the next 6 months while we are taking this up in a rational way so that everyone can have their side aired and their view aired. I am trying to say, ''time out,'' so that silly things will not happen, so that bait fish and golden cheeked warblers and jaguars and salmon that are running the wrong way in a stream will not take precedence over the rights of farmers and ranchers who have toiled on their land and who are working for a living and providing the food for citizens to eat in this country.

So I am very concerned that we act immediately. I think this is a great first step. I think it is a reasonable first step. I did not wipe out the whole agency. I just took $1.5 million out of $4.9 million. There is $3.5 million left. We are not going to lay people off. People will still be able to work. I think it is quite reasonable, and I did compromise with the chairman of the committee.

I want to thank Senator CHAFEE for working with me on this amendment and for working with me in a fair way to try to get this bill heard. Thank you.

The PRESIDING OFFICER. All time has expired.

Mr. BAUCUS. Mr. President, I move to table the Hutchison amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

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

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from Maryland [Ms. MIKULSKI] are necessarily absent.

The result was announced—yeas 38, nays 60, as follows:

[Rollcall Vote No. 106 Leg.]

YEAS—38

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

NAYS—60

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

NOT VOTING—2

Bradley	Mikulski

So the motion to lay on the table the amendment (No. 336) was rejected.

Mr. REID addressed the Chair.

The PRESIDING OFFICER (Mr. Gregg). The Senator from Nevada.

Mr. REID. Mr. President, I make a point of order that the amendment violates rule XVI of the Standing Rules of the Senate and is legislation on an appropriation bill.

The PRESIDING OFFICER. The point of order is well taken. The Chair sustains the point of order.

Mrs. HUTCHISON. Mr. President, I appeal the ruling of the Chair.

The PRESIDING OFFICER. The Senator from Texas appeals the ruling of the Chair.

The question now before the Senate is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON THE DECISION OF THE CHAIR

The PRESIDING OFFICER. The question now before the Senate is, Shall the decision of the Chair stand as the judgment of the Senate?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] is necessarily absent.

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

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 107 Leg.]

YEAS—42

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

NAYS—57

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

NOT VOTING—1

Bradley

So, the ruling of the Chair was rejected as the judgment of the Senate.

Mrs. HUTCHISON. I ask unanimous consent that the yeas and nays be vitiated on the Hutchison amendment and that Senators GORTON and DOMENICI be added as original cosponsors.

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

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

The amendment (No. 336) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. HATFIELD. Mr. President, I ask unanimous consent to substitute the word ''item'' for the word ''time'' in amendment No. 329 agreed to on Wednesday, March 8. It corrects a typographical error. This has been cleared on both sides.

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

Mr. HATFIELD. Mr. President, I would like to indicate that in the next sequence of amendments, we will have the Leahy-Jeffords amendment, which will take perhaps a minute, and that will then be followed by a Roth-Glenn amendment which, again, will not call for a rollcall, according to the authors of the bill.

We are now down to about two amendments left. We understand agreements have been worked out on the Republican side and we have about the same number—three amendments—on the Democratic side. I understand that those have been worked out.

So we should be at a point where we will be wrapping up the long list of amendments and moving toward final passage. I just want to indicate that any Member who has an amendment to be handled in any form here on the floor, please contact us. We have about five or six that have been cleared on both sides. At an appropriate moment, we will use as a wrap-up those agreed to.

Mr. INOUYE. Mr. President, will the chairman yield?

Mr. HATFIELD. Yes.

Mr. INOUYE. Are we now prepared to have a time certain for final passage?

Mr. HATFIELD. I am unable to say that, based upon the fact that on two amendments 20 minutes to half an hour has been requested for discussion—the Brown amendment and the SPECTER amendment. I am sure they will not require a great length of time. But I hope that perhaps in the next hour we will be able to reach final passage. I would be hesitant to set a time certain.

Mr. INOUYE. I yield the floor.

AMENDMENT NO. 337

(Purpose: To authorize the Secretary of Transportation to issue a Certificate of documentation for the vessel *L.R. Beattie*)

Mr. LEAHY. Mr. President, I send an amendment to the desk on behalf of myself and Senator JEFFORDS and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY], for himself and Mr. JEFFORDS, proposes an amendment numbered 337.

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

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

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE —MISCELLANEOUS

SEC. 01.—Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel L. R. BEATTIE, United States official number 904161.

Mr. LEAHY. Mr. President, I strongly support the amendment introduced today with my friend from Vermont, Senator JEFFORDS. This amendment would authorize the Secretary of Transportation to issue a certificate of documentation to grant coasting rights to the vessel *L.R. Beattie*. This certificate is commonly known as a Jones Act waiver.

The *L.R. Beattie*, a 500 passenger, triple deck cruise boat, was originally built and flagged in the United States. The ship was later brought by a Canadian company, although it was never flagged in Canada. It has since been sold to a U.S. company and was bought last year by Lake Champlain Shorelines Cruises of Burlington, VT.

Lake Champlain Shorelines Cruises bought the *L.R. Beattie* to operate tours on Lake Champlain and plans to rename it the *Spirit of Ethan Allen II*. This boat will be the showcase of a flourishing cruise industry on Lake Champlain. This boat will support over 30 Vermonters working on these cruises. But before this boat may begin carrying passengers on Lake Champlain, Congress must pass a Jones Act waiver for the *L.R. Beattie* because of its brief history under Canadian ownership.

A Jones Act waiver is a routine and noncontroversial bill. It does not cost U.S. taxpayers a penny. It simply authorizes the Secretary of Transportation to issue a certificate of documentation to allow a vessel to operate on U.S. waters.

But a Jones Act waiver for the *L.R. Beattie* has languished in Congress for more than a year. The Oceans Act of 1994, H.R. 4852, which reauthorized Coast Guard operations, contained a Jones Act waiver for the *L.R. Beattie*. The House of Representatives easily passed this bill. Unfortunately, it died in the Senate at the end of last year's session.

This year, Senator JEFFORDS and I introduced legislation, S. 172, to allow the *L.R. Beattie* to receive a Jones Act waiver. The Senate Commerce Committee will soon consider this bill with other Jones Act waivers. The time table for final passage of these Jones Act waivers, however, may be too late for Lake Champlain Shoreline Cruises because of the fast-approaching cruise season. Without this simple, noncontroversial Jones Act waiver, this small business in Vermont could go out of business, throwing over 30 Vermonters out of work.

Senator JEFFORDS and I have authored this amendment to respond to the special circumstances surrounding a Jones Act waiver for the *L.R. Beattie*.

I want to thank Senator HOLLINGS, the ranking member of the Senate Commerce Committee, and Senator PRESSLER, the chairman of the Senate Commerce Committee, for their invaluable cooperation on this amendment.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I join my senior Senator in this amendment, which will help make Vermont summers on Lake Champlain a little bit better.

Mr. President, I wish to thank the managers of this legislation for accepting this important amendment. I would especially like to thank the chairman of the Commerce Committee, Senator PRESSLER, and the ranking member, Senator HOLLINGS, for their assistance with this measure.

Mr. President, included in the Merchant Marine Act of 1920, Jones Act waivers allow for vessels transporting

cargo within U.S. waters which are not U.S. built, owned, and manned be given the right to do so. With the passage of this amendment, the *Spirit of Ethan Ellan II*, which was built in the United States and operated under Canadian ownership for a short time, will be able to resume operations as a United States vessel on Lake Champlain in time for the summer tourist season. The *Spirit of Ethan Allen II* will provide an invaluable service to Vermonters and tourists who come to appreciate Vermont's beautiful setting. I can think of no better way to view this beautiful and historic lake.

This vessel will be the only one of its kind in Vermont, offering scenic cruises, wedding and prom receptions, and dinner parties. In addition, the *Spirit of Ethan Allen II* will be active in charity fundraisers and a program called Education on the Lake, informing young people of the geological and historical character of the Lake Champlain area.

In addition, the *Spirit of Ethan Allen II* will host events for visiting conferences and conventions in the Burlington area, enhancing the experience of those who stay in the area's hotels and inns. Lake Champlain Shoreline Cruises will employ over 25 people to operate the vessel, making a significant contribution to the continuing development of the Burlington waterfront area.

I am pleased that this legislation will ensure that the *Spirit of Ethan Allen II* begins operating in time for the summer tourist season.

I yield the floor.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 337) was agreed to.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 338

(Purpose: To state the sense of the Senate that indefinite and unconditional extension of the Nuclear Non-Proliferation Treaty is essential for furthering the security interests of the United States and all the countries of the world)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Delaware [Mr. ROTH], for himself, Mr. GLENN, Mr. HELMS, Mr. LEVIN, Mr. MCCAIN, and Mr. NUNN, proposes an amendment numbered 338.

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

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate point, insert the following:

The Senate finds that the Treaty on the Non-Proliferation of Nuclear Weapons, herein after referred to as the NPT, is the cornerstone of the global nuclear non-proliferation regime;

That, with more than 170 parties, the NPT enjoys the widest adherence of any arms control agreement in history:

That the NPT sets the fundamental legal and political framework for prohibiting all forms of nuclear nonproliferation;

That the NPT provides the fundamental legal and political foundation for the efforts through which the nuclear arms race as brought to an end and the world's nuclear arsenals are being reduced as quickly, safely and securely as possible;

That the NPT spells out only three extension options: indefinite extension, extension for a fixed period, or extension for fixed periods;

That any temporary or conditional extension of the NPT would require a dangerously slow and unpredictable process of re-ratification that would cripple the NPT;

That it is the policy of the President of the United States to seek indefinite and unconditional extension of the NPT.

Now, therefore, it is the sense of the Senate that:

(1) indefinite and unconditional extension of the NPT would strengthen the global nuclear non-proliferation regime;

(2) indefinite and unconditional extension of the NPT is in the interest of the United States because it would enhance international peace and security;

(3) the President of the United States has the full support of the Senate in seeking the indefinite and unconditional extension of the NPT.

(4) all parties to the NPT should vote to extend the NPT unconditionally and indefinitely; and

(5) parties opposing indefinite and unconditional extension of the NPT are acting against their own interest, the interest of the United States and the interest of all the peoples of the world by placing the nuclear non-proliferation regime and global security at risk.

Mr. ROTH. Mr. President, I rise today to propose an amendment on behalf of myself and Senators GLENN, HELMS, LEVIN, MCCAIN, and NUNN, which calls for the indefinite and unconditional extension of the Nuclear Non-Proliferation Treaty.

In only 4 weeks, the parties to the NPT will gather in New York to decide the future of this critical agreement. This resolution sends an unequivocal message to all the countries of the world that this body regards making the NPT permanent as absolutely essential. It also sends a clear signal to any country opposing indefinite and unconditional extension of the treaty that that nation is acting against not only against its own interest, but also against the interest of the United States and indeed of the people of the entire world, because their position places the nuclear non-proliferation regime and global security at risk.

March 5 marked the 25th anniversary of the entry into force of the NPT. That treaty is universally regarded as the the single most important component of the international effort to prevent the spread of nuclear weapons. Indeed, it is the very foundation upon which the entire global nuclear nonproliferation regime was constructed.

When the five declared nuclear weapons states ratified the NPT, they pledged to end the nuclear arms race, to undertake measures toward nuclear disarmament and not in any way to assist nonnuclear weapon states in gaining nuclear weapons.

For their part, the nonnuclear parties to the treaty pledged not to acquire nuclear weapons and to accept a system of safeguards to verify their compliance. Thus, in joining the NPT, these countries transformed the acquisition of nuclear weapons from an act of national pride to a violation of international law.

Those who negotiated the NPT never expected that the treaty alone would end the global nuclear proliferation threat. Yet, I think even they could be surprised by its successes toward that end. Today, there remain only 5 declared nuclear weapons states—not the 20 or 30, many experts had once projected. There are also only three so-called ''threshold'' states.

The NPT has provided the overarching structure to end the nuclear arms race. With the ratification of START I, and the ongoing work of my able and distinguished colleagues in the Foreign Relations Committee on START II, the race now is to bring down the number of nuclear weapons as quickly, safely and securely as possible.

Another indicator of treaty's success has been the steady increase of its membership. Today, with more than 170 parties, the NPT has the widest adherence of any arms control agreement in history. When backed by strong nonproliferation policies and verification measures including international safeguards, the NPT curbs inclinations countries may have in believing they need the bomb for safety. Thus, it advances the security of all the world's nations.

Unfortunately, the NPT was established with a limited life-span. The treaty provides that 25 years after its entrance into force, a conference of the parties will be convened to decide whether the NPT will remain in force indefinitely, for one fixed period of time or for a series of fixed periods. The treaty further provides that the decision on extension will be made by majority of parties to the treaty. The result will be legally binding for all parties, whatever vote they cast.

I believe it is beyond question that indefinite extension is essential. The NPT must be made permanent if we are to contain the terrible threat posed to all nations by the proliferation of nuclear weapons.

Anything short of indefinite extension would deal a major blow to the global nuclear nonproliferation regime because at the end of any specified extension period, the treaty could be undermined. The global norm prohibiting the further acquisition of nuclear weapons would thus be destroyed.

We must never allow such an outcome that would jeopardize the entire nuclear nonproliferation regime—so

painstakingly crafted over the past quarter century.

In the aftermath of the cold war, the decisions we make today about global security will dramatically affect the lives of generations to come. No decision is more important than the one the world faces next month on the future of the NPT.

Despite the critical need for making the NPT permanent, a number of countries are actively opposing indefinite extension. Most troubling to me are the strongly negative positions taken by Mexico and Egypt—two nations which have received so much support from the United States over the years.

Some of the countries opposing the U.S. position say that indefinite and unconditional extension of the NPT should be made contingent on the ratification of a comprehensive test ban treaty or an agreement to cap the amount of material available for nuclear explosives. Others seek universal membership in the NPT or a timetable for complete nuclear disarmament.

By holding the NPT's future hostage to such goals, these countries undermine the likelihood of the treaty's indefinite extension. What they do not seem to realize, ironically, is that in doing so they also jeopardize the very framework critical to the achievement of their own goals.

Indefinite extension of the NPT does not preclude adjustments to the nuclear nonproliferation regime. In fact, it would make permanent the climate of trust conducive to more restrictive controls over weapons-grade nuclear materials and related technologies and activities.

Given the narrow focus of the NPT conference next month, the only question treaty parties should ask is whether the world is a safer place with the treaty in force. I believe that the answer to that question is unambiguously ''yes''. Indefinite and unconditional extension is thus the only choice that makes sense.

I yield the floor.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I ask unanimous consent to include my name as a cosponsor of the amendment offered by my colleague and friend from Delaware, the chairman of the Governmental Affairs Committee, Senator ROTH, expressing the sense of the Senate on the future of the Treaty on the Non-Proliferation of Nuclear Weapons, better known as NPT, which entered into force on March 5, 1970.

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

Mr. GLENN. Mr. President, next month, representatives of the 173 members of the NPT will gather in New York to determine how long the treaty shall remain in force.

I support this amendment because I believe that the NPT, despite some shortcomings—and it has been far from perfect—still continues to advance U.S. national security interests and a peaceful world order.

Accordingly, I urge all my colleagues to join in a sense of the Senate in favor of an indefinite and unconditional extension of the NPT. The NPT has come under attack over the years for not having fully halted the global spread of nuclear weapons, particularly in the case of certain NPT parties, with Iraq, Iran, and North Korea being the most celebrated examples.

Some critics say the NPT gives too much emphasis on promoting peaceful uses of nuclear technology and not enough on its safeguards system. This argument has been directed specifically at the enforcement of the primary goal of safeguards; namely, the timely detection—timely detection—of the diversion of a significant quantity of special nuclear material for nuclear explosive uses. Simply put, the more countries come to engage in large-scale commercial uses of bomb-usable materials, the more likely it will be that some such materials will wind up in the hands of black marketeers or terrorists or nations bent on proliferation and getting their own nuclear weapons capability.

Other criticisms, particularly coming from certain developing countries, have alleged that the NPT focuses too much on preventing the global spread of nuclear weapons and not enough on promoting nuclear disarmament. Anti-NPT propagandists have condemned the treaty's alleged system of atomic apartheid and its hidden purpose of, as they say, disarming the unarmed.

Other critics have found fault with the treaty's easy exit clause, permitting a State to leave the treaty on 90 days' notice. The treaty does not define certain key terms like nuclear explosive device and manufacture. Nor does it prohibit exports of sensitive nuclear weapons-related technology.

Mr. President, I ask unanimous consent to insert in the RECORD at the end of my remarks an analysis prepared by Dr. Leonard Weiss, the staff director for the minority of the Committee on Governmental Affairs, which describes and assesses these and several additional criticisms of the NPT.

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

(See exhibit 1.)

Mr. GLENN. Mr. President, why should the United States press for an indefinite extension of such an imperfect treaty?

Rather than rebut all of the allegations made by the treaty's critics, or recount all of the many arguments used on behalf of the treaty by its proponents, I would like to summarize briefly my own views on why the NPT should be extended indefinitely.

First, to the ends. The world community needs a formal legal instrument to give form and substance to the international effort to reduce and eliminate nuclear weapons. Given its near-universal support in the world community, the NPT helps to delegitimize the further proliferation—and, ultimately, the possession—of nuclear weapons. It contributes to a global nonproliferation ethic that is invaluable to international security. Any short-term extension or extensions would only weaken the incentives of the nuclear-weapon states to expedite their nuclear disarmament activities. Such short-term extension options amount, in my opinion, to NPT confidence-reduction measures.

Now, as to the means. The NPT was never intended as a silver bullet, as something magic. Nobody expects the NPT to act as a panacea to the global nuclear weapons proliferation threat. The NPT works best when it is supported by complementary national policies of its parties. For example, the United States, the United Kingdom, France, Russia, and China have undertaken binding legal obligations that they will not in any way assist the proliferation of nuclear weapons. Each of these nuclear-weapon states must promulgate domestic laws and regulations to ensure this commitment is being upheld. At a time when each of these countries—including most particularly our own country—is experiencing great pressure to relax export controls under the false flag of economic competitiveness, now is not the time to abandon or weaken an obligation that serves to preserve responsible national systems of sanctions and export controls. Without the NPT, the world nuclear market would become a free-for-all—the new motto of the so-called post-cold war world order would soon become, ''Sell what you can while you can. At the same time prepare for the worst.''

As to fairness, the NPT involves reciprocal duties on the parts of the nuclear-weapon states and the non-nuclear-weapon states. The former have no choice. They must not assist other countries to get the bomb, they must negotiate in good faith to curb the nuclear arms race, pursue nuclear disarmament, and work toward a treaty on general and complete disarmament. The latter also have no choice: they must not acquire the bomb, they must agree to safeguards over the full scope of their activities involving nuclear material, and also pursue global disarmament objectives. Though these are very different types of obligations, it is not correct to condemn the treaty as simply discriminatory. I doubt that this treaty would have 173 parties, 173 nations all signed up, if those nations truly believed that this treaty was discriminatory. If the treaty—backed by strong national nonproliferation policies—helps to prevent the spread of nuclear weapons, all nations stand to gain the freedom from fear of regional or global nuclear wars.

Now what are our next steps? The NPT is not a quick fix. It must be supplemented by strong national leadership and international cooperation. Here are just a few suggestions of some

specific initiatives that are needed to complement the NPT regime.

No. 1. Increased efforts by all countries to integrate fundamental NPT obligations into domestic laws and regulations of all states party to the treaty. I have proposed legislation in our own country here and sent a bill, S. 102, that seeks to bring U.S. controls over exports of nuclear dual-use goods into line with U.S. obligations under the NPT and nuclear supplier guidelines. Now, I urge my colleagues to support this effort and to examine very closely the various pending proposals to reauthorize the Export Administration Act to ensure that these bills will advance rather than undercut our international nonproliferation commitments.

For those who may think my use of the term ''undercut'' is a bit harsh, I would encourage them to read a report prepared last year by the General Accounting Office at my request. The report is entitled ''Export Licensing Procedures for Dual-Use Items Need to be Strengthened.''

No. 2. Pursuit of an international moratorium, preferably a ban, on the commercial sale, production, or use of separated plutonium or highly enriched uranium. In other words, bomb-rich material. A partial ban on the production of such materials for weapons or outside of safeguards is—assuming for now that it would not amount to a license to produce such materials under safeguards—a useful first step but is by no means a substitute for this more important goal. We cannot for long sustain an international arrangement that smiles upon large-scale commercial uses of such materials in certain privileged states while frowning upon such activities elsewhere. In other words, we need consistency of our policy.

No. 3. Reaffirmation by the nuclear weapon states of their intention to live up to their obligation under article 6 of the NPT. In particular, we need rapid progress both on START II and on further reciprocal and verifiable cuts of strategic nuclear arsenals around the world, including those of France, the United Kingdom, and China. The nuclear-weapon states must devote less effort to attacking the basic goal of nuclear disarmament and more effort to exploring the means by which this objective can be achieved.

No. 4. Negotiation at the earliest possible date of a verifiable—underline verifiable—permanent comprehensive ban on the testing of nuclear explosive devices, with emphasis on those words ''verifiable,'' ''permanent,'' ''comprehensive,'' and ''ban.''

No. 5. Increased transparency both of the size and disposition of existing nuclear arsenals around the world, along with the size and disposition of existing stockpiles of weapons-usable nuclear material, including so-called civilian material. The ability of the United States to monitor the ultimate disposition of its own nuclear materials in international commerce is badly in need of improvement, as the GAO recently concluded in its report ''U.S. International Materials Tracking Capabilities are Limited.'' That report was prepared at my request, also. The longer such shortcomings are permitted to exist, the sooner the NPT will find itself in the position of the emperor with no clothes.

No. 6. Strengthen both the capabilities and finances of safeguards implemented under the NPT. The Nuclear Proliferation Prevention Act, enacted last year as title 8 of the foreign Relations Authorization Act for fiscal years 1994 and 1995, Public Law 103–236, contains a sense of the Congress urging 24 specific improvements in these safeguards. As the author of those provisions, I intend to monitor closely U.S. efforts to advance these much-needed reforms in the months ahead.

No. 7. Reaffirmation of the prevention, not management, of proliferation as the foremost goal of U.S. nonproliferation policy.

I see a great deal of attention being directed to implementing military responses to proliferation. The more I see of these efforts, however, the more convinced I become that the best defense against such weapons is to redouble our efforts to prevent their proliferation in the first place. One single attack using a biological or nuclear weapon could destroy virtually any city anywhere, regardless of the best of defenses. Stopping proliferation is somewhat analogous to fighting cancer: A few ounces of prevention will yield many kilograms of cure.

Mr. President, in conclusion, even if these and other proposals were to be implemented today and even if the NPT is finally extended indefinitely, we will still have to live with a global nuclear weapons proliferation threat. I would prefer to address this threat, however, having a permanent NPT and these supplementary measures in my diplomatic tool kit rather than not having them.

Accordingly, I hope that all my colleagues will join me in supporting the amendment of my distinguished colleague from Delaware on behalf of an indefinite extension of the NPT. Let us just get on with the business of nonproliferation.

Mr. President, one additional remark. If we did not have the NPT, I think we would have to invent it. This is a group of 173 nations that gradually, over a series of 5 years, since back in the early 1970's, has come together to say that they forswear the development of nuclear weapons in return for our cooperation in the peaceful uses of nuclear energy. We have supported that. We have been actively pursuing that.

I do not believe that we need any more of these 5-year period reviews. I would like to see this extended indefinitely, and that is what the U.S. policy is trying to do as the 173 nations meet at the U.N. in New York next month, and I hope that they pass this as an indefinite extension of the NPT to show we are truly serious about this matter.

Mr. President, I yield back the remainder of my time and yield the floor.

EXHIBIT 1

THE NUCLEAR NON-PROLIFERATION TREATY: STRENGTHS AND GAPS

(By Leonard Weiss)

I. INTRODUCTION

The evolution of a strong nonproliferation ethic in the world is, ultimately, the best stable long-term tool to prevent the spread of nuclear weapons. Such an ethic can stimulate, and is, in turn, stimulated by the creation of international institutions incorporating the notion of nonproliferation at their core. The Nuclear Non-Proliferation Treaty[1] (NPT), despite the confused philosophy of its provenance, has become such an institution and has demonstrated its value especially during the past few years. It remains, however, a flawed institution that requires considerable tending to, including constant efforts to obtain a consensus of its parties concerning evolving interpretations of its provisions in order to maintain its effectiveness as a nonproliferation tool, if not its survival altogether.

It should not come as a surprise that the Treaty is an imperfect nonproliferation instrument. It was created in response to nonproliferation concerns arising from burgeoning nuclear trade accelerated by a misguided atoms-for-peace policy, trade promoted aggressively by nuclear policymakers, technocrats, and diplomats whose visions of nuclear technology-generated prosperity obscured the very real national and international security problems being created. Those problems, when they emerged, seem to have been viewed as much in terms of the threat to future nuclear commerce as they were in terms of the threat of life. Accordingly, the Treaty was designed to endorse and encourage the spread of nuclear technology for peaceful purposes at the time it was to constrain, indeed prevent, the development and manufacture of nuclear weapons.

The incompatibility of these aims became apparent after the Treaty went into effect in 1970 as some nuclear suppliers, particularly Germany and France (one an NPT party and the other pledged at the time to act as an NPT party) prepared to export technology and equipment for production of fissionable material, albeit under safeguards administered by the International Atomic Energy Agency (IAEA), to countries that either were not NPT parties and were embarked on secret military programs to develop nuclear weapons (Pakistan and Brazil) or were NPT parties whose nonproliferation credentials were suspect at the time (South Korea).

What followed over the next few years, and is continuing today, was the development of other institutions outside NPT designed to patch the omissions, ambiguities, ill-conceived constraints and other flaws in the Treaty. Thus, we now have nuclear supplier agreements, bilateral agreements, national and multinational export controls, national technical means of surveillance and international intelligence links, and positive and negative security assurances to assist us in keeping genie in the bottle. These tools, along with the NPT and the associated IAEA safeguards system, are referred to, collectively, as the nuclear nonproliferation regime, a regime that is still evolving in the direction of greater effectiveness, but is not yet at the point where any of the nuclear weapon states would be prepared to put their nuclear arsenals aside with confidence.

Footnotes at end of article.

Why is this so, and why has it been necessary to create all these auxiliary tools to combat proliferation? What have we learned over the past 25 years that, had we known it in the 1960s, would have enabled us to construct a better NPT and a better safeguards system? And, in the end, does it matter, i.e., would a stronger NPT enable us to rely for our security on this institution?

II. A REVIEW OF THE MAJOR ELEMENTS OF THE TREATY

A. Articles I and II

Article I mandates that each nuclear-weapon-State Party to the Treaty may not transfer to any recipient nuclear weapons explosive devices or control over such weapons or explosive devices directly or indirectly; and may not in any way assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or to obtain control over such weapons or explosive devices. Article II prohibits non-nuclear-weapon-States from receiving those things which weapon-States are prohibited in Article I from giving, and are specifically prohibited from manufacturing or otherwise acquiring nuclear explosive devices.

The first problem with Articles I and II is that it is unclear what constitutes ''assistance'', ''encouragement'', or ''inducement'' to a non-nuclear-weapon-State; the second problem is that it is unclear what constitutes ''manufacture'' of a device; the third problem is that it is unclear what constitutes a nuclear device because there is no consensus on the definition of a nuclear explosion; and the fourth problem is that there is no prohibition on a non-weapon-State assisting another non-nuclear-weapon-State to acquire nuclear weapons.

George Bunn and Roland Timerbaev, who were among the negotiators of the text of the NPT, have written on the question of what constitutes ''manufacture''[2], and quote the testimony of the Chief of the American delegation, William C. Foster, before the Senate Foreign Relations Committee. Foster said that ''the construction of an experimental or prototype nuclear explosive device would not be covered by the term 'manufacture' as would be the production of components which could only have relevance to a nuclear explosive device''. He also made reference to ''activities'' by a non-weapon-State that would ''tend'' to put the Party in noncompliance of Article II if the purpose of those activities was the acquisition of a nuclear explosive device.[3]

In order to allay concerns about how one would determine the purpose of certain fuel cycle activities that could be peaceful or weapons-related, Foster added that: ''Neither Uranium enrichment nor the stockpiling of fissionable material in connection with a peaceful program would violate Article II so long as those activities were safeguarded.'' The reference to safeguards in his statement is immaterial, because if a program is, indeed, peaceful, then there is no violation of Article II even if the activity is unsafeguarded. (In that case, the Party would be in noncompliance with Article III, but that is another matter). This points up a problem that runs throughout the NPT—lack of definitive interpretation. Bunn/Timmerbaev write that the Foster criteria for manufacture have generally been accepted as authoritative interpretations by historians of the NPT negotiations, but whether all current Parties to the NPT would agree with those interpretations is unclear. It is important to note that until the Iraq situation arose, there was no indication that many of the Parties to the NPT viewed the International Atomic Energy Agency as an appropriate verification instrument to ensure that non-nuclear weaponization activities weren't being carried out. Indeed, there were debates in the past as to whether IAEA inspectors were obligated to report any untoward activities they observed (e.g., noting the presence of bomb components such as machined hemispherical metal shells somewhere on the premises) that were unrelated to the negotiated safeguards agreement.

However, the Iraq situation and the South African decision to abandon its nuclear weapons program has allowed the IAEA to put its toe in the water on non-nuclear weaponization activities. In the case of Iraq, the agency has been provided information by the U.N. Special Commission (UNSCOM) regarding the Iraqi program and in the case of South Africa, the IAEA was invited to examine with full transparency the scope, nature, and facilities of the weapon program after dismantlement. This included some non-nuclear weapon components. This coupled with the acceptance by the NPT members of the IAEA's ability to do ''special inspections'' in the wake of the Gulf War is a start toward significant reform.

By contrast, one may also note that the U.S./North Korea Framework Agreement makes no mention of any non nuclear weaponization activities or the disposition of any weapon components that North Korea may have manufactured, and the IAEA considers North Korea not in compliance with its safeguards obligations because of its failure to allow inspection of two nuclear waste sites. Ostensibly, if North Korea were to allow these inspections and the result were to show that all the plutonium in North Korea can be accounted for, North Korea would then be considered by the IAEA an NPT Party in good standing since there are not other allegations officially pending regarding its NPT commitments.

Since the existence of a North Korean nuclear weapons program in an assumption shared by most observers of the scene, it is hard to believe that some weapon components have not been manufactured by North Korea. However, it appears that the IAEA will ignore this possible violation of the NPT, at least for the time being, until it can account for all the nuclear material in North Korea.

Another issue concerning manufacture is that of R & D, particularly design information. Japan, in 1975, submitted a paper to the Geneva Disarmament Conference arguing that the NPT does not explicitly prohibit weapons-oriented R & D short of actual production of nuclear explosive devices.[4] In rebuttal, much has been made of a statement made by the drafters during the NPT negotiations that receipt by a non-weapon-State of ''information on design'' of nuclear explosives is barred by virtue of the probibition on assistance in the ''manufacture'' of such explosives[5]; however, it is unclear whether this can be extended to prohibit a non-weapon-State from doing its own design without external assistance.

It is a stretch to argue that the Foster criteria barred such activity based on an assumption that the only purpose of design is to acquire a nuclear explosive device. Some years ago, Los Alamos asked some recently hired young physicists with no weapons background to design a weapon based on the open literature to see if it could be done and thereby to gauge the possible extent of proliferation by this route. The purpose of the activity was not to manufacture nuclear weapons. The Treaty's vague language on ''manufacture'', unless appropriately interpreted, would appear to allow anyone to design weapons using the Los Alamos experiment and rationale without violating the Treaty.

Once again, however, even if the Treaty were to be air tight on this issue, verification of compliance would be virtually impossible.

It is evident the Foster criteria do not settle the question of what constitutes ''manufacturing''. The criteria also don't settle some other important questions that arise from consideration of the safeguards regime. Such consideration will also reflect on the question of what constitutes direct or indirect assistance or encouragement to manufacture or otherwise acquire nuclear weapons which are discussed in a later section.

B. Article III

Article III has four parts. Article III.1 begins by requiring Non-weapon-State Parties to accept safeguards, ''as set forth in an agreement to be negotiated and concluded'' with the IAEA in accordance with the IAEA's statute and safeguards system, ''for the exclusive purpose of verification of the Parties' NPT obligations with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons''.

The remainder of Article III.1 states that safeguards procedures shall be followed with respect to all source or special fissionable material in all peaceful nuclear activities within the territory of the State, under its jurisdiction, or carried out under its control anywhere.

Note that while there is nothing in this language explicitly referring to the effectiveness of safeguards, effectiveness is to be inferred from the context. That is because the Treaty cannot be an effective non-proliferation instrument if it allows equipment, material, and technology that could be used for nuclear explosive purposes to be transferred with ineffective safeguards attached. Unfortunately, this point was not explicitly addressed by the drafters, and the question of the relationship of trade to effectiveness of safeguards (as opposed to the mere attachment of safeguards) has accordingly become a contentious issue.

In their deconstruction of the language of Article III.1, Bunn/Timerbaev argued that Article III.1 authorizes the IAEA to verify that non-nuclear components for nuclear weapons are not being manufactured.[6] It would not be a difficult case to make if the Article did not contain so much emphasis in connecting safeguards to nuclear materials rather than equipment (either nuclear or non-nuclear). As a result, Bunn and Timerbaev lean part of their argument on an interpretation of the phrase stating the purpose of safeguards as ''verification of the fulfillment of (the State's) obligations assumed under this Treaty with a view to preventing diversion of nuclear energy * * *'' Bunn and Timerbaev connect the clause ''with a view to preventing diversion * * *'' to the State's obligations under the Treaty not to manufacture weapons, but an equally if not more plausible interpretation is that the antecedent of this clause is safeguards, and that the clause has been added to provide focus as to how safeguards relate in a practical way to the State's NPT obligations. (Indeed, under the Bunn/Timerbaev interpretation, Article III.1 would put States under an NPT obligation to establish effective physical security over nuclear materials. That it does not was recognized and remedied by the voluntary (!) Physical Security Convention developed by the IAEA and adopted by many (NPT and non-NPT) countries with nuclear programs).

This is not to say that a case can't be made for safeguards applying to non-nuclear weaponization activities, and Bunn/Timerbaev have made the best case possible. It is just that the emphasis in Article III on material safeguards along with the history

of safeguard negotiations and agreements provide no confidence that a majority of members of the IAEA that are State Parties to the NPT share this broad view of safeguards. Taking the broadest view of the stated purpose of safeguards as ''verification of the fulfillment of a (Non-weapon-State's) obligations'' under the NPT could arguably subject to inspection the agreements and arrangements by which non-weapon-States allow weapon-States to place nuclear weapons on their territory (Inspections of the agreements could ensure that there were no protocols under which transfer of authority or control over the weapons could take place). Whether the weapon-States would agree to have the IAEA inspectors examine these arrangements is, one suspects, more than problematical.

Article III.2

This Article provides that suppliers Party to the Treaty shall not provide nuclear materials or equipment for processing, use or production of such materials to a non-weapon-State unless safeguards are attached. Over a period of years, it became apparent that a more detailed and finer screen for nuclear transfers than this had to be devised in order to ensure uniformity of compliance by suppliers. The result was the so-called ''Zangger'' list of nuclear items to which safeguards must be attached, and, more recently, a list of dual-use items requiring safeguards as well. In addition, the Nuclear Suppliers Group (NSG) has identified nuclear export items requiring consideration of ''restraint'' and ''consultation'' before the item is sent.[7]

Article III.3

This Article is designed to ensure that safeguards arrangements will not intrude on the ability of non-weapon-States to obtain assistance for or otherwise develop their nuclear energy activities. It references Article IV which has been the basis for many complaints over the years regarding the policies of the suppliers, particularly the U.S. Article III.3 reflects the mindset of the nuclear establishments and the non-weapon-States at the time of the drafting of the Treaty, which was that the Treaty was also to be an instrument for facilitating international nuclear commerce. This mindset resulted in a safeguards system that was designed more for its nonintrusiveness than for its effectiveness. This is still a problem despite the improvements in the wake of the Gulf War.

Article III.4

Provides for a timetable by which States Party to the Treaty must enter into appropriate safeguards arrangements. This timetable has not been met many times in the past, but the most egregious example was that of North Korea, which took six years to enter into a safeguards agreement with the IAEA. No sanction was imposed on North Korea or other violators of this provision.

The Safeguards System of the IAEA

The IAEA was established in 1957 in the wake of the U.S. Atoms-for-Peace initiative and began operating an inspection program in the early 60's designed to detect diversions of significant quantities of nuclear material. The NPT expanded the scope of the agency's work significantly, and in response, the IAEA developed a model safeguards agreement for NPT Parties contained in the document INFCIRC/153.

In this document, the IAEA states that the goal of safeguards is the prevention of proliferation by ''the timely detection of diversion of significant quantities of nuclear material from peaceful nuclear activities to the manufacture of nuclear weapons or of other explosive devices or for purposes unknown, and the deterrence of such diversion by the risk of detection''.

This was adopted in 1970 at a meeting of the so-called Committee of the Whole which deliberated for 11 months before the text of INFCIRC/153 was approved. Mr. Rudolph Rometsch was the head of the IAEA's Department of Safeguards at the time, and he was recently quoted in an interview saying that the 1970 Committee meeting led to ''a sort of dogma for field work—if not to a taboo. It was a question whether inspection should be designed also to detect undeclared facilities. The conclusion was clear at the time: looking for clandestine activities was out of the question and the inspection system was designed accordingly''[8].

Thus, inspectors paid attention only to activities or structures within defined strategic points, and were discouraged from asking questions about anything else lest they become persona-non-grata with the State (which had the right to refuse an inspector) and perhaps ultimately at IAEA headquarters.

INFCIRC/153, in addition to laying out the obligation on the part of the State to have safeguards apply to all its peaceful nuclear activities (so-called ''full scope safeguards''), also stresses the importance of protecting industrial and commercial secrets, not interfering in peaceful nuclear activities, and not hampering economic and technological development in the safeguarded state. This is in keeping with the Agency's dual role. Its charter makes it a promoter of nuclear energy at the same time it is to verify that no diversions have taken place.

As a result, much negotiation follows the signing of the main Safeguards Agreement between the IAEA and the State to be inspected. The main agreement is followed (ostensibly within 90 days) by Subsidiary Arrangements that specify what the Agency and the State have to do in order for safeguards to be applied. Nuclear installations must be listed, and requirements for reporting to the Agency are specified in negotiated detail. These subsidiary arrangements are not published.

The most specific safeguards documents are the facility attachments to the Subsidiary Arrangements. These state exactly what will be done at each facility containing nuclear material, and lay out the ''Material Balance Areas'' the Agency will establish for accounting purposes. The flow of nuclear material across these areas must be reported to the Agency. The facility attachments also specify the points at which measurements can be taken or samples withdrawn, the installation of cameras, the access to be afforded to inspectors, the records to be kept, and the anticipated frequency of inspections. These negotiated arrangements are also not published.[9]

Some years ago, the Agency developed internally a set of technical objectives that provide a guideline for determining the level of inspection and reporting that would ensure that, at least for declared facilities in an NPT State, the goal of timely detection by any diversion of a significant quantity of nuclear materials would be met. Concern by inspected States about intrusiveness has resulted in negotiated safeguards agreements that do not come close to meeting these technical objectives, and therefore cannot be said to be producing effective safeguards by any objective criterion. Inspected States have also leaned on the Agency to not even exercise its full rights under the Agreements. In some cases, the Agency itself refrains from exercising its full rights in order to conserve resources.

This is a basic problem in that the IAEA's safeguards agreements do not provide for the agency to inspect any location—declared or undeclared—at any time (outside of regularly scheduled routine inspections) without some evidence that the site should be subject to inspection. Nor do the agreements provide for IAEA inspectors to verify use of any material formally exempted from safeguards. Thus, when inspectors doing a routine inspection in Iraq before the war were asked about buildings adjacent to an Iraqi reactor, they were told it was used for nonnuclear research. Since they were undeclared sites and IAEA had no evidence of suspect activity, the agency had no basis to inspect the building, which, as it turned out, contained a radiochemical laboratory used for research on plutonium separation.

Furthermore, the safeguards agreements ensure that there is no such thing as a surprise inspection, even though, in principle, IAEA has the right to make ''unannounced'' or short-notice inspections. Routine inspections must provide the state with at least 24 hours notice, and IAEA must advise the State periodically of its general program of announced and unannounced inspections, specifying the general period when inspections are foreseen. Hence, States generally know when and where inspections will occur, and in any case, have control over the timing of admission of inspectors to the country and to the facility.

The Gulf War has produced a situation where the IAEA has successfully used its authority to conduct special inspections in Iraq backed up by U.N. authority, and has received voluntary offers from a number of states to allow such inspections of declared or undeclared facilities. One of those states was North Korea, which afterward withdrew its offer after the agency demanded to inspect two sites the North Koreans didn't want inspected. Those sites will be inspected at some time in the future (at least 5 years) under the U.S./North Korea framework agreement, which has the unfortunate effect of leaving the agency holding the bag despite its claims of access.

The IAEA has also not resolved the problem that it cannot verify the peaceful use of nuclear materials exempted by the agency from inspection. Such materials may involve (1) special fissionable material in gram quantities used for instrumentation; (2) nuclear material for production of alloys or ceramics in non-nuclear applications; (3) plutonium (Pu) of a certain isotope concentration (e.g., high in Pu–238); or (4) limited quantities ranging from 1kgm of Pu to 20 tons of depleted uranium. Iraq used an exemption for a spent fuel assembly to conduct research on separating plutonium without informing the agency. The agency had no authority to routinely verify what Iraq said it was doing with the spent fuel assembly.

It should be emphasized that the IAEA's problems are not only with the Iraqs of the world. It has problems with many states who are not suspected of weapons development. As Lawrence Scheinman has pointed out; ''Over the past twenty years, the Agency has experienced restraints on its right of access, on the intensity and frequency of inspection efforts, and even on the extent to which it could exercise its discretionary judgment in planning, scheduling, and conducting inspection''[10].

To this should be added that the Agency's technical objectives are themselves unrealistic because they are based on ''significant quantities'' of fissionable material that are at least twice as large as the amounts that a non-weapon-State might need to construct its first nuclear explosive device.

Why doesn't the IAEA lower the amount it considers a ''significant quantity''? Because inspections would then have to be more frequent and more intrusive, and the agency

currently has neither the financial nor the political support to make this move.

Raising the financial question exposes the agency's ''dirty little secret''. Because safeguards are supposed to be applied nondiscriminatively, much of the Agency's safeguards budget goes to safeguards in Germany, Japan, and Canada, while the largest current proliferation concerns are elsewhere. The agency, which has been on a zero-growth budget for the better part of a decade, attempts to address its budget problems by slacking off on some inspections of facilities it considers not of proliferation concern. But in so doing it converts its nondiscriminatory character to the status of myth and risks internal political turmoil. It cannot help this because the cost of safeguarding bulk-handling nuclear facilities such as enrichment, reprocessing, or fuel fabrication plants is enormous, requiring, in most cases, on-site location of inspectors and much better instrumentation and measurements. While the IAEA has only been required to safeguard small reprocessing plants thus far, the ability of the agency to safeguard effectively (leaving aside the expense) a commercial scale reprocessing plant, such as the one being built at Rokkasho in Japan, has been called into question by many people over the years. A very interesting analysis done by Marvin Miller[11] for the Nuclear Control Institute shows that, for a reprocessing plant with an 800 tonne/yr. capacity and an average plutonium content of 0.9%, with a (±1)% uncertainty in the input measurement of plutonium (and assuming this dominates the error in measuring MUF); and with a material balance calculation done once a year, the absolute value of the MUF variance (i.e., the error in measuring MUF) will be 72 kgm/yr. In that case, the minimum amount of diverted plutonium that could be distinguished form this measurement ''noise'' with detection and false alarm probabilities of 95% and 5% respectively is 246 kgm or more than 30 significant quantities.

No other conclusion is admissible than that ''timely detection'' of plutonium diversion from a reprocessing plant is an oxymoron. This problem was recognized during consideration of the Nuclear Non-Proliferation Act (NNPA) of 1978 where the concept of ''timely detection'' of a diversion was translated into the concept of ''timely warning'' of weapons development or construction. The intent of the authors was that, from a technical point of view, timely warning was unavailable in the case of plutonium diversion if it is assumed that the non-nuclear elements of the bomb have been constructed or assembled a priori. The NNPA provided that the President could still allow U.S.-origin spent fuel to be reprocessed in a foreign country if political factors make the risk of proliferation sufficiently low even though ''timely warning'' of weapons construction would not be available to the United States. Not wanting to admit that reprocessing, especially commercial scale reprocessing, was a dangerous, not effectively safeguardable, activity, Reagan Administration officials boldly and falsely interpreted the NNPA language as incorporating political factors into the definition of timely warning, thereby depriving the concept of any objective meaning. (See [12] for a full discussion of the history of the ''timely warning'' criterion in the NNPA).

In like manner, the IAEA insists that bulk-handling facilities can be effectively safeguarded, but Miller's analysis shows that this is not the case, and if the definition of a ''significant quantity'' of plutonium were to be changed (i.e., the amount lowered), the inability to do ''timely detection'' would become still worse.

The response to these practical problems from within the agency has been dismaying. Some have advocated lowering the technical objectives, i.e., moving the goalposts so that effectiveness of safeguards couldn't be so easily challenged.

To be sure, the agency has been chastened by its Iraq experience, and is currently crafting a new safeguard approach that aims to detect tiny amounts of fissile material through environmental monitoring techniques such as wall swabs and water samples. This will undoubtedly raise the cost of safeguards and it remains to be seen how well these proposals will be received by the members of the IAEA and the signatories of the NPT.

Back in 1981, when the Reagan Administration was formulating its non-proliferation policy, the Department of Defense, in an interagency memo, expressed concern about the IAEA's ''susceptibility to Third World * * * politics, its lack of an intelligence capability and the limits of its scope and jurisdiction''. While some of this complaint is being addressed in the wake of the Gulf War (the IAEA is considering how to use intelligence information brought to it by member States), the Pentagon's 1981 warning ''against undue reliance on the IAEA by those responsible for national security'' within the U.S. government has as much resonance today as in 1981 and will continue especially for as long as production of fissile materials continues.

C. Article IV

This article incorporates, in paragraph 2, one aspect of ''the NPT bargain'' in which non-weapon-States Party to the Treaty, in return for their adherence, ''have the right to participate in the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful use of nuclear energy''. The same paragraph also calls on parties of the Treaty to cooperate in contributing ''to the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world''.

In past years, the major complaints about the NPT by non-weapon-States have centered on this Article. these complaints range from a generic one that the technologically advanced States have not provided technical assistance or have not sufficiently shared their nuclear know-how with others, to specific complaints that the Nuclear Suppliers Group, and especially the United States, in seeking to control nuclear and dual-use exports or to exercise consent rights in nuclear agreements, are engaged in willful and systematic violation of Article IV.

There are a number of things to say about this. First, Article IV does not modify the requirements of Articles I and II not to assist or receive assistance respectively in the manufacture of nuclear explosive devices. Second, as indicated earlier, verification of NPT obligations under Article III ''with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons'', cannot be effectively carried out at this time for enrichment and reprocessing facilities under the safeguards system that is the instrument for the implementation of Article III.

Accordingly, the transfer of facilities, equipment, or technology to a non-weapon-State for the production of highly enriched uranium or plutonium should be interpreted as not in keeping with Article III's implicit qualification that effective safeguards must be applied to all peaceful nuclear activities. Otherwise, nuclear-weapon-States making such transfers could find themselves in violation of Article I, and the NPT would become an instrument for proliferation.

Indeed, it is apparent that some States—Iraq, Libya among them—signed the NPT because they saw Article IV as a possible route to obtaining nuclear weapons-related technology and equipment.

To date, there has been no formal resolution of the argument over Article IV, but one can interpret the Nuclear Suppliers Agreement to exercise restraint in nuclear trade involving export of reprocessing or enrichment technology as recognition that Article IV should not be interpreted as liberally as it appears to read. Unfortunately, the potential recipients of such trade do not accept this tightened interpretation, and were it not for the fact that the economics of the back end of the fuel cycle have become so egregious, the argument might well be as loud today as it was in 1977 when the Carter Administration began moving away from the earlier policy of relatively unrestricted nuclear trade.

It is ironic that the Carter Administration and the U.S. Congress were roundly denounced in 1978 for requiring, in the NNPA, that Full Scope Safeguards be a nuclear export criterion. With few exceptions, the nuclear suppliers refused to go along despite the inferral that their opposition meant they put export profits above support for the NPT. Eventually all came around and adopted the criterion themselves, but it took the Gulf War to do it.

Finally, it is unfortunate, if understandable, that Article IV is so fixated on nuclear technology cooperation. Assuming the need for tangible incentives to produce NPT signatories in the first place a much better NPT would have resulted if Article IV had made cooperation in every development (not just nuclear) the quid pro quo for an NPT signature. That way, the fight over Article IV might have been avoided, and it would have made the phrase ''with due consideration for the *needs* (emphasis added) of the developing'' world more trenchant.

D. Article VI

Article VI expresses the second part of the ''NPT bargain'' (Article IV expresses the first part). In this Article, ''each of the Parties to the Treaty (especially including the weapon-States)'' undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament under strict and effective international control''.

Let us begin by noting that, at least in quantitative terms, the nuclear arms race, as usually defined, that included the U.S., the Former Soviet Union, Great Britain, and France is over. None of these countries is increasing their stockpile of nuclear arms (that may also be true of China, but evidence is not forthcoming). If one defines the nuclear arms race as including weapons modernization, even if the numbers aren't going up, then the race may not yet be over. It is to this issue that a Comprehensive Test Ban Treaty (CTBT) is most relevant, not to mention the fact that a CTBT is referenced in the Preamble to the NPT. Without testing, radical new designs of nuclear weapons are problematical, although simulation codes are now very highly advanced. Therefore, the insistence by some non-weapon-State Parties of the NPT that a CTBT be a short-term goal of the NPT weapon states to fulfill part of their Article VI responsibilities is not unreasonable. A CTBT would have other non-proliferation benefits in that it would raise the political barriers to overt testing by nuclear states not Party to the NPT. Thus, the NPT is playing a useful role by providing a forum

and a rationale for those countries interested in having a CTBT to push the weapon-States, particularly the U.S., into a serious negotiation to formalize the current moratorium. Some members of the Treaty are taking the position that they will refuse to vote for indefinite extension unless and until further progress is made toward nuclear disarmament. Despite this threat, it is hard to escape the conclusion that if the Cold War hadn't ended, the prospect of a CTBT being completed in the near future, let alone substantial progress toward nuclear disarmament, would be poor despite the pressure on the weapon-States stemming from their desire for an indefinite extension of the NPT when the decision comes up at the 25-year Review Conference in April, 1995.

But the Cold War is over, and the U.S. now finds itself in the ironic position of possibly being outvoted on the extension issue by a group of countries who want progress in nuclear disarmament, perhaps don't mind at the same time discomfiting the weapon-States, and perhaps also enjoy the fact that many of them were asked by the U.S. to sign the NPT during the 80s despite their having no nuclear energy program or prospects whatsoever.

Could the NPT unravel over this issue? Hardly. There is no serious current prospect of any NPT Party leaving the Treaty or organizing a movement to terminate the Treaty. A majority vote to recess the Review Conference for one or more years while a CTBT is negotiated is possible. A limited extension of the Treaty is also a possibility, in accordance with the language of Article X (discussed in the next section). This limited extension (which could be for a very long time) could be divided into shorter periods with votes scheduled at the end of each such period to determine whether the Treaty should be extended into the succeeding period. It is conceivable that the start of each such period of extension could be made contingent on some requirement for a certain degree of disarmament by the weapon-States.[13]

The linkage of the extension vote to specific progress toward nuclear disarmament is believed by some to be a risky strategy. The latter is based on the threat of lowering political barriers to proliferation if the weapon-States don't take their obligations under Article VI more seriously, and there is no doubt that the weapon-States do not wish to see those barriers lowered. However, it can be argued that an indefinite extension provides confidence that allows the weapon-States to continue reducing their weapons stockpile, while a limited extension designed to push the weapons-States into faster progress could, if other political factors make accelerated progress impossible, have the perverse effect of putting a ceiling on progress precisely because of the fear that the Treaty might end and new nuclear powers might then emerge.

As of this writing (November, 1994), the U.S. does not have the votes to prevail on extending the Treaty indefinitely. It appears likely that, in the absence of some new factor in the debate, the Review Conference will either be recessed pending completion of CTBT negotiations or will vote for a long-term, but not indefinite, extension with periodic reviews of progress toward disarmament.

E. Article VIII

This Article lays out the procedures for amending the Treaty. For a proposed amendment to be adopted, the text must first be submitted to the Depositary Governments (U.S., U.K., Russia) for circulation to all Parties to the Treaty. Then, if requested by at least one third of the Parties to the Treaty, a conference is convened to consider the amendment. Adoption occurs only if the amendment is approved by:

1. A majority of the Parties to the Treaty.
2. All nuclear weapon-States Party to the Treaty.
3. All Parties who, on the date of circulation of the proposed amendment, are members of the Board of Governors of the IAEA.

The amendment then goes into force for those Parties that have ratified it when a majority of the Parties to the Treaty have filed their instrument of ratification. Thus, approved amendments to the Treaty apply only to those Parties who wish to have them apply and have so indicated via ratification.

The remainder of this Article provides for the five-year Review Conferences that have taken place since 1970.

F. Article X

This next-to-last Article of the NPT provides that after giving three months notice and an explanation, each Party has the ''right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of the Treaty, have jeopardized the supreme interests of its country''.

The Article also provides for the 25th year Review Conference to decide, by majority vote, whether the Treaty shall be extended indefinitely or for an additional fixed period or periods. As pointed out in a recent paper by Bunn, Van Doren, and Fischer[14], this language would allow for the NPT to be extended for an indefinite number of fixed periods unless a majority vote taken at the end of some fixed period were to terminate the Treaty.

It was the first paragraph of Article X that Saddam Hussein would have employed to leave the NPT after putting into place the infrastructure to build nuclear weapons. Since there is no presumption in the Article of sanctions for leaving the Treaty, the only real protection against the use of the treaty to gain technology, equipment, and materials that could be useful for weapons is to impose a set of multilateral (and unilateral) export controls on appropriate items with sanctions for violations of those controls. This, of course, files in the face of the philosophy of laissez-faire technology transfer embodied in Article IV, but is necessary if the nonproliferation regime is to be worthy of its name.

III. CONCLUSIONS AND RECOMMENDATIONS

A. Strengthening the safeguards system

We have already discussed the deficiencies of the system in conjunction with the discussion of Article III. To remedy those deficiencies would require the following (nonexhaustive) changes to the system:

1. The IAEA must require more transparency in the nuclear activities of its members. Among other things this should include a complete list of sensitive or dual-use items requiring export controls, and registry of trade in such items. This list should contain the union of those items brought to the table by IAEA members and not the intersection; and should cover all sensitive technologies, whether obsolete, current, or advanced.

2. The IAEA must have access to intelligence information obtained through national technical means concerning sites that may require inspection, and must have an unequivocal right to inspect such sites at short notice.

3. Safeguards should apply to nuclear plants and equipment as well as materials. INFCIRC/153 safeguards which apply to the entire fuel cycle of a non-weapon-State Party to the NPT, should be combined with the INFCIRC/66 safeguards, which address plants and equipment as well as material for non-NPT Parties. Any nuclear facility, whether it contains material or not should be subject to inspection on short notice.

4. Safeguards should also apply to uranium concentrates such as U_3O_8, not just to UO_2, and to nuclear wastes containing fissionable material.

5. A definition of effective safeguards should be adopted based on agreed measures of performance embodying appropriate technical objectives. That is the agency must be able to say that with a specified (high) degree of probability and a specified (low) false alarm rate, the diversion of a significant quantity of specified nuclear material will be detected withing a specified amount of time (depending on the material) which is well in advance of the time needed by the diverter to convert the material into a nuclear explosive device, assuming that all non-nuclear weapon-related activities have been carried out.

6. The amount of nuclear material in a ''significant quantity'' should be reduced by at least a factor of 2 in the case of both uranium and plutonium.

7. All States with safeguarded nuclear activities should be required to post a bond with the IAEA based on that State's GDP and the size and sensitivity of its nuclear program. Safeguards violations and other violations of IAEA regulations and NPT commitments, as well as a decision to leave the NPT should result in forfeiture of part or all of the bond.

8. Safeguards should be imposed on non-nuclear materials useful in manufacturing weapons such as Tritium, Lithium-6, and Beryllium.

9. Safeguards should be established over nuclear research and development activities and facilities.

10. The annual Safeguards Implementation Report of the Agency should be a public docment.

B. Interpreting the NPT to strengthen the regime

The NPT, being a document negotiated among many people from different nations and with different political objectives and constraints, is inevitably a document of compromises, laced with imprecise language, nuanced meaning, and cognitively dissonant passages. Depending on how the Treaty is interpreted, it is either, as claimed, the core of the world's non-proliferation regime, or it is a tool for proliferants to hide their ambitions and legitimize their activities.

There are at least two main areas where the non-proliferation regime can be strengthened via an interpretation of the language of the NPT. The first involves the language of Article I requiring that each weapon-State NPT Party not in any way to assist a non-nuclear weapon-State to manufacture nuclear explosive devices.

As Eldon Greenberg[15] has pointed out, the negotiating history of the NPT does not permit one to conclude that simply because safeguards are applied to a nuclear transfer, then the transfer is legitimate. (Transfer of the components of an explosive device is prohibited even if safeguards are attached.) Moreover, the very real possibility that an NPT Party may be a proliferator in disguise makes it incumbent upon suppliers to make judgments about the ultimate use of exported technology and equipment. Such judgments could take into account the economic and technical need for the exported items.

Accordingly, it is at least arguable that the transfer of reprocessing equipment or technology to a non-weapon-State, because

such technology cannot be effectively safeguarded and exhibits no compelling economic need anywhere in the world, constitutes prohibited assistance under Article I.

Article I's language prohibiting indirect assistance by a weapon-State may also be interpreted as prohibiting nuclear assistance of any kind by weapon-States to non-weapon-States not party to the NPT, on the grounds that such assistance releases resources by those States that may be used in unsafeguarded nuclear programs—perhaps devoted in part to weapons development.

C. Some flaws in the treaty that ought to be fixed

1. The NPT does not forbid a non-weapon-State from possessing nuclear weapons. (It forbids the acquisition, but in theory a country which weapons could sign the NPT as a non-weapon-State and not give up weapons already made).

2. There is nothing in the Treaty that prohibits a non-weapon-State Party to the Treaty from assisting another non-weapon-State to manufacture or otherwise acquire the bomb.

3. The treaty should be clarified to ensure no challenge to the notion that safeguards includes the ability to search for non-nuclear activities relevant to bomb-making, including R&D. To ensure that this doesn't convert the IAEA into a university on weapons design, only inspectors from current or former weapon-States should be involved in this activity.

4. The Treaty does not require the IAEA to verify the obligation of a non-weapon-State not to receive assistance in the manufacture or acquisition of nuclear weapons.

5. The Treaty does not require the IAEA to verify that exports of nuclear hardware by NPT suppliers to non-weapon-States are carrying safeguards.

6. The Treaty does not define the point at which one can say that construction of a nuclear explosive device has begun. The Foster criterion relating ''manufacture'' to construction of a component having relevance only to a nuclear explosive device could constitute such a definition. In that case, activities involving machines capable of creating such components could become subject to special inspections.

7. The Treaty does not prohibit a non-weapon-State from using nuclear energy for military purposes but is unclear as to permitted ''military uses'' that are exempt from safeguards. In his recent book, David Fischer[16] posed questions as to whether a non-weapon-State could build a reactor, claim it is the prototype of a naval reactor and thereby exempt its fuel from safeguards. Likewise a State could withhold material from safeguards upon becoming an NPT Party by claiming (to itself—it has no obligation to inform the IAEA) that the material is for a permitted military purpose. Finally, the Treaty appears to allow a ''military'' enrichment plant whose output is only for naval reactors to be unsafeguarded, and the Treaty appears to allow unsafeguarded nuclear exports for permitted military use.

8. The Treaty's language in Article III.3 has been used to support arguments against making safeguards more intrusive. The Treaty should state as a principle that whenever a conflict occurs between effective safeguards application and compliance with Article IV, resolution in favor of effective safeguards shall govern.

9. The Treaty does not embargo transfers of sensitive equipment, materials or technology—but it should whenever effective safeguards do not apply.

10. The Treaty does not provide for sanctions for violators or for withdrawal from the Treaty.

11. The Treaty is difficult to amend, but worse than that, only those parties ratifying the amendment are subject to it.

12. The Treaty does not preclude possession and stockpiling of plutonium or highly enriched uranium by a non-weapon-State, regardless of economic or technical justification or the effectiveness of safeguards.

13. The Treaty does not preclude nuclear trade with States not Party to the NPT.

14. The Treaty's provision on withdrawal does not provide for any disposition of nuclear assets or payment for nuclear assistance received by the withdrawing State by virtue of its NPT membership.

D. What should be our level of reliance on the NPT as a security measure?

As stated at the outset, there is no question that the NPT has been a valuable institution. It has helped create a non-proliferation ethic that has raised the political barriers, at least in democratic States, to overt proliferation. It has played a useful role as an anchor or central element in all the discussions about security with the Newly Independent States and other States in Eastern Europe. It provided an outlet for U.S./Soviet cooperation during the days of the Cold War that made it more difficult for each side to demonize the other and thereby lowered the risk of war. It has provided an outlet for countries desiring to play a role on the world stage in disarmament to do so without becoming weapon-States themselves. It provided a way for South Africa to give up its weapons program with a minimum of lingering doubt and suspicion because of IAEA verification, and it provided a basis for dealing with the North Korean weapons program.

On the other hand, the NPT has also has been a convenient political cover for countries known to be interested in acquiring nuclear weapons, played no essential role in turning around the past South Korean and Taiwanese clandestine weapons programs, did not produce an appropriate response to Iraq's weapons program until after Saddam Hussein invaded Kuwait and was militarily defeated, and provides no restraint on the stockpiling of weapons materials by any State as long as they are under safeguards.

Since many of its adherents joined because of the promise of technical assistance and technology transfer, the Treaty does not incorporate any nuclear trade restrictions, leaving it to the suppliers alone to decide what should or should not be transferred.

And in the end, the ability to leave the Treaty with 90 days notice means that there is no essential barrier to a country, with the technological known-how to build weapons, and that sees nuclear weapons as its best option for enhancing its security, from proceeding to build them.

Even if the Treaty and the safeguards system had been originally constructed with the needed reforms discussed in this paper, its implementation would still ultimately depend on the resolve of the international community acting through the Board of Governors of the IAEA (which occasionally has a proliferator as Chair) and the UN Security Council.

Nonetheless, the warts exhibited by the Treaty and its still evolving safeguards system do not vitiate the political value of the nonproliferation norm that has been nurtured by the Treaty and the rest of the nonproliferation regime—the nuclear weapons free zones, the Tlatelolco and Rarotonga Treaties, the export control laws and agreements (both multilateral and unilateral), and other instruments.

In sum then, the Treaty cannot be a substitute for measures one might otherwise take in protecting one's security. And without reform it does not provide a good model for dealing with proliferation threats other than nuclear, such as chemical, biological, or missile, but it is an important adjunct whose absence would raise current anxiety levels about the spread of weapons of mass destruction.

FOOTNOTES

[1] Treaty on the Non-Proliferation of Nuclear Weapons, opened for signature July 1, 1968, 21 U.S.T. 483, 729 U.N.T.S. 161.

[2] George Bunn and Roland M. Timerbaev, ''Nuclear Verification Under the NPT'', PPNN Study Five, Mountbatten Centre for International Studies, University of Southampton, England, 1994.

[3] Remarks Submitted by William C. Foster, Hearings before the Senate Committee on Foreign Relations, July 10, 1968.

[4] Working Paper submitted to Geneva disarmament conference by Japan: Arms Control Implications of Peaceful Nuclear Explosions, CCD/454, July 7, 1975, ACDA Documents on Disarmament, 1975.

[5] Bunn and Timerbaev, Op. Cit.

[6] Bunn and Timerbaev, Op. Cit.

[7] Nuclear Export Guidelines adopted by 15 Governments, January 11, 1978, IAEA Doc. INFIRC/254, February, 1978.

[8] Interview with Rudolph Rometsch, IAEA Bulletin, Vol. 36, No. 3, p. 14, 1994.

[9] U.S. General Accounting Office Report GAO/NSIAD/RCED–93–284, ''Nuclear Nonproliferation and Safety: Challenges Facing the International Atomic Energy Agency'', September, 1993.

[10] Lawrence Scheinman, ''Assuring the Nuclear Non-Proliferation Safeguards System'', Atlantic Council, Washington, D.C., October, 1992.

[11] Marvin Miller, ''Are IAEA Safeguards on Plutonium Bulk-Handling Facilities Effective?'', Nuclear Control Institute, Washington, D.C., August 1990.

[12] Leonard Weiss, ''The Concept of Timely Warning in the Nuclear Nonproliferation Act of 1978'', Report (dated April 1, 1985), Congressional Record, pp. S2639 and S2646, March 21, 1988; also appendix to testimony delivered by Senator John Glenn to Senate Foreign Relations Committee, December 15, 1987; to appear in Nuclear Nonproliferation Factbook, prepared by Congressional Research Service of the Library of Congress for the Senate Committee on Governmental Affairs, 1995.

[13] Eldon Greenberg, ''Opportunities for Improvement of the NPT Regime'', Nuclear Control Institute, Washington, D.C., August, 1990.

[14] George Bunn, Charles Van Doren, and David Fischer, ''Options and Opportunities: The NPT Extension Conference of 1995'', PPNN Study No. 2, Mountbatten Centre for International Studies, University of Southampton, England, 1991.

[15] Eldon Greenberg, ''The NPT and Plutonium'', Nuclear Control Institute, Washington, D.C., May, 1993.

[16] David Fischer, ''Towards 1995: The Prospects for Ending the Proliferation of Nuclear Weapons,'' Dartmouth Publishing Co., Vermont, U.S.A., 1993.

Mr. NUNN. Mr. President, I am pleased to join my two distinguished colleagues, Senators ROTH and GLENN, and the other original cosponsors in urging the adoption of the sense-of-the Senate language on the unlimited and unconditional extension of the Nuclear Non-Proliferation Treaty at the upcoming renewal session beginning next month. The importance of the treaty to U.S. nonproliferation efforts can hardly be exaggerated. The Committee on Governmental Affairs held a hearing on Tuesday of this week, with a panel of distinguished witnesses, which served to highlight the strong bipartisan support for extension of the treaty. I urge my colleagues to support this important resolution of endorsement of the unlimited and unconditional extension of the NPT.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I say to the distinguished manager, we are ready for a voice vote on the amendment.

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

The amendment (No. 338) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 339

(Purpose: To state the sense of the Senate on South Korean trade barriers to United States beef and pork)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for himself, Mr. BYRD, Mr. MCCONNELL, Mr. LEAHY, Mr. GRASSLEY, Mr. KERREY, Mr. PRESSLER, Mr. BURNS, Mr. HARKIN, Mr. SANTORUM, Mr. SIMPSON, Mr. LUGAR, Mr. PRYOR, and Mr. CONRAD, proposes an amendment numbered 339.

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

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

The amendment is as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. SENSE OF SENATE ON SOUTH KOREA TRADE BARRIERS TO UNITED STATES BEEF AND PORK.

(a) FINDINGS.—The Senate makes the following findings:

(1) The United States has approximately 37,000 military personnel stationed in South Korea and spent over $2,000,000,000 last year to preserve peace on the Korean peninsula.

(2) The United States Trade Representative has initiated a section 301 investigation against South Korea for its nontariff trade barriers on United States beef and pork.

(3) The barriers cited in the section 301 petition include government-mandated shelf-life requirements, lengthy inspection and customs procedures, and arbitrary testing requirements that effectively close the South Korean market to such beef and pork.

(4) United States trade and agriculture officials are in the process of negotiating with South Korea to open South Korea's market to United States beef and pork.

(5) The United States meat industry estimates that South Korea's nontariff trade barriers on United States beef and pork cost United States businesses more than $240,000,000 in lost revenue last year and could account for more than $1,000,000,000 in lost revenue to such business by 1999 if South Korea's trade practices on such beef and pork are left unchanged.

(6) The United States beef and pork industries are a vital part of the United States economy, with operations in each of the 50 States.

(7) Per capita consumption of beef and pork in South Korea is currently twice that of such consumption in Japan. Given that the Japanese are currently the leading importers of United States beef and pork, South Korea holds the potential of becoming an unparalleled market for United States beef and pork.

(b) It is the sense of the Senate that—

(1) the security relationship between the United States and South Korea is essential to the security of the United States, South Korea, the Asia-Pacific region and the rest of the world;

(2) the efforts of the United States Trade Representative to open South Korea's market to United States beef and pork deserve support and commendation; and

(3) The United States Trade Representative should continue to insist upon the removal of South Korea's nontariff barriers to United States beef and pork.

Mr. BAUCUS. Mr. President, this is a sense-of-the-Senate resolution urging the United States Government to remain firm in its effort to open the Korean market to American beef and pork exports. The United States has initiated a section 301 case on the issue, and this amendment will put the Senate on record in support of the USTR and our stockgrowers.

We have been a good friend to South Korea over the years. And South Korea has abundant evidence of our friendship.

Fifty-seven thousand Americans gave their lives in the Korean war. Today, nearly 40,000 American men and women are on the line of what is still one of the world's most dangerous regions. We are right to be there because our presence helps keep the peace in a critically important region.

We are also a critically important market for Korea. We Americans buy Korean cars, kim chee, semiconductors and more. In total $17 billion in imports from Korea in 1993, and more than that, almost $20 billion last year.

So we are good friends to Korea, but friendship works both ways. The least Korea can do is to be as open to our products as we are to theirs.

Beef is a perfect example. Today, American meat exports to Korea are blocked by a web of nontariff barriers.

Unscientific shelf-life requirements require chilled beef in Korea to be sold in very unrealistically short periods of time, combined with the Customs regulations that deliberately delay beef shipments at the ports, which creates a catch-22 situation, making it almost impossible to sell red meat in Korea.

If Korea would remove these barriers, the meat industry estimates that the return could be as much as $240 million this year alone and by the turn of the century, our meat exports would rise to $1 billion a year.

So the issue is simple: Ambassador Kantor is asking Korea to live by the standards that most trading nations already live by and that they have, as Koreans, accepted by their entry into the World Trade Organization.

Up to now, they have not done so. One barrier has been abolished simply to be replaced by others. We have been patient for years, and the time has now come to be firm.

We have, therefore, as Americans initiated a section 301 case on the issue, and history shows that when we have a good case—and we do—and we show that we are serious—and we are—section 301 cases get results.

This sense-of-the-Senate amendment will put us on record in support of that case and strengthen Ambassador Kantor and his negotiators in their effort. I hope our stockgrowers can count on the support of the Senate. I ask for support of this amendment.

Mr. BYRD. Mr. President, I am pleased to cosponsor this sense-of-the-Senate resolution on the question of Korean trade practices offered by the distinguished Senator from Montana [Mr. BAUCUS]. It encourages the United States Trade Representative to insist on South Korea's removal of unfair nontariff trade barriers to United States beef and pork products. The issue is, unfortunately, a familiar one in our trading relations with the Pacific—nontariff barriers to our trade, amounting to effective closure of their markets to our goods, regardless of tariff schedules, despite agreements to the contrary, flying in the face of our conception of free trade. The question of nontariff barriers, of closed market practices has bedeviled trade with Japan, and now is bedeviling our trading relations with Korea, as well as China.

The specific issue is the Korean market for United States chilled beef and pork products, a potentially lucrative market worth as much as $240 million in exports this year, and growing to the $1 billion annual range by the end of the century. The issue has festered since at least 1988 when American meat producers filed a petition concerning Korean discriminatory practices under section 301 of the 1974 Trade Act. American producers succeeded in getting proceedings in a GATT panel, and this resulted in three bilateral trade agreements, in 1989, 1990, and 1993. Then in 1994 the USTR did accept the section 301 petition brought by American meat and pork producers, alleging unjustifiable regulatory restrictions that effectively block their export products from the Korean market.

Now, Mr. President, what is the current result of nearly a decade of complaining, initiation of a 301 case, action under the GATT, extended negotiations, and the signing of several additional agreements? The director of the USTR's Asian division has informed my staff that as of today the total of United States imports into Korea of chilled pork is zero and red meat is minimal. The results are zero and minimal. This is America's fourth largest agricultural market, yet we cannot get meat into it, despite the signing of numerous agreements and constant negotiations. This dismal situation is not for lack of trying: USTR engaged the Koreans in consultation in mid-January, and resumed negotiations just this month. The negotiations just concluded have apparently failed to get

market access. What we are seeking is a specific timetable from the Koreans to eliminate what is obvious to both them and us as burdensome regulatory practices designed for the sole purpose of keeping United States meat products out of Korea.

It is time for the Koreans to settle this issue. We have asked for the Koreans to reform their current antiquated regulatory requirements, establish an interim system to go into effect immediately, letting United States products into their market, and to permanently revise their regulations according to a specific timetable. While the Koreans announced last September that they intend to reform their system, they have stalled on doing so. The Koreans, in the latest round of negotiations this month would not agree to the establishment of such an interim system that would allow trade to take place. The Trade Representative has recently announced that the United States is now prepared to take the case to the newly-formed World Trade Organization [WTO] for ''consultations'' on the scientific basis for Korean meat exclusions, opening up a second track of discussions and dispute settlement, if it comes to that. I strongly encourage this route, exposing the Korean practices widely in a multilateral forum, raising the visibility of the problem. It would serve as an excellent test case of the WTO dispute settlement procedures. What is the WTO for, I ask my colleagues, if not for this type of situation? Of course, at any time the Koreans can avoid that by providing us with an interim regime of market access.

Similar problems are being experienced with the Koreans in telecommunications equipment, with the Koreans refusing to certify an updated AT&T switch already operating in the Korean market in order for AT&T to compete in a new round of Korean procurement. Here again the discriminatory behavior is in violation of a United States-Korean bilateral agreement. The Koreans have had 2 years to investigate and certify the switch, but recently announced they would need another 70 weeks to test it. Seventy weeks. This is just plain delay, calculated to give a Korean-made switch more time to compete.

Similar situations have occurred in regard to other products, such as medical devices, bottled water, raisins, and candy. Let's take a recent example of chocolate. The Korean Minister of Health is refusing entry of five containers of Mars chocolate claiming insufficient label information, with new requirements never before announced. Several of the containers have been held since last December. The alleged missing information was not notified to either the United States or the World Trade Organization, and the resulting obstruction of trade is a violation of Korea's obligation under the WTO agreement to publish regulations affecting trade and administer them in a ''uniform, impartial and reasonable manner.'' We are getting nowhere fast with the Koreans on this matter either, which is resulting in substantial financial damage to an American company. Last week the Korean Government stiffed the United States Trade Representative's negotiators on the matter.

Korean behavior on United States trade is clearly reaching a level of concern which can affect our overall bilateral relationship. It is affecting, in my view, the strength, fairness, and durability of our relationship with South Korea. American national security, the health of our defense budget, and our ability to continue to honor our commitment to defend South Korea depends on our overall long-term economic health. Our economic health is dependent, to a significant degree, on good trading balances, and such balances have been consistently negative with North Asian countries, Japan, China, and to a lesser extent, Korea. Korea needs to understand that trade and mutual defense are a two-way street. First, on trade the United States is vital to Korean exports of automobiles, semiconductors, and other items, now approaching $20 billion in annual revenues to Korean manufacturers. Second, the Koreans expect us to come to their defense on a moment's notice, because we have made a commitment to do so. I expect the Koreans to be forthcoming, to lean over backward to accommodate our trade, to honor the agreements we have reached with them in the spirit with which they were intended—that is, to give United States products reciprocal access to the Korean market. In addition, obfuscation, stonewalling, and erecting baloney barriers to such access violates the spirit of our overall relationship, and by that I mean our overall security relationship. Economic health is fundamental to America national security, and fundamental to the continuation of a strong United States-Korean defense relationship.

I suggest that the officials with whom we have had such an excellent relationship with in the Korean defense establishment get in touch with the foot-draggers in the agencies stalling on United States trade and turn the lights on. The time is overdue for reciprocity on the part of Korea. I am going to watch closely for Korean agreement to set a specific timetable for allowing United States meat and pork into Korea, for allowing AT&T to compete in the 1995 Korean procurement cycle, for release of confectioneries from Korean ports to Korean store shelves, and in general for a change in attitude toward its most reliable defender. The United States is stationing nearly 40,000 of the 100,000 personnel we have deployed to the Pacific for the defense of Korea, we shed the blood of tens of thousands more against invasion from the north during the Korean war. Korea is considered one of the two so-called ''major regional conflicts'' around which we are basing the force structure and budget parameters of our defense budget. From what I am reading, the product with the best chance of gaining ready access to the Korean Peninsula is American troops, gladly accepted for the defense of Seoul. It is time for Korea to understand the critical importance of a healthy trading relationship, and it is time for Korea to treat the United States as an economic ally as well as a military ally.

I commend the Senator from Montana for bringing this matter to the Senate's attention. The Trade Representative is doing the best he can to cope with Korean behavior, and if he eventually needs the benefit of congressional pressure on nontrade matters, I am sure it will be available.

I also commend the Trade Representative on his recent success in regard to the progress he has made with the third of our north Asian trading partners, China. Late last month the USTR successfully negotiated an agreement with China to provide protection of intellectual property rights for United States companies and provide market access for such products. Just last week, he was able to conclude another agreement with the Chinese to gain Chinese compliance with a 1992 agreement for better access for nearly 3,000 different United States products over a period of several years. The Chinese did not fully comply with that accord, and now we have an agreement, apparently, to abide by the earlier agreement.

Mr. President, the Chinese also need to understand that it is not enough to sign agreements, but that they must be abided by in a spirit of cooperation, in an effort to make them work, and not dance around them. The Chinese want to be a member of the World Trade Organization, and so they threatened to forego implementing existing agreements until we agree to give them another carrot in terms of support for membership in this organization. But, Mr. President, the proof of the pudding is in the eating, on these agreements. They must be energetically implemented. I believe that it would be very useful if the Senate conducted frequent reviews of the record of our trading partners in implementing the agreements they have signed with us. Implementation is the key, for instance to the extensive agreements we signed with Beijing on intellectual property. And it is certainly key to the various bilateral agreements we have signed with the Koreans. Compliance with the provisions of the WTO should also be insisted upon for Korea, and China if she is admitted.

I hope that the Trade Representative will ensure that his Korean, as well as Chinese, counterparts are made aware of this Senate resolution and accompanying statements, and that they will understand the importance of these various trade matters to the Senate and the United States.

Mr. STEVENS. Mr. President, I want to state that I am informed that this

has been cleared by the Members on this side on the subcommittee involved. So I am prepared to accept the amendment.

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

The amendment (No. 339) was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business for just 5 minutes.

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

MIKE MANSFIELD—EXTRAORDINARY MAN

Mr. BAUCUS. Mr. President, on March 16, 1903, Teddy Roosevelt was President. Civil War veterans still held annual reunions. The Wright brothers were testing their first aircraft, and baseball was preparing for the very first World Series that fall. And Mike Mansfield was born in Brooklyn, NY.

Today Mike turns 92. And I ask the Senate's indulgence while I pay tribute to this extraordinary man.

Mike's family moved to Great Falls, MT, when he was just 3 years old. When America joined the First World War in 1917, Mike—at the ripe old age of 14—fibbed about his age and enlisted in the Navy.

He is one of the very few Americans to serve in the Army, the Navy, and the Marines. My guess is that if America had had an Air Force back then, he would have made all four. And at the age of 92, he is still the youngest World War I veteran in America.

After leaving the military, Mike returned to his home in Montana—to Butte and then to Missoula. While working as a miner in Butte, he met and married Maureen Hayes.

Maureen, then a Butte schoolteacher, persuaded Mike to leave the mines and get on with his education. And not only Montana, but our whole country should be grateful to her for that.

Although Mike did not have a high school degree, he passed an entrance exam and was admitted to the University of Montana. And he never looked back. He obtained a bachelors and masters degree in international affairs and then became a professor of East Asian and Latin American history at the university.

Then, in 1942, Mike Mansfield was elected to the U.S. House of Representatives. In his very first term, he was recognized as one of America's leading experts on East Asia.

President Roosevelt personally selected him as a special envoy to China in 1944, and the report Mike filed on his return is still a model of depth, clarity, foresight, and sound advice on foreign policy.

After a decade in the House Mike was elected U.S. Senator. He served in the Senate for 24 years. For 17 of those years, longer than anyone in history, he served as the Senate majority leader. And while most people now think first of his national and international leadership, he was always a great Montana Senator.

As Mike Malone, the dean of Montana historians, puts it:

> Mansfield's protection of the state's interests in Washington was legendary. He became so much a part of the state's political landscape that the names Montana and Mansfield seemed nearly inseparable.

Norman Maclean recounts an example of this in his last book, ''Young Man and Fire'', when he talks about Congressman Mansfield in action after the Mann Gulch fire of August 1949:

> The act had been almost as swift as the thought. . . . By October 14, little more than two months later, Mike Mansfield had rushed through Congress his amendment to the Federal Employees' Compensation Act doubling the amount allowed to nondependent parents of children injured or killed while working for the Federal Government—from a pitiful two hundred to four hundred dollars. A rider attached to this amendment made it retroactive to include the Mann Gulch dead.
>
> In our State of Montana, we would vote for him for anything (in ascending order) from dogcatcher to President of the United States to queen of the Helena Rodeo.

What was true for 14 Mann Gulch families was true for the whole country. Mike Mansfield knew what was right and he knew how to get it done. Whether it was labor relations, the Vietnam war, environmental protection, extending the right to vote to young people, or any of the other great issues of the 1950's, 1960's, and 1970's, Mike Mansfield was there and he was right.

When Mike retired from the Senate—having served longer than anyone in history as majority leader—it was only to begin a new career. President Carter appointed Mike as Ambassador to Japan. And his performance was so exceptional that although Mike always has been and always will be a Montana Democrat, President Reagan asked him to stay on in Tokyo for another 8 years.

Today, at age 92, Mike is on his third career as an East Asian adviser for Goldman Sachs. Although admittedly, he is taking it easy. He has slowed down to a mere 5 days of work a week.

And of course, he is still the smartest, best-informed, wisest statesman Montana and America have. Like I told the people at the Governor's Conference on Aging at the Copper King in Butte last summer, when I really get stumped and I need the best advice there is, I go to Mike Mansfield.

Mr. President, Mike Mansfield has lived the American Dream.

From Teddy Roosevelt to Bill Clinton.

From the copper mines of Butte to private meetings with Presidents and kings.

Sailor, veteran, miner, professor, Congressman, Presidential envoy, Senator, majority leader, Ambassador Extraordinary and Plenipotentiary, banker, wise man.

But to Montanans, always just plain ''Mike.''

I hope you and all of our colleagues will join me in saying ''thank you,'' to Mike, and wishing this great and good man a happy birthday and many more to come.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 340

(Purpose: To require monthly reports on United States support for Mexico during its debt crisis, and for other purposes)

The PRESIDING OFFICER. The Senator from Colorado.

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 340.

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

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

The amendment is as follows:

At the end of the bill, add the following new title:

TITLE ____—MEXICAN DEBT DISCLOSURE ACT OF 1995

SEC. ____01. SHORT TITLE.

This title may be cited as the ''Mexican Debt Disclosure Act of 1995''.

SEC. ____02. FINDINGS.

The Congress finds that—

(1) Mexico is an important neighbor and trading partner of the United States;

(2) on January 31, 1995, the President approved a program of assistance to Mexico, in the form of swap facilities and securities guarantees in the amount of $20,000,000,000, using the Exchange Stabilization Fund;

(3) the program of assistance involves the participation of the Federal Reserve System, the International Monetary Fund, the Bank of International Settlements, the World Bank, the Inter-American Development Bank, the Bank of Canada, and several Latin American countries;

(4) the involvement of the Exchange Stabilization Fund and the Federal Reserve System means that United States taxpayer funds will be used in the assistance effort to Mexico;

(5) assistance provided by the International Monetary Fund, the World Bank, and the Inter-American Development Bank may require additional United States contributions of taxpayer funds to those entities;

(6) the immediate use of taxpayer funds and the potential requirement for additional

future United States contributions of taxpayer funds necessitates Congressional oversight of the disbursement of funds; and

(7) the efficacy of the assistance to Mexico is contingent on the pursuit of sound economic policy by the Government of Mexico.

SEC. ___03. REPORTS REQUIRED.

(a) REPORTS.—Not later than April 1, 1995, and every month thereafter, the President shall transmit a report to the appropriate congressional committees concerning all United States Government loans, credits, and guarantees to, and short-term and long-term currency swaps with, Mexico.

(b) CONTENTS OF REPORTS.—The report described in subsection (a) shall include the following:

(1) A description of the current condition of the Mexican economy.

(2) Information regarding the implementation and the extent of wage, price, and credit controls in the Mexican economy.

(3) A complete documentation of Mexican taxation policy and any proposed changes to such policy.

(4) A description of specific actions taken by the Government of Mexico during the preceding month to further privatize the economy of Mexico.

(5) A list of planned or pending Mexican Government regulations affecting the Mexican private sector.

(6) A summary of consultations held between the Government of Mexico and the Department of the Treasury, the International Monetary Fund, or the Bank of International Settlements.

(7) A full description of the activities of the Mexican Central Bank, including the reserve positions of the Mexican Central Bank and data relating to the functioning of Mexican monetary policy.

(8) The amount of any funds disbursed from the Exchange Stabilization Fund pursuant to the approval of the President issued on January 31, 1995.

(9) A full disclosure of all financial transactions, both inside and outside of Mexico, made during the preceding month involving funds disbursed from the Exchange Stabilization Fund and the International Monetary Fund, including transactions between—

(A) individuals;

(B) partnerships;

(C) joint ventures; and

(D) corporations.

(10) An accounting of all outstanding United States Government loans, credits, and guarantees provided to the Government of Mexico, set forth by category of financing.

(11) A detailed list of all Federal Reserve currency swaps designed to support indebtedness of the Government of Mexico, and the cost or benefit to the United States Treasury from each such transaction.

(12) A description of any payments made during the preceding month by creditors of Mexican petroleum companies into the petroleum finance facility established to ensure repayment of United States loans or guarantees.

(13) A description of any disbursement during the preceding month by the United States Government from the petroleum finance facility.

(14) Once payments have been diverted from PEMEX to the United States Treasury through the petroleum finance facility, a description of the status of petroleum deliveries to those customers whose payments were diverted.

(15) A description of the current risk factors used in calculations concerning Mexican repayment of indebtedness.

(16) A statement of the progress the Government of Mexico has made in reforming its currency and establishing an independent central bank or currency board.

SEC. ___04. PRESIDENTIAL CERTIFICATION.

Notwithstanding any other provision of law, before extending any loan, credit, guarantee, or arrangement for a swap of currencies to Mexico through any United States Government monetary facility, the President shall certify to the appropriate congressional committees that—

(1) there is no projected cost to the United States from the proposed loan, credit, guarantee, or currency swap;

(2) all loans, credits, guarantees, and currency swaps are adequately collateralized to ensure that United States funds will be repaid;

(3) the Government of Mexico has undertaken effective efforts to establish an independent central bank or an independent currency control mechanism; and

(4) Mexico has in effect a significant economic reform effort.

SEC. ___05. DEFINITION.

As used in this title, the term ''appropriate congressional committees'' means the Committees on Banking and Financial Services and International Relations of the House of Representatives and the Committees on Foreign Relations, and Banking, Housing and Urban Affairs of the Senate.

Mr. BROWN. Mr. President, I rise to offer this amendment because of the urgency of time and the need to ensure that a full report of the activity of the Mexican bailout be available to the Congress.

The facts are these. The first article of our Constitution deals with Congress and the preeminent power it conveys on Congress, and I might say responsibility, of appropriating money.

It was the abiding belief of the Founding Fathers, and I believe the abiding belief of this country's citizens, that expenditures of money be made by elected officials. Taxation without representation is tyranny. The reality is this country and our Constitution and our system demand that someone be accountable for funds that are expended and that those people be elected by the voters of this country. The Constitution could not be clearer on the subject.

Years ago, in the 1930's, a small Exchange Stabilization Fund was started with a modest amount of money at the time. I think it is fair to say, and most Members would agree, that has grown to a horrendous amount. The reports are that the amount in that fund is somewhere between $25 and $30 billion, probably a little closer to the higher number.

Most Americans were astounded earlier this year when on January 31 the President of the United States announced that he would take $20 billion of that money without the benefit of appropriation, without deliberation of Congress—as a matter of fact, bypassing Congress—and use that in a program of assistance to Mexico, and specifically the $20 billion would be put at risk through swaps and security guarantees involving $20 billion from the Exchange Stabilization Fund.

Mr. President, it is very clear the kind of impact that has on this Nation. One need only look at what has happened to the value of the dollar versus the yen and the mark since that announcement was made.

Now, Mr. President, the Exchange Stabilization Fund is American taxpayers' money that is meant to stabilize the currency of the United States. When our currency falls out of bed and our money has been diverted to bailing out the Mexican currency, who is it that is going to defend the United States dollar? Where will the money come from to stabilize the United States dollar?

If there is a purpose for the Exchange Stabilization Fund, it surely must be to defend the United States dollar.

Now, what this amendment calls for is a simple, straightforward report to Congress on a monthly basis. It involves things like changes in policy of Mexico, disbursements from the Exchange Stabilization Fund, accounting for United States credits, guarantees and loans to Mexico.

What it asks for, Mr. President, are the simple facts. There is some indication that the administration may be reluctant to disclose these facts to the Congress, but I believe this is the minimum that we ought to do. If we are going to take our responsibilities as appropriators seriously, we ought to at least demand the information on how the money, this huge amount of money, is being used. That is what this amendment does.

Mr. President, there are two other aspects of this measure that I would like to call to the Members' attention. One is the very sincere interest Americans had in helping the Mexicans and the Mexican economy. I sincerely believe the President wanted to help the Mexicans when he diverted this huge amount of money to the support of the peso. But it is also my belief that far from building stronger, better, closer relationships with Mexicans, this has done the opposite. I wish to draw the Members' attention to an article that appeared in the El Norte newspaper on January 30 of this year.

> Seventy-four percent of the population of Mexico City wants the Mexican Government to turn down the $40 billion worth of guarantees the United States is offering.

Obviously, the reference is there not only to the Exchange Stabilization Fund money but the other funds that have been involved.

> In Mexico City, 78 percent of the respondents and in Monterrey 64 percent distrust President Zedillo's pledge not to accept any conditions that would undermine national sovereignty.

Mr. President, the reality is this. While the Mexican President had taken a strong oath not to accept any conditions that jeopardize their sovereignty—and it implied that much of the money could come condition free—the administration in the United States was saying none of this money would go to Mexico unless there were strong changes in policy, and they did accede to that.

Now, that is part of why this report is so important. What we have is one

side saying there is going to be real guarantees and real changes in policy so the guarantee would get repaid, and the people who are getting the money are saying loudly and clearly, no, we have not accepted conditions; we are not going to accept conditions.

Now, the reality is there apparently have been some conditions set and some conditions accepted on the part of the Mexicans.

The question for this body is do we insist on knowing what they are. I believe we should. That is what this amendment is all about. It is a simple, straightforward request for a monthly report on exactly what is happening, on exactly what U.S. taxpayers' money is being used and how it is being used, and what changes of policy are.

We have been in touch with the Treasury Department over this amendment for more than a week, almost a week and a half. In that time, they have expressed concerns about having to detail this information. One of the concerns they have mentioned that I think is a legitimate concern is a concern that any sensitive information they would convey to Congress would be kept confidential.

Mr. President, they have not sent me language on that, but I wish to assure the body that I am sensitive to that, that if, indeed, there is information that should be kept confidential, I believe strongly that that request by the administration ought to be honored. And I wish to commit publicly in the Chamber that we will work with them to urge the conferees to include in the measure that may come back from conference such information as appropriate to ensure confidentiality.

Mr. MACK. Mr. President, I thank my colleague from Colorado for offering this amendment, and I am pleased to be a cosponsor.

This amendment is essentially the same as legislation I introduced earlier this year to require monthly reports by the United States Treasury on the Mexican economy. It is critical that this information be conveyed to Congress on a timely basis so that we, who are responsible for the protection of United States tax dollars, are fully informed as to the risk of Mexico's failure to repay those dollars.

The reason for this risk is that while we stand here, the Mexican economy is deteriorating. Inflation has reached 40 or 50 percent, production is falling rapidly and the Mexican peso continues to drop like a rock. Mexican citizens are suffering from the massive reduction in the purchasing power of their pesos.

Many economists suggest that Mexico's economic problems could have been avoided if the right economic policies were followed. However, they were not. Now that United States taxpayer money is at risk, it is more important than ever that the Congress be informed about economic developments in Mexico.

In order for Congress to gauge this risk, information is key. This amendment will guarantee that the Congress is kept fully informed about developments in Mexico so that taxpayer dollars can be protected.

Mr. BROWN. Mr. President, at this point I ask unanimous consent to add the names of Senators D'AMATO, MACK, and NICKLES as cosponsors of this amendment.

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

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I commend my colleague, Senator BROWN, for his legislation. Indeed, he has warned the Congress, the American people, and the administration the danger of having a situation whereby we become the banker and where the people of Mexico as a result of the harsh conditions imposed look to the United States as the culprits as opposed to being the saviors, as opposed to being the helpers.

Here we are, extending we do not know how much. That gets to the heart of the amendment of the Senator. I have had legislation in hearings in the Banking Committee where we considered whether we should put a cessation of dollars after a certain amount is expended in 1 year. We were thinking that after $5 billion was expended to any one country, that there should be a requirement to come to Congress to get the appropriate authority, authorization, and appropriations. After all, that is what the Constitution says. We are the body charged with the responsibility of appropriating these funds.

Whether or not legally the administration could maintain the position that by use of the stabilization funds this is not an appropriation or would not require an appropriation of this Congress is something that reasonable people might debate. Indeed, in the Treasury report by the general counsel of the Treasury to the Secretary of the Treasury on page 6, that report indicates that the use of the stabilization funds is appropriate provided that—and I am paraphrasing—it does not become a loan.

I suggest if this is not a loan, we are stretching the legal language to the point that it becomes pretty difficult to differentiate. It really did not say loan, it said ''foreign aid.'' If this $20-billion-plus package is not foreign aid, I do not know what we would call it. Some of these dollars, it has been testified before the Banking Committee, will be used by the Mexican Government to repurchase or to meet its, the Government's, obligations; not as it relates to currency, the Government's obligations, Government debt.

I suggest that crosses the line, notwithstanding what the legislation of the Senator does, and I am proud to support it and cosponsor it. It says: Tell us what you are doing with the money. Tell us what you are doing. We have a right to know. The American people have a right to know and Congress should not abdicate this most basic responsibility.

Let me tell you how shrouded this whole situation becomes. We do not know whether or not we have committed—the administration has committed us—to loaning $20, $30, $40 billion, and some people have suggested it may be, indeed, even closer to $50 billion that the United States of America, the people, the taxpayers of this country will be responsible for.

We know we have heard $20 billion from the exchange fund. Is it true? Do we not have a right to know whether or not the United States has pledged $10 billion through IMF funds, which we know our allies were not happy with, some of our European allies? But on a promise, a supposed promise that we, the United States of America, would make available $10 billion to this fund? That is $20 billion plus $10 billion over and above. That puts us in for $30 billion.

Question: World Bank? How much money is going to come from the World Bank and how much money have we put into the World Bank? So now we are over $30 billion and growing, as it relates to our commitments. Certainly, we have a right to know. That is what this legislation does.

AMENDMENT NO. 341 TO AMENDMENT NO. 340

Mr. D'AMATO. Mr. President, I send an amendment to the pending amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO] proposes an amendment numbered 341 to amendment No. 340.

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

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

The amendment is as follows:

Add at the end of the proposed amendment the following new section:

SEC. . REPORT ON ILLEGAL DRUG TRAFFICKING IN MEXICO.

The President shall transmit to the appropriate congressional committees no later than June 1, 1995 detailing the illegal drug trafficking to the United States from Mexico:

(1) A description of drug trafficking activities directed toward the United States;

(2) A description of allegations of corruption involving current or former officials of the Mexican government or ruling party, including the relatives and close associates of such officials; and

(3) The participation of United States financial institutions on foreign financial institutions operating in the United States in the movement of narcotics-related funds from Mexico.

Mr. D'AMATO. Mr. President, I understand my amendment may not be in order. Therefore, I ask unanimous consent that I be permitted to withdraw the amendment, because I understand there was an agreement I was not aware of. I certainly would not look to violate that agreement.

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

The amendment (No. 341) was withdrawn.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. D'AMATO. Mr. President, I do not believe I have yielded the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, it is my intent, if not on this amendment—and I thought it would be appropriate to attempt to further enhance the amendment, let me tell you, by way of a reporting requirement. I have become aware—it has become painfully obvious to this Senator, and during the hearings we had a number of witnesses who testified to the absolute corruption of many of the officials in the Mexican Government at many levels—Governors, military police, whole sections of the Government that are dedicated to one thing—their own enrichment. It should become painfully obvious to the administration, and they know—they know, proof positive—that Mexico has become the leading transshipment country as it relates to illegal drugs and narcotics, particularly cocaine, into the United States of America.

It has become so widespread, it has become so commonplace, that we can, indeed, even identify the planes that come in regularly from Colombia to the United States, carrying drugs and bringing back money. If you have a drug cartel operating from Colombia into Mexico with regular transshipment of drugs for money and then the drugs coming into the United States, it is rather obvious that we are choosing to look the other way. It is obvious the Mexican Government at most levels is looking the other way. If we are serious in terms of our fight against crime, let me suggest that close to 60 percent of violent crime comes directly as a result of drugs—60 percent.

Take a look at your inner core cities. You see the problem there. You talk about all the social problems, but just keep pouring the drugs in and look the other way as our neighbors to the south, to whom we are making available up to $40 billion, do little, if anything. Indeed, many of their highest officials and people at various important levels in Government are involved in drug trafficking.

This Senator will be seeking a report by June 1, 1995, by this administration, by the President, detailing and calling for him to make available to the people of the United States that information which our Government has as it relates to that drug dealing. Here we are sending $40-plus billion to Mexico. I think it is about time that we said, ''If we are going to help you with your currency, we want to know exactly what is taking place.'' And this administration and every administration has an obligation to do something about it.

Let me be very clear and precise. I do not think the previous administration did much, if anything, except do everything they could to push through our agreements—such a wonderful thing, our trade, we have Salinas, he is a wonderful guy, the people on top are wonderful, great business opportunity, et cetera. The corruption, the deprivation of human rights, the sham of the democracy, all of that put to the side. The fact is that people in high places and high officials in high places are making billions of dollars, dealing in billions of dollars in illegal narcotics. We look the other way. ''Don't rock the boat. This is so important. They have made great strides. They have privatized.'' Who has made the money? The oligarchy. A handful of billionaires have become richer. When those dollars plunged, who do you think sold out at the high and who got stuck at the low when the peso fell? Do you think the billionaires who controlled the profits in Mexico were down here on this chart? I will tell you where they were. They were up here, up here—billions.

We have American taxpayer dollars going down there. I have to tell you that at the least we should know what is taking place with that money. At least we should have the reports on a monthly basis so that we can report to the citizens so that they know how their tax dollars are being spent. I have never heard of a bailout program or a program designed to help one's country when the people do not have a right to know. People have a right to know how we spend their money here. Why should they not have the right to know how their money is being spent south of the border? I would like to know why they should not have a right to know. Do you mean to tell me that the Mexican track record in government is one that is so magnificent that we would be insulting them, we would be insulting their national sovereignty to ascertain exactly what this money is being used for? If that is the case, then we should suspend sending money down. I am tired of hearing that they are a sovereign nation.

By the way, I think we are going to be mighty shocked when we get into just how we are backing up collateral for this loan. How much oil does the Mexican Government really have that they can make available to back up these loans? We have been told that the loan is going to be fully collateralized. On the other hand, I have gotten information that indicates to me that indeed there may be a significant shortfall between the amount of moneys the Mexican Government is drawing down and the collateral value of the oil and the oil reserves that they have. The two may not come close to matching.

So, Mr. President, for all of these reasons I want to commend the Senator from Colorado for proposing this amendment. At the appropriate time I intend to ask that additional legislation be required or be considered which would require the reporting on the illegal drug activities as it relates to Mexico and this country.

Mr. President, I yield the floor.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Chair recognizes the Senator from Colorado.

Mr. BROWN. Madam President, I know that in our course of discussion we would go to the distinguished Senator from Rhode Island next. I do not mean to delay that process. But I understand it has been cleared on both sides.

PROVIDING FOR AN ADJOURNMENT OF THE HOUSE FROM THURSDAY, MARCH 16, 1995, TO TUESDAY, MARCH 21, 1995

Mr. BROWN. Madam President, I hereby ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 41, the House adjournment resolution; that the resolution be agreed to, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

So the concurrent resolution (H. Con. Res. 41) was considered and agreed to.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

The Senate continued with the consideration of the bill.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Madam President, I do not believe that this is the appropriate vehicle for offering this amendment today.

I am supportive, as I know we all are, of making sure that the Senate is kept appropriately informed on the administration's efforts to stabilize the Mexican peso. But I do not believe that the amendment as currently drafted properly balances the Senate's right to information with the administration's requirements to carry out its responsibilities to implement this program with another sovereign government.

Madam President, I would also call to the attention of my colleagues that this amendment in the form of a resolution is to be the subject of a Foreign Relations Committee business meeting next week. I believe that the committee markup is the more appropriate forum to work on some of the difficulties posed by this amendment.

I know that the Department of Treasury has some difficulties with the amendment as it is currently drafted and has requested to meet with Senator BROWN's staff and other interested staff to discuss changes in the amendment. In fact, both sides have already agreed to meet tomorrow to try to work some of this out.

I would urge the Senator to consider withdrawing this amendment and sitting down with Treasury representatives to work out language that meets the Senator's needs but also addresses some very legitimate concerns of the Department.

Let me repeat, this is identical to legislation that has been scheduled for markup this coming Monday in the Foreign Relations Committee, on which the Senator from Colorado sits, and contributes a great deal.

While I understand the Senator's desire to have this legislation acted on quickly, I think it would be a very unfortunate precedent to preempt the Committee markup in this way.

We also have the point that this is, after all, authorizing legislation being attached to an appropriations bill. So I hope that this could be withdrawn with the understanding that it would be taken up again next week or the week after.

Mr. BROWN. Madam President, I appreciate the very thoughtful comments of the Senator from Rhode Island. He, as always, makes such a valuable contribution in the Senate's deliberations. I think he makes a very valid point with regard to the deliberations of the committee and certainly that would be the normal process that I would want to follow. Indeed, my observation is correct that it is scheduled for markup in committee.

There are several factors that make me want to move ahead with the process right now. That is, first of all, the urgency of getting this information while billions of dollars of American taxpayers' money is being committed. My sense is it is very important in terms of timing to get this enacted as quickly as possible. But I want to pledge to the Senator that any adjustments that are made in markup, I will—along with, I know, others and I hope many will be active in—be urging the conferees to adopt so that, first, the deliberations of the committee are not overlooked but are incorporated in this by the conferees; and second, that we move along quickly.

The second aspect I might note here is that we have been working with the Treasury people. I want to pledge myself to work with them in terms of fine-tuning reporting requirements.

But most of all, I want to know also another factor. This obviously involves more than simply the Foreign Relations Committee. The bulk of the bill is really the work of Senator D'AMATO and his Banking Committee. He has been a guiding light in the effort to get the facts out in this area.

So it is my sense that it is appropriate to move ahead with the legislation at this time simply because it is so urgent to be getting accurate answers and accounting while literally billions of dollars are flowing out of U.S. coffers.

Madam President, I ask unanimous consent that Senator GREGG be added as a cosponsor of the amendment.

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

VISIT TO THE SENATE BY PRIME MINISTER JOHN BRUTON OF THE REPUBLIC OF IRELAND

Mr. BROWN. Madam President, at this point I would like to yield to the distinguished Senator from North Carolina [Mr. HELMS].

Mr. HELMS. Madam President, I thank the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I ask unanimous consent that the Senate stand in recess for 5 minutes so that Senators may pay their respects and extend their welcome to the distinguished Prime Minister from Ireland.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. The Chair welcomes the Prime Minister.

RECESS

Thereupon, the Senate, at 4:09 p.m. recessed until 4:13 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mrs. HUTCHISON).

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 340

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I think the arguments have been pretty well outlined here. I am prepared to vote.

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

The amendment (No. 340) was agreed to.

Mr. BROWN. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. D'AMATO. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AGREED FRAMEWORK WITH NORTH KOREA

Mr. SPECTER. Madam President, during the first hearing of the Senate Intelligence Committee, which I chair, back on January 10 of this year, I expressed a concern about what was happening with the arrangements between the United States and North Korea on the deal where North Korea would have a 5-year window without inspection of used fuel rods, which is the best way on an inspection line of determining what is happening with respect to the potential for North Korea to build a nuclear weapon.

During the course of the next several weeks, and in discussions with a number of my colleagues, it seemed to me preferable to have that so-called agreement, the United States-North Korea agreed framework for resolving the nuclear issue, submitted to the United States Senate for ratification, because it really was, in effect, a treaty even though the administration had denominated it as an agreed framework, not even, according to the administration, rising to the level of an executive agreement which would activate certain congressional review.

On February 24, I prepared a letter, which was submitted under the signatures of Senator HELMS, in his capacity as chairman of the Foreign Relations Committee; Senator MURKOWSKI, in his capacity as the chairman of the Energy and Natural Resources Committee; and myself, as chairman of the Senate Select Committee on Intelligence, to Senator DOLE setting forth our request that the Senate handle as a treaty under the constitutional ratification process the United States-Democratic Peoples Republic of Korea Agreed Framework for Resolving the Nuclear Issue.

The letter set forth that the Clinton administration was seeking to proceed under this so-called agreed framework without submitting it as a treaty, which it really was, for Senate ratification.

We submitted at that time to Senator DOLE a legal memorandum prepared by the Congressional Research Service, the Library of Congress, dated February 8, 1995, which set forth the criteria for considering whether an arrangement was a treaty.

In our letter, we noted that, while the memorandum specifies that ''there are no 'hard and fast rules,' we believe the underlying rationale suggests that the agreement should be handled as a treaty because it is a matter of great importance (involving North Korea's potential for developing nuclear weapons),'' that the document ''constitutes a substantial commitment of funds extending beyond a fiscal year and is of substantial political significance,'' all of which were criteria for an evaluation as to whether the arrangement was in fact a treaty.

We concluded our letter to Senator DOLE noting that ''The formal treaty ratification process will enable us''—that is, the Senate—''to undertake a detailed factual analysis to determine whether this agreement is in the national interest.''

Madam President, it is my view that, on both substantive grounds and constitutional grounds, this matter ought to be handled as a treaty.

The Constitution of the United States provides for ratification by the Senate on treaties. There are a whole series of criteria, some of which I have just referred to, which indicate, suggest, provide evidence for the conclusion that this agreed framework is in fact a treaty.

If you take a look at some of the items which we have handled as treaties in the Senate through the treaty ratification process, you will note the great difference between the importance of this United States-North Korean arrangement, contrasted with other matters which have been submitted to the full Senate ratification process. For example, Treaty 102–7, which is a Convention for the Prohibition of Fishing with Long Drift Nets in the South Pacific; or Treaty Document Exhibit EE 96–1, an International Convention on Standards of Training Certification and Watch Keeping for Seafarers; or Treaty Document 100–7, Agreement for Medium Frequency Broadcasting Service in Region Number II; or Treaty Document No. 101–15, Amendments to the 1928 Convention Concerning International Expositions, as Amended.

On some occasions, as is well known, in the Senate, we handle as many as six treaties at one time in a single vote, with notification being given to Senators that if they miss that one vote, it will be counted as a half dozen absences, because the treaties do not rise to the level of any individual identification or individual voting, but are very, very much pro forma.

So that it is indeed surprising, when a matter comes before the international forum and is the subject of a document between North Korea and the United States, that it is denominated only as an agreed framework for resolving the nuclear issues.

Following receipt of our letter, Senator DOLE, by letter dated March 10, wrote to Secretary of State Christopher asking a series of specific questions which set out the criteria for determining whether or not such a matter is or is not a treaty.

It had been my intention to offer a sense-of-the-Senate resolution early on as soon as a legislative vehicle arose. I had notified the managers of this legislation that I would be offering that sense-of-the-Senate resolution at this time. But I have decided to defer doing that because Senator DOLE's letter, dated March 10, 1995, is now outstanding and, as of this date, March 16, there has not been an adequate opportunity for the Secretary of State to respond to the majority leader's letter.

I make the statement at this time to put the administration on notice that it is my intention—and there are a number of cosponsors who are prepared to join with me on this important matter, including the distinguished Senator from Texas who is the Presiding Officer, was asked a series of questions in closed session before the Intelligence Committee on this matter. I state for the RECORD because the camera may have been on me rather than her, and might have missed her acquiescing nods.

There are a number of colleagues who agree with the seriousness of this matter. In dealing with North Korea, while it is my hope that they will abide by the international commitments, there is good reason for concern as to whether they will abide by their commitments.

Nobody said it better than President Reagan when he made the comment about trust but verify. There is a chronology on North Korea's activities which raises very, very, considerable grounds for concern as to whether North Korea will, in fact, comply with their commitments under this statement of agreed principles.

Madam President, at this time I ask unanimous consent that the text of the United States-North Korea Agreed Framework for Resolving the Nuclear Issue be printed in the RECORD except as to a confidential part which cannot be disclosed publicly at this time; that a copy of the legal memorandum from the Congressional Research Service, dated February 8, 1995, be printed in the RECORD; that a copy of the joint letter submitted by Senators HELMS, MURKOWSKI, and myself, be printed in the RECORD; as well as an unclassified document prepared by the State Department on the North Korea nuclear timeline, showing many actions by the North Koreans which raise real issue as to whether there has been compliance by North Korea, and raising real issues as to what might be expected in the future.

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

U.S.-DPRK AGREED FRAMEWORK FOR RESOLVING THE NUCLEAR ISSUE

The attached package includes: (1) the Agreed Framework between the U.S. and the DPRK, signed October 21, 1994, in Geneva; (2) a Confidential Minute, signed the same day, which should be treated as confidential for classification purposes; and (3) a letter of assurance from President Clinton to the DPRK's Supreme Leader, Kim Jong-II, which was delivered in Geneva in connection with the signing. These documents create a framework of political decisions and practical actions to be taken by each side in order to resolve the nuclear issue in North Korea.

AGREED FRAMEWORK BETWEEN THE UNITED STATES OF AMERICA AND THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA, GENEVA, OCTOBER 21, 1995

Delegations of the Governments of the United States of America (U.S.) and the Democratic People's Republic of Korea (DPRK) held talks in Geneva from September 23 to October 21, 1994, to negotiate an overall resolution of the nuclear issue on the Korean Peninsula.

Both sides reaffirmed the importance of attaining the objectives contained in the August 12, 1994 Agreed Statement between the U.S. and the DPRK and upholding the principles of the June 11, 1993 Joint Statement of the U.S. and the DPRK to achieve peace and security on a nuclear-free Korean peninsula. The U.S. and the DPRK decided to take the following actions for the resolution of the nuclear issue:

I. Both sides will cooperate to replace the DPRK's graphite-moderated reactors and related facilities with light-water reactor (LWR) power plants.

(1) In accordance with the October 20, 1994 letter of assurance from the U.S. President, the U.S. will undertake to make arrangements for the provision to the DPRK of a LWR project with a total generating capacity of approximately 2,000 MW(e) by a target date of 2003.

The U.S. will organize under its leadership an international consortium to finance and supply the LWR project to be provided to the DPRK. The U.S., representing the international consortium, will serve as the principal point of contact with the DPRK for the LWR project.

The U.S., representing the consortium, will make best efforts to secure the conclusion of a supply contract with the DPRK within six months of the date of this Document for the provision of the LWR project. Contract talks will begin as soon as possible after the date of this Document.

As necessary, the U.S. and the DPRK will conclude a bilateral agreement for cooperation in the field of peaceful uses of nuclear energy.

(2) In accordance with the October 20, 1994 letter of assurance from the U.S. President, the U.S., representing the consortium, will make arrangements to offset the energy foregone due to the freeze of the DPRK's graphite-moderated reactors and related facilities, pending completion of the first LWR unit.

Alternative energy will be provided in the form of heavy oil for heating and electricity production.

Deliveries of heavy oil will begin within three months of the date of this Document and will reach a rate of 500,000 tons annually, in accordance with an agreed schedule of deliveries.

(3) Upon receipt of U.S. assurances for the provision of LWR's and for arrangements for interim energy alternatives, the DPRK will freeze its graphite-moderated reactors and related facilities and will eventually dismantle these reactors and related facilities.

The freeze on the DPRK's graphite-moderated reactors and related facilities will be fully implemented within one month of the date of this Document. During this one-month period, and throughout the freeze, the International Atomic Energy Agency (IAEA) will be allowed to monitor this freeze, and the DPRK will provide full cooperation to the IAEA for this purpose.

Dismantlement of the DPRK's graphite-moderated reactors and related facilities will be completed when the LWR project is completed.

The U.S. and the DPRK will cooperate in finding a method to store safely the spend fuel from the 5 MW(e) experimental reactor during the construction of the LWR project, and to dispose of the fuel in a safe manner that does not involve reprocessing in the DPRK.

(4) As soon as possible after the date of this document U.S. and DPRK experts will hold two sets of experts talks.

At one set of talks, experts will discuss issues related to alternative energy and the replacement of the graphite-moderated reactor program with the LWR project.

At the other set of talks, experts will discuss specific arrangements for spent fuel storage and ultimate disposition.

II. The two sides will move toward full normalization of political and economic relations.

(1) Within three months of the date of this Document, both sides will reduce barriers to trade and investment, including restrictions on telecommunications services and financial transactions.

(2) Each side will open a liaison office in the other's capital following resolution of consular and other technical issues through expert level discussions.

(3) As progress is made on issues of concern to each side, the U.S. and the DPRK will upgrade bilateral relations to the Ambassadorial level.

III. Both sides will work together for peace and security on a nuclear-free Korean peninsula.

(1) The U.S. will provide formal assurances to the DPRK, against the threat or use of nuclear weapons by the U.S.

(2) The DPRK will consistently take steps to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula.

(3) The DPRK will engage in North-South dialogue, as this Agreed Framework will help create an atmosphere that promotes such dialogue.

IV. Both sides will work together to strengthen the international nuclear nonproliferation regime.

(1) The DPRK will remain a party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and will allow implementation of its safeguards agreement under the Treaty.

(2) Upon conclusion of the supply contract for the provision of the LWR project, ad hoc and routine inspections will resume under the DPRK's safeguards agreement with the IAEA with respect to the facilities not subject to the freeze. Pending conclusion of the supply contract, inspections required by the IAEA for the continuity of safeguards will continue at the facilities not subject to the freeze.

(3) When a significant portion of the LWR project is completed, but before delivery of key nuclear components, the DPRK will come into full compliance with its safeguards agreement with the IAEA (INFCIRC/403), including taking all steps that may be deemed necessary by the IAEA, following consultations with the Agency with regard to verifying the accuracy and completeness of the DPRK's initial report on all nuclear material in the DPRK.

ROBERT L. GALLUCCI,
Head of the Delegation of the United States of America, Ambassador at Large of the United States of America.

KANG SOK JU,
Head of the Delegation of the Democratic People's Republic of Korea, First Vice-Minister of Foreign Affairs of the Democratic People's Republic of Korea.

THE WHITE HOUSE,
Washington, October 20, 1994.

His Excellency KIM JONG IL,
Supreme Leader of the Democratic People's Republic of Korea, Pyongyang.

EXCELLENCY: I wish to confirm to you that I will use the full powers of my office to facilitate arrangements for the financing and construction of a light-water nuclear power reactor project within the DPRK, and the funding and implementation of interim energy alternatives for the Democratic People's Republic of Korea pending completion of the first reactor unit of the light-water reactor project. In addition, in the event that this reactor project is not completed for reasons beyond the control of the DPRK, I will use the full powers of my office to provide, to the extent necessary, such a project from the United States, subject to approval of the U.S. Congress. Similarly, in the event that the interim energy alternatives are not provided for reasons beyond the control of the DPRK, I will use the full powers of my office to provide, to the extent necessary, such interim energy alternatives from the United States, subject to the approval of the U.S. Congress.

I will follow this course of action so long as the DPRK continues to implement the policies described in the Agreed Framework Between the United States of America and the Democratic People's Republic of Korea.

Sincerely,

BILL CLINTON.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, February 8, 1995.

To: Charles Battaglia, staff director, Senate Select Committee on Intelligence.

From: Louis Fisher, Senior Specialist in Separation of Powers.

Subject: Agreed Framework with North Korea.

This memorandum responds to your request for an analysis of certain issues that have surfaced in the U.S.–DPRK Agreed Framework for Resolving the Nuclear Issue. Among the issues: (1) this agreement was entered into as a ''political agreement'' rather than an ''executive agreement,'' which would have to be reported to Congress under the Case Act; what are the precedents for this type of political agreement?; (2) should this agreement have been entered into as a treaty rather than as a political agreement?; (3) what is the legally binding effect of the economic commitments in this agreement?; (4) does the current funding of this commitment, especially through the reprogramming process, encroach upon congressional prerogatives over the purse?; (5) what are possible legislative responses by Congress to this agreement?

EXECUTIVE REPORTS TO CONGRESS UNDER THE CASE ACT

Hearings by the Symington Subcommittee (of the Senate Foreign Relations Committee) in 1969 and 1970 uncovered a number of secret executive agreements that administrations had made with South Korea, Thailand, Laos, Ethiopia, and Spain, among others. In response, Congress passed legislation in 1972 to keep itself informed about such agreements. The statute, known as the Case Act, requires the Secretary of State to transmit to Congress within sixty days the text of ''any international agreement, other than a treaty,'' to which the United States is a party. If the President decides that publication of an agreement would be prejudicial to national security, he may transmit it to the Senate Foreign Relations Committee and the House International Relations Committee under an injunction of secrecy removable only by the President. 86 Stat. 619 (1972), 1 U.S.C. 112b (1988). Although the Case Act was broadly written to capture all international agreements, State Department regulations and subsequent administration practices have created a number of exceptions to the general requirement to report executive agreements to Congress.

EXCEPTIONS TO THE CASE ACT

During consideration of the Case Act, executive officials in the Nixon administration suggested that ''certain kinds of agreements'' might not be transmitted under the Act. Senator Clifford Case sought a written statement from the State Department as to whether there were any categories of agreements that might not be covered by the statute. The State Department's Acting Legal Adviser, Charles N. Brower, prepared a memo stating that the Case Act is intended to include ''every international agreement, other than a treaty, brought into force with respect to the United States after August 22, 1972 [enactment date for Case Act], regardless of its form, name or designation, or subject matter.''[1]

In subsequent years, however, certain types of international agreements were not submitted to Congress under the Case Act. In 1976, the Legal Adviser to the State Department wrote to Senator John Sparkman, chairman of the Foreign Relations Committee, recommending that only the international agreements entered into by the Agency for International Development at a level of at least $1 million would be submitted under the Case Act. AID agreements less than $1 million would be reported under the Case Act if they were ''significant for reasons other than level of funding.'' The dollar threshold was later raised to $25 million.[2]

Moreover, agreements concluded in a ''nonbinding'' form and determined by the executive branch to be legally non-binding on the United States are not referred to Congress under the Case Act, although the executive branch may voluntarily provide information about them to Congress. Non-binding international agreements are viewed as involving political or moral obligations but not legal obligations. One example is the 1975 Final Act of the Conference on Security and Cooperation in Europe (CSCE), known as the Helsinki Agreement.[3]

Regulations issued by the State Department to implement the Case Act identify political agreements as outside the reporting requirements of the statute. Parties to an international agreement ''must intend their undertaking to be legally binding, and not merely of political or personal effect. Documents intended to have political or moral weight, but not intended to be legally binding, are not international agreements.'' 22 CFR § 181.2 (1994). However, these regulations also state that examples of arrangements that ''may constitute international agreements'' are agreements that:

(i) Are of political significance;

(ii) involve substantial grants of funds or loans by the United States or credits payable to the United States;

(iii) constitute a substantial commitment of funds that extends beyond a fiscal year or would be a basis for requesting new appropriations;

(iv) involve continuing and/or substantial cooperation in the conduct of a particular program or activity, such as scientific, technical, or other cooperation, including the exchange or receipt of information and its treatment, or the pooling of data. 22 CFR § 181.2(2).

Another group of international agreements not reported under the Case Act are those that the State Department views as contracts—usually commercial in nature and involving sales or loans. As a result of the State Department's interpretation of a provision in the Food, Agriculture, Conservation, and Trade Act of 1990, international agreements entered into by the Secretary of Agriculture for financing the sale and exportation of agricultural commodities are not reported under the Case Act either.[4]

SHOULD THIS AGREEMENT HAVE BEEN SUBMITTED AS TREATY?

Although the State Department provides guidelines on what should be transmitted to Congress as an executive agreement, a bill, or a treaty, there are no hard and fast rules. This issue arose last year with the GATT bill.[5] Constitutional scholars offered different views on whether that should have been submitted as a bill or a treaty. On October 18, 1994, hearings were held by the Senate Committee on Commerce, Science, and

Transportation, with Professor Bruce Ackerman testifying in favor of Congress acting on the bill through the regular legislative process, and Professor Laurence Tribe testifying in favor of the Senate acting through the treaty process. Professor Tribe later wrote that he could not say ''with certainty that my prior conclusions should necessarily be adopted by others or are ones to which I will adhere in the end after giving the matter the further thought that it deserves.''

No clear guidelines are available from parliamentary practice or federal court decisions on the issue of whether to submit international matters in bill form or as a treaty. The enclosed CRS report, ''GATT and Other Trade Agreements: Congressional Action by Statute or by Treaty?, by Louis Fisher, November 17, 1994, summarizes the basic issues. Also included in this report are criteria offered by the State Department to distinguish between what should be submitted as a bill or as a treaty. The decision to submit a matter in treaty form depends on the President's judgment. Congress can apply political pressure and retaliate in other ways, but the basic call remains presidential.

In his statement on December 1, 1994, to the Senate Foreign Relations Committee, Ambassador Robert L. Gallucci said that the administration did not submit the Agreed Framework as a treaty because ''we would not have been able to bind ourselves legally to the delivery of that $4 billion project [for light water reactors].'' That is not a full answer. If an administration decides that it cannot make a unilateral commitment and must depend on Congress, there is no reason why it cannot submit a treaty that makes clear that the extent of the assistance promised depends on Congress through its authorization and appropriation processes. That understanding has been incorporated in previous treaties.

ECONOMIC COMMITMENTS IN THE AGREED FRAMEWORK

The Agreed Framework, signed October 21, 1994, offers assistance in replacing the DPRK's graphite-moderated reactors and related facilities with light-water reactor (LWR) power plants. The United States will organize an international consortium to finance and supply the LWR project and provide alternative energy in the form of heavy oil for heating and electricity production. Delivery of heavy oil is scheduled to begin within three months of the date of the document and reach a rate of 500,000 tons annually. Upon receipt of ''*U.S.* assurances'' (emphasis supplied) for the provision of LWR's and for arrangement for interim energy alternatives, the DPRK will freeze its graphite-moderated reactors and related facilities and will eventually dismantle these reactors and related facilities. The Framework also provides that the United States and the DPRK will cooperate in finding a method to store safely the spent fuel from the graphite-moderated reactors. Although some of the financial commitments depend on organizing an international consortium and securing financial support from other governments, several of the key commitments—including U.S. assurances to provide for LWR's and for arranging interim energy alternatives, as well as disposing of spent fuel—fall exclusively on the United States. The United States expects to fully bear the cost of storing and disposing of spent fuel.

In his letter of October 20, 1994, to DPRK President Kim Jong II, President Clinton confirmed that he would use ''the full powers of my office'' to facilitate arrangements for the financing and construction of a light-water nuclear power reactor project within the DPRK and the funding and implementation of interim energy alternatives pending completion of the first reactor unit of the light-water reactor project. In addition, if the reactor project was not completed for reasons beyond the control of the DPRK, President Clinton would use ''the full powers of my office'' to provide, to the extent necessary, such a project from the United States, ''subject to approval of the U.S. Congress. Furthermore, in the event the interim energy alternatives are not provided, for reasons beyond the control of the DPRK, President Clinton promised to use ''the full powers of my office'' to provide, to the extent necessary, such interim energy alternatives from the United States, ''subject to the approval of the U.S. Congress.''

As explained in President Clinton's message, the effect of the Agreed Framework is to make political and moral, not legal, commitments. In his statement to the Senate Foreign Relations Committee, Ambassador Gallucci explained that the administration decided to call the agreement an ''Agreed Framework'' because it ''did not want to take on the obligation of providing a light water reactor or two light water reactors, to be precise.'' To the extent that completion of the light-water nuclear reactor project or supplying interim energy alternatives depend on congressional action, Congress must provide approval through its authorization and appropriation processes. Absent statutory authority, President Clinton has no independent constitutional power to provide that assistance, although his political and moral commitment puts pressure on Congress to act in a supportive manner through the statutory process.

DOES THE FRAMEWORK ENCROACH UPON CONGRESSIONAL PREROGATIVES?

According to the statement by Ambassador Gallucci to the Senate Foreign Relations Committee, initial implementation of the Agreed Framework resulted in the United States in the first three months providing 50,000 tons of heavy oil at a cost of between $5 million and $6 million, and there ''will be heavy oil shipments, up to 100,000 tons, by the end of October 21, 1995.'' Ambassador Gallucci testified that the Defense Department can provide the initial assistance of $5 million to $6 million ''under existing authorities.'' We do not have the specific legal authorities referred to by Ambassador Gallucci, but legislation governing DOD activities and funding expenditures does not include restrictions regarding North Korea. Section 127 of Title 10, however, authorizes the Secretary of Defense, secretaries of a military department, and the DOD Inspector General, to ''provide for any emergency or extraordinary expense which cannot be anticipated or classified.'' The amounts available for expenditure are subject to limitations in appropriations acts and must be reported to Congress quarterly. The Defense Department Appropriation, 1995 (P.L. 103–335), includes the following amounts out of operation and maintenance accounts for such emergencies: Secretary of Defense, $23.768 million Army, $14.437 million; Navy/Marines, $4.301 million; and Air Force, $8.762 million.

With regard to the need to clarify the water in which spent fuel is placed, Ambassador Gallucci testified that the Department of Energy estimates the cost to be a ''couple of hundred thousand dollars [and] is something they can do before the end of this year and really ought to for safety reasons.'' Again, we have no information regarding the legal authorities available to the Energy Department to perform this work. Ambassador Gallucci discussed other activities by the Energy Department, including the recontainment or recanning of the fuel, which ''could take some millions of dollars, less than $10 million, maybe more than $5 million—in that range. This would involve a reprogramming and they would follow the normal practice of coming to the Congress for confirmation of reprogramming authority. This would happen after January 1.''

It is unclear from this statement whether the administration would simply be notifying designated committees about the reprogramming or seeking their prior approval. Nor is it clear whether the administration's initial funding commitments are authorized by law. At this point we have no citations to examine that issue. There are other questions about the statutory authorities that might be invoked to fulfill the initial funding commitment. If the administration tapped a general contingency fund to provide this initial assistance to North Korea, there may be adequate authority in allocating emergency funds to do so. But if it is a case of Congress appropriating funds with the expectation that they will be used for a specific purpose, as justified in agency budget requests, there is a substantial issue of the administration reallocating those funds to a purpose never justified to Congress. Ambassador Gallucci testified that the administration expects ''the $4 billion burden [for light water reactors] to be borne centrally by South Korea, and this we understand.''

LEGISLATIVE RESPONSES TO THE AGREED FRAMEWORK

The Senate could respond to the Agreed Framework by insisting, either through political pressure or a Senate resolution, that it be submitted as a treaty and made subject to full legislative debate. Whether Senators want to be in a position of having to approve, reject, or amend the administration's agreement is a question they need to decide individually. Some Senators may decide that it is better for the President to make non-binding promises, with the understanding by all nations that under our constitutional system it is Congress, not the President, that has the power of the purse. To the extent that the President has acted unilaterally and finds himself politically isolated, that presently is the administration's problem, not Congress's. In any case, the decision to submit the matter by treaty is in the hands of the President.

Because of the funding implications and the need to obtain appropriations from both chambers, if legislative action is required it may be more appropriate to act by bill or joint resolution. If Congress decides that it does not want to act at this time by treaty or by bill, it could adopt non-binding simple or concurrent resolutions to enunciate the policy and constitutional concerns at stake for Congress as an institution, many of which have been identified above.

I trust that this memorandum is helpful to you. If I can be of any further assistance, please contact me at 7–8676.

FOOTNOTES

[1] *Treaties and Other International Agreements. The Role of the United States Senate*, a Study Prepared for the Senate Committee on Foreign Relations by the Congressional Research Service, S. Prt. 103–53, 103d Cong., 1st Sess. 178 (November 1993)

[2] Id. at 181.

[3] Id. at 190.

[4] Id. at 192.

[5] The GATT bill differs from the dispute over the Agreed Framework. In the case of GATT, Congress had authorized the use of the regular legislative process (action by both Houses on a bill) and had extended this authority for completion of the Uruguay Round.

U.S. SENATE,
Washington, DC, February 24, 1995.

Hon. ROBERT DOLE,
Majority Leader,
U.S. Senate,
Washington, DC.

DEAR BOB: We request that the Senate handle as a treaty under the constitutional ratification process the U.S.-Democratic Peoples Republic of Korea Agreed Framework for Resolving the Nuclear Issue.

The Clinton Administration is seeking to proceed on this agreement without submitting it for Senate ratification.

For your review, we enclose a memorandum from the Congressional Research Service, The Library of Congress, dated February 8, 1995.

While the memorandum notes that there are ''no hard and fast rules,'' we believe the underlying rationale suggests that the agreement should be handled as a treaty because it is a matter of great importance (involving North Korea's potential for developing nuclear weapons), constitutes a substantial commitment of funds extending beyond a fiscal year and is of substantial political significance.

The formal treaty ratification process will enable us to undertake a detailed factual analysis to determine whether this agreement is in the national interest.

Sincerely,

ARLEN SPECTER,
Chairman,
Select Committee On Intelligence.

FRANK H. MURKOWSKI,
Chairman,
Energy and Natural Resources Committee.

JESSE HELMS,
Chairman,
Foreign Relations Committee.

Enclosure

NORTH KOREA NUCLEAR TIMELINE

EARLY 1980'S

North Korea begins construction of 5 MW reactor in Yongbyon.

1985

Dec.—North Korea signs the NPT.

1986

Jan.—5 MW reactor begins operations.

1988

Dec.—First U.S.–DPRK official contacts in Beijing.

1989

Spring—Extended outage of 5 MW reactor.

1991

May—North Korea joins the United Nations.

Sept.—U.S. announces intention to redeploy tactical nuclear weapons worldwide.

Dec.—North-South finalize non-aggression agreement and North-South Denuclearization Declaration.

1992

Jan.—ROK announces suspension of Team Spirit '92.

North Korea signs IAEA fullscope safeguards agreement.

U.S.–DPRK high-level talks (U/S Kanter in New York).

Mar.—North-South set up Joint Nuclear Control Committee for implementing the Denuclearization Declaration.

Apr. 10—North Korea Supreme People's Assembly ratifies IAEA safeguards agreement.

May 4—DPRK submits initial inventory of nuclear material.

First IAEA ad hoc inspection.

July—Second IAEA ad hoc inspection; first evidence of ''inconsistencies.''

Sept.—Third IAEA ad hoc inspection.

Oct.—U.S. and ROK announce Team Spirit.

Nov.—Fourth IAEA ad hoc inspection.

High-level IAEA-DPRK consultations in Vienna on discrepancies; IAEA requests ''visits to two suspect waste sites.''

Dec.—Fifth IAEA ad hoc inspection.

1993

Jan.—IAEA team travels to Pyongyang to discuss discrepancies in DPRK declaration.

Sixth IAEA ad hoc inspection.

Feb. 9—IAEA requests special inspection of the two suspect sites.

Feb. 20—Further DPRK-IAEA consultations, DPRK rejects special inspections.

Feb. 25—IAEA Board of Governors passes resolution calling for the DPRK to accept special inspections within one month.

Mar. 12—North Korea announces its intention to withdraw from the NPT.

Mar. 18—Special Board meeting passes a second resolution calling on the DPRK to accept special inspections by March 31.

Apr. 1—IAEA Board of Governors adopts resolution finding the DPRK in non-compliance with its safeguards obligations; reports to UNSC.

May 11—United Nations Security Council passes Resolution 825. It calls upon the DPRK to comply with its safeguards agreement as specified in the February 25 IAEA resolution, requests the Director General to continue to consult with the DPRK, and urges Member States to encourage a resolution.

May—IAEA inspectors allowed into Yongbyon to perform the necessary work relating to safeguards monitoring equipment.

June 11—U.S.–DPRK high-level talks in New York; in a joint statement, the DPRK agrees to suspend its withdrawal from the NPT and agrees to the principle of ''impartial application'' of IAEA safeguards. We told the DPRK that if our dialogue was to continue they must accept IAEA inspections to ensure the continuity of safeguards, forego reprocessing, and allow IAEA presence when refueling the 5MW reactor.

July—U.S.-DPRK high-level talks in Geneva; DPRK agrees to resume discussion with the ROK and the IAEA on the nuclear issue, U.S. agrees to in principle to support DPRK conversion to Light Water Reactors.

Aug.—IAEA inspectors allowed into Yongbyon to service safeguards monitoring equipment but, incomplete access to reprocessing plant.

U.S.-DPRK working-level talks in NY begin.

Sept. 1–3—IAEA consultations with DPRK in North Korea on impartial application of safeguards.

Oct. 1—IAEA Geneva Conference meeting adopts resolution urging the DPRK to fully implement safeguards.

Nov. 1—United Nations General Assembly adopts a resolution expressing grave concern that the DPRK has failed to discharge its safeguards obligations and has widened the area of non-compliance. It also urges the DPRK to cooperate immediately with the IAEA in the full implementation of its safeguards agreement.

Nov. 14—DPRK withdrawal suspends North-South talks.

Dec.—U.S. Commander in Chief, U.S. forces Korea, General Luck, requests Patriot Missile Battalion to counter North Korean Scud threat.

Dec. 5—IAEA Board of Governors Meeting. Blix states that he can not give meaningful assurances about continuity of safeguards, and that the possibility that nuclear material has been diverted cannot be excluded.

Dec. 29—U.S.-DPRK agree in NY talks on an arrangement for a third round. The North agreed to accept IAEA inspections needed to maintain continuity of safeguards at seven declared sites, and to resume North-South working-level talks in Panmunjon. In exchange, U.S. agrees to concur in a ROK announcement to suspend Team Spirit '94 and set a date for a third round of U.S.-DPRK talks, which would be held only after DPRK steps are completed.

1994

Jan.—North Korea begins talks with the IAEA in Vienna to discuss the scope of inspections necessary to provide continuity of safeguards.

Jan. 26—White House announces plans to send Patriot Missile Battalion to South Korea.

Jan. 31—DPRK Foreign Ministry Statement accuses the U.S. of overturning the December 29 understanding; threatens to ''unfreeze'' its nuclear program.

Feb. 15—IAEA–DPRK reach an understanding on a comprehensive list of safeguards measures which are to be performed to verify that no diversion of nuclear material has occurred in the seven declared nuclear installations since earlier inspections.

Feb. 21—IAEA Board of Governors meeting.

Feb. 25—U.S.-DPRK Joint statement outlining terms of December agreement.

Feb. 26—DPRK authorities issue two week visas to the IAEA inspection team.

Mar. 1—IAEA inspectors arrive in DPRK.

Mar. 3—Official ''Super Tuesday'' announcement—IAEA inspections begin, N–S talks begin, suspension of TS '94, and set date for a third round of U.S.-DPRK talks.

Mar. 9—2nd North-South meeting.

Mar. 12—3rd North-South meeting; DPRK and ROK reach an agreement in principle on an exchange of envoys.

Mar. 15—IAEA inspection team leaves Pyongyang having proceeded with inspections without difficulty at all facilities except the Radiochemical Lab.

Mar. 16—IAEA DG Blix calls a special session of the Board of Governors to informally report on the March 3–14 safeguards inspections in the DPRK. Blix announces that the IAEA inspection team was unable to implement the DPRK–IAEA Feb. 15 agreement, and as a result the Agency is unable to draw conclusions as to whether there has been diversion of nuclear material or reprocessing since earlier inspections.

4th North-South meeting.

Mar. 19—5th North-South meeting; DPRK walks out of meeting, threatens to turn Seoul into a sea of fire; Team Spirit '94 back on.

Mar. 21—IAEA Board of Governors pass a DPRK resolution finding the DPRK in further non-compliance and referring the issue to the UNSC with 25 approvals, 1 rejection, and 5 abstentions, including China.

Mar. 21—Administration announces Patriot Missile Battalion will be sent to ROK.

Mar. 31—UNSC unanimous Presidential Statement calling on the DPRK to allow the IAEA to complete inspection activities per the Feb. 15 agreement, and inviting IAEA DG Blix to report back to the Council within six weeks.

Apr. 4—President Clinton directs the establishment of a Senior Policy Steering Group (SSK) on Korea with responsibility for coordinating all aspects of U.S. policy dealing with the current nuclear issue on the Korean Peninsula. A/S Gallucci is asked to Chair the group.

ROK announces Team Spirit '94 will be held during the November time frame.

ROK drops North-South special envoys as a precondition to the Third Round.

Apr. 18—Patriot Missile Battalion arrives in ROK.

Apr. 28—DPRK claims the 1953 Armistice Agreement is invalid and announces its intent to withdraw from the MAC.

May 4—DPRK begins reactor discharge campaign.

May 18–23—IAEA inspectors complete March inspections and maintenance activities for the continuity of safeguards knowledge.

May 20—IAEA reports to the UNSC that the DPRK decision to discharge fuel from the 5 MW reactor without prior IAEA agreement for future measurement ''constitutes a serious safeguards violation.''

May 25–27—IAEA-DPRK consultations in Pyongyang re: fuel monitoring.

May 27—IAEA Director General Blix sends a letter to UNSC Syg Boutros-Ghali stating the IAEA-DPRK talks have failed, DPRK fuel discharge is proceeding at a faster rate, and the IAEA's opportunity to measure the spent fuel in the future will be lost within days if the fuel discharge continues at this rate.

May 30—UNSC issues a Presidential Statement ''strongly urging the DPRK only to proceed with the discharge operations at the 5 MW reactor in a manner which preserves the technical possibility of fuel measurements, in accordance with the IAEA's requirements in this regard.''

June 3—IAEA Director General Blix reports to the UNSC on failed IAEA efforts to preserve the technical possibility of measuring discharged fuel from the DPRK 5 MW reactor.

June 9—IAEA BOG resolution is passed calling for immediate DPRK cooperation by providing access to all safeguards-related information and locations and suspends nonmedical IAEA assistance to the DPRK. 28 for, 1 opposed (Libya), 2 absent (Saudia Arabia, Cuba) and 4 abstentions (China, India, Lebanon, Syria.)

June 13—North Korea officially withdraws from the IAEA.

June 15–18—Former President Carter visits North Korea and receives assurances that the DPRK is willing to freeze the major elements of the nuclear program (no reprocessing, no refueling, and no construction) in order to continue dialogue with the U.S.

June 20–22—The DPRK's intention to reestablish the basis for dialogue by freezing the major elements of its nuclear program was confirmed in an exchange of letters between FM Kang and A/S Gallucci.

June 27—Agreement reached to hold the third round starting July 8.

June 28—North-South Korean summit between DPRK President Kim Il-Sung and ROK President Kim Young-Sam announced for July 25–27.

July 8—Third Round of U.S.–DPRK talks in Geneva begins in a businesslike atmosphere and confirms the DPRK's desire to convert to light water reactor technology.

July 9—President Kim Il-Sung's death was announced and accordingly, the third round was postponed until after the mourning period and the planned July 25–27 North-South summit was postponed indefinitely.

July 21—U.S.-DPRK agree on the resumption of the third round on August 5.

July 19–28—A/S Gallucci-led delegation visits capitals (Seoul, Tokyo, Beijing, Moscow) to discuss the provision of and solicit support for the conversion of DPRK's graphite-moderated reactors to light water reactors (LWR) that are more proliferation resistant.

Aug. 5–12—Resumed third round in Geneva and signed an agreement between the U.S. and the DPRK showing substantial progress towards an overall settlement. As part of the final resolution of the nuclear issue: the U.S. will provide LWRs to the DPRK, make arrangements for interim energy alternatives, and provide an assurance against the threat or use of nuclear weapons;

the DPRK will remain a party to the NPT, allow implementation of its safeguards agreement, and implement the Joint North-South Declaration on the Denuclearization of the Korean Peninsula; the U.S. and DPRK will begin to establish diplomatic representation, hold expert-level on the technical issues in the coming weeks, and recess the talks with resumption scheduled for Sept. to resolve the remaining differences.

Sept. 23—Third round, Session two begins in Geneva

Oct. 21—U.S. and DPRK sign an Agreed Framework (a final settlement to the North Korean Nuclear issue) based on the Aug. 12 agreement.

U.S. hands over Presidential Letter of Assurance and U.S. and DPRK sign a Confidential Minute to the Agreed Framework.

Nov. 14–18—U.S. team of experts visits North Korea to discuss safe storage and disposition of spent fuel.

Nov. 23–28—IAEA team of experts visits North Korea to discuss details related to the monitoring and verification of the freeze on DPRK nuclear facilities.

Nov. 30—Experts from the U.S. and DPRK meet in Beijing for preliminary discussions on the LWR project.

Dec. 6–10—DPRK team of experts visits Washington, D.C. to discuss technical and consular issues related to the planned exchange of liaison offices.

Jan. 9—DPRK announces lifting of restrictions on imports of U.S. products into the DPRK and restrictions on portcalls by U.S. vessels into DPRK ports.

Jan. 17–24—U.S.–DPRK spent fuel talks in Pyongyang—Second Session.

Jan. 19—First shipment of 50,000 metric tons of heavy fuel oil is delivered to the DPRK.

Jan. 20—U.S. announces sanctions easing measures against the DPRK in four areas: telecommunications and information, financial transactions, imports of DPRK magnesite, transactions related to the future opening of liaison offices and other energy related projects.

Jan. 23–28—IAEA-DPRK discussion continue in Pyongyang on implementation and verification of the freeze on DPRK nuclear facilities.

Jan. 28—U.S.-DPRK LWR Supply Agreement Talks in Beijing—Second Session.

Jan. 29—U.S. experts arrive in Pyongyang to survey property sites for the future opening of a U.S. liaison office.

Feb. 15—Australia publicly announces its contribution of $5 million USD to KEDO.

Feb. 28—New Zealand publicly announces its contribution of $300,000 USD to KEDO.

March 7–9—DPRK Preparatory Conference in New York.

Mar. 8—KEDO is formally established as an international organization under international law—Canada, New Zealand, Australia join.

Mar. 27–29—U.S.-DPRK LWR Supply Agreement Discussions in Berlin continue—Third Session.

Apr. 4–8—DPRK experts arrive in Washington, DC, to survey property for the future opening of a DPRK liaison office.

Mr. SPECTER. Finally, Madam President, I would like to ask unanimous consent to print in the RECORD the proposed amendment that I had intended to offer with a number of cosponsors, as I say, including the distinguishing Senator from Texas who is presiding, so that all of that will be part of the RECORD and available for review in anticipation of the response by Secretary of State Christopher, to Senator DOLE's leadership.

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

At the appropriate place in the bill, insert the following new section:

SEC. —. TREATMENT OF AGREED FRAMEWORK WITH NORTH KOREA AS TREATY.

(a) FINDINGS.—The Senate makes the following findings:

(1) Article II, Section 2, Clause 2, of the Constitution requires that treaties may only be made by the President, by and with the advice and consent of the Senate.

(2) The Case Act (1 U.S.C. 112b) requires that the text of international agreements other than treaties shall be transmitted to Congress.

(3) The President does not consider the Agreed Framework Between the United States of America and the Democratic People's Republic of Korea to be a treaty, for purposes of seeking the advice and consent of the Senate to ratification, or even to be any other type of international agreement, for purposes of compliance with the Case Act (1 U.S.C. 112b).

(4) The Agreed Framework involves reciprocal binding commitments by both the United States and North Korea on resolution of the nuclear issue on the Korean Peninsula and is an international agreement.

(5) The commitments made by the United States under the Agreed Framework, including undertakings that will involve appropriations, are as substantial and ongoing as commitments that customarily have been made by the United States through treaties.

(6) Such commitments should be subject to Senate review and approval.

(b) SENSE OF SENATE.—It is the sense of the Senate that the President should have submitted, and should now submit, the Agreed Framework as a treaty to the Senate for its advice and consent to ratification pursuant to Article II, Section 2, Clause 2 of the Constitution of the United States.

(c) DEFINITION.—As used in this section, the term ''Agreed Framework'' means the document entitled ''Agreed Framework Between the United States of America and the Democratic People's Republic of Korea'', signed October 21, 1994, at Geneva, and the attached Confidential Minute.

Mr. SPECTER. Madam President, this is an issue of really enormous importance, as we have reviewed the work of the Intelligence Committee.

It has been my conclusion that the problems of international terrorism and the problems of weapons of mass destruction are problems of overwhelming importance, posing a security threat to the United States.

When we have a document which has as much practical importance as this so-called agreed framework does, it is simply inappropriate to not have it subjected to Senate scrutiny. It may well be that this Senate will ratify this treaty, the document that I consider to be a treaty.

It is certainly necessary, in my judgment, that matters of this sort be elevated to a level where there is very, very, considerable public scrutiny and scrutiny by the Senate under the constitutional doctrine of checks and balances.

So awaiting the reply by Secretary of State Christopher, it is my intention at the appropriate time to bring this matter to the Senate for ratification because of its importance on the merits

and on the substance, and because of its importance in compliance with the U.S. Constitution. I thank the Chair.

I yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

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

AMENDMENTS NOS. 342 THROUGH 346, EN BLOC

Mr. INOUYE. Madam President, I am about to send to the desk several amendments on behalf of several Senators on both sides of the aisle. I am pleased to advise you, Madam President, that these amendments have been reviewed and cleared by the managers of the measure before us and all of the appropriate Senators from committees of jurisdiction.

I send the amendments to the desk.

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes amendments numbered 342 through 346.

Mr. INOUYE. Madam President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 342

Mr. INOUYE offered amendment No. 342 for Mr. MCCONNELL, for himself, Mr. LEAHY, Mr. DOLE, Mr. DASCHLE, Mr. SPECTER, Mr. INOUYE, Mr. JEFFORDS, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mrs. FEINSTEIN.

The amendment is as follows:

On page 16, between lines 18 and 19 insert the following:

CHAPTER I

On page 25, between lines 4 and 5, insert the following:

CHAPTER II

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

DEBT RESTRUCTURING

DEBT RELIEF FOR JORDAN

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans to Jordan issued by the Export-Import Bank or by the Agency for International Development or by the Department of Defense, or for the cost of modifying: (1) concessional loans authorized under Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, and (2) credits owed by Jordan to the Commodity Credit Corporation, as a result of the Corporation's status as a guarantor of credits in connection with export sales to Jordan; as authorized under subsection (a) under the heading, ''Debt Relief for Jordan'', in Title VI of Public Law 103–306, $275,000,000, to remain available until September 30, 1996: *Provided,* That not more than $50,000,000 of the funds appropriated by this paragraph may be obligated prior to October 1, 1995.

Mr. MCCONNELL. Madam President, last July, Israel's Prime Minister Rabin and Jordan's King Hussein appeared before a joint session of Congress to declare the end of a 46-year state of war.

Their remarks were inspiring, particularly Prime Minister Rabin's reminder that he served 27 years as a soldier, and in his words, ''sent regiments into fire and soldiers to their death * * * and today we are embarking on battle which has no dead and wounded, no blood no anguish. This is the only battle which is a pleasure to wage, the battle for peace.''

In turn, King Hussein declared Jordan ''ready to open a new era in relations with Israel'' calling upon each of us for help and cooperation in security a final peace settlement for the Middle East.

Later in the day at the White House the President affirmed the American commitment to continue our role in securing a comprehensive peace. The next important step in that process followed in October with a peace treaty between the two nations.

This agreement was not an easy decision for Jordan. Given the radical opponents to peace in the area, particularly terrorist groups threatening retaliation against any country or leaders moving forward in normalizing relations with Israel, the King demonstrated remarkable courage.

In direct response to this significant breakthrough, President Clinton pledged our support in relieving Jordan of its crippling debt burden. In the foreign operations appropriations bill last year we provided the first installment of that debt relief. Several weeks ago, the President submitted a supplemental request and asked us to finish the job.

That is the amendment before the Senate. At the President's request, we are providing the balance of that debt relief. The funds will be drawn from the foreign operations subcommittee allocation scheduled to be released over fiscal year 1995 and fiscal year 1996 from existing foreign operations resources.

But not exceeding our subcommittee allocation, should not suggest this bill is free of costs. There are very painful tradeoffs that we will be forced to make in the upcoming foreign operations appropriations bill. By providing this relief for Jordan other programs will have to be reduced. But, that is a choice that I am willing to make and that is the clear choice of the Clinton administration.

Let me quote from the letter the President sent regarding this request. Dated March 8, he says failure to provide the debt relief ''would threaten our ability to continue our leadership in the Middle East Peace process. It undercuts those who are willing to take risks for peace and it directly threatens the security of Israel and the Israel-Jordan peace treaty.''

Those are the stakes. President Clinton's assessment is echoed by every leader in the region committed to stability, security and peace. In fact, the only critics of debt relief in the region seem to be those few cynical opponents still consumed by the drive to destroy Israel.

Syria's President Assad already is challenging American credibility and our national commitment to our friends in the region. His purposes would be served if he could point out that the Congress failed to live up to an American commitment to Jordan and other prospective the risk takers.

It will be nothing less than a victory for Saddam Hussein if we renege on the President's promise, if we abandon an obligation assumed by Secretary Christopher and the administration.

Madam President, it has not been an easy process to bring this legislation to the floor. Even with Secretary Christopher and his negotiating team in the region attempting to inch the process forward, there has been some reluctance by Members on both sides of the aisles to support this legislation. I know my colleague Senator LEAHY has some reservations about the outlay consequences of providing this support, but there have also been concerns raised about the administration's management of this request.

Last year, during conference on the fiscal year 1995 Foreign Operations bill, we received a late night request to add the first tranche of aid to our conference report. We did so with the clear understanding that the balance would be requested and provided in two additional installments over the next fiscal years. Instead, once again, we were presented with an emergency, last minute request.

The fact that Jordan and Israel signed a peace treaty factored into the decision to consolidate the second and third installments and I believe was the reason why most of my colleagues have been prepared to respond to the President's request, but I should point out that the administration has not made it easy to vote for this commitment. In fact, there have been several points when administration officials have actually jeopardized prospects for providing the assistance.

When the House Appropriations Committee decided to provide part of the funding while making the commitment to appropriate the balance in the next fiscal year, the White House spokesman accused members of contributing to the renewal of war between Israel and Jordan. Insult was added to injury when other administration officials suggested Republican isolationism would compromise our national commitment.

I think these charges are irresponsible, inaccurate and introduced a mean spirited, unnecessary partisan

element to an otherwise serious, important deliberation. Frankly, the remarks were costly in building support for this undertaking.

Nonetheless, many of us believe this is a commitment worth making and keeping. My colleagues who joined in introducing this amendment share the view that the cause of peace is at a critical point. Our partners in this process must know we will not retreat.

I ask unanimous consent that the letter I referenced from President Clinton be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, March 8, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCONNELL: A comprehensive and lasting peace in the Middle East that ensures the security of Israel has been a bipartisan goal which every administration and Congress has endorsed and pursued for nearly fifty years. This goal was significantly advanced through the bold leadership and courage displayed by King Hussein of Jordan and Israeli Prime Minister Rabin, which made possible the signing last October of a treaty of peace between their countries. The United States played a critical role in making this possible, through our diplomacy and our commitment to stand by those who worked for peace.

I told Prime Minister Rabin and King Hussein last July, as they met at the White House and set out their vision for a future of peace and cooperation, that the United States would support Jordan—as we support Israel—to minimize the risks it was taking for peace. The Congress expressed its own support for the King's leadership in the peace process in the extraordinary reception accorded the King and Prime Minister when they appeared together before a Joint Session. This expression of U.S. support was essential to King Hussein's ability to move forward to conclude and implement a peace with Israel which could serve as a model for regional cooperation.

Accordingly, last year I proposed to Congress that we forgive all of Jordan's official direct debt to the United States. This was authorized by the Congress last August and $99 million was appropriated as an initial tranche. I proposed in the FY 1995 supplemental an appropriation of $275 million to complete debt forgiveness. I want to encourage Congress to take immediate action to fulfill this commitment.

Failure to do so would threaten our ability to continue our leadership in the Middle East peace process. It undercuts those who are willing to take risks for peace and it directly threatens the security of Israel and the Israel-Jordan peace treaty. Prime Minister Rabin called me to express personally his grave concern regarding the negative consequences for both Israel and Jordan, as well as the broader peace process, of failure to fully implement the proposed debt forgiveness.

The cause of peace in the Middle East is at a critical point. We must not withdraw the support we have pledged to those who face very real threats from terror and violence. The people of Jordan must see that the United States stands by its commitments. Israel must know that our leadership in the Middle East remains a constant of bipartisan policy. And those in the region who have not yet made peace must recognize that we will not retreat from engagement in the quest for an enduring settlement.

The price the United States and our friends in the Middle East will pay for failure is high. I need your support to ensure that our commitment is fulfilled and the full $275 million of debt forgiveness for Jordan is provided.

Sincerely,

BILL CLINTON.

Mr. PELL. Madam President, this is an extraordinarily delicate moment in the Middle East peace process. Israel's agreement with the Palestinians is hanging precariously in the balance between success and failure, and one more act of terrorism against Israel could cause the agreement to unravel completely. At the same time, Israel's negotiations with Syria are moving slowly, and could be eclipsed by the pending Israeli electoral cycle.

While Secretary of State Christopher's recent trip to the Middle East appeared to yield some progress on the Palestinian and Syrian tracks, the truth is that we cannot be assured of the establishment of a comprehensive peace in the coming year. One element of the peace process, however, that has been an unqualified success is Jordan's peace treaty with Israel. By all accounts, the pace and scope of the agreement's implementation have exceeded expectations, and the accord shows real promise of bringing about a peaceful, normal relationship between Israel and Jordan. The Israeli-Jordanian peace treaty is a true milestone in U.S. diplomatic efforts in the Middle East.

We cannot lose sight of how well the peace treaty serves our national security and foreign policy concerns. Much like the Egypt-Israel peace treaty that arose from the Camp David agreements, the Israel-Jordan treaty resolves a major component of one of the most intractable conflicts in history. As a result, it should make a significant contribution to advancing our interests in the Middle East, namely, ensuring the safety and security of Israel, promoting regional stability, and preserving our access to—and the free flow of—oil.

That being the case, it is completely reasonable to provide full debt relief to Jordan as compensation for implementing its peace treaty with Israel. To me, a $275 million appropriation—when viewed in the context of this historic peace treaty—is a fair price to pay in support of peace. Moreover, if the United States leads by example in forgiving its debt, then we might be able to use that as leverage over other donor countries to enter into similar debt relief arrangements.

Madam President, I can think of many occasions in the past 30-some years when I have stood in this very spot to commend King Hussein for promoting peace in the Middle East. Now that the King has taken the final step in signing and implementing a treaty—with, I might add, no small amount of prodding from the Congress and successive U.S. administrations—I believe we should send a signal of our appreciation. That is why I support full debt forgiveness for Jordan.

Mr. LEAHY. Madam President, I am pleased to join Chairman MCCONNELL in sponsoring the Jordan debt relief amendment. This amendment concludes an effort that he and I began last summer when I was still chairman of the Foreign Operations Subcommittee and he was the ranking member. My colleagues will recall the excitement that enveloped this body at that time: Israeli Prime Minister Rabin and Jordanian King Hussein paid a joint visit to Capitol Hill and confirmed that they were making peace. I will never forget the shivers that ran down my spine as I listened to them speak and realized that the day that we had so long wished for had finally arrived. It was with enormous pride that I worked late at night with Senator MCCONNELL and Congressman OBEY in a last-minute drive to incorporate in our fiscal year 1995 appropriations bill a downpayment on debt relief for Jordan as a token of United States support for this wonderful, historic development.

That was just the beginning, however. In the space of just 2 months, far more quickly than anyone had predicted, the governments of Jordan and Israel completed negotiation of the formal peace agreement between their two countries. Come the end of October, I found myself with President Clinton witnessing the signing of that agreement on the Jordan-Israel border north of the Gulf of Aqaba. Once again, I found myself moved beyond words.

With the memories of that trip to the Middle East still fresh in my mind, I was pleased last month to see included in the administration's fiscal year 1996 budget request a proposal for a supplemental fiscal year 1995 appropriation to fund the remainder of the Jordan debt restructuring program that Congress authorized last summer. I was further pleased 10 days ago to receive a call from Secretary of State Christopher requesting my support for including $275 million for this effort in the defense supplemental appropriations bill now before the Senate. With the peace agreement signed and implementation proceeding vigorously, it is imperative that the United States move quickly to fulfill its promise and appropriate the funds required to complete the debt relief effort. I told Secretary Christopher that I would support this proposal enthusiastically.

Later that day, however, I received the details of the proposal and realized that there was one serious drawback to it: it would require that the bulk of the money—$225 million—for this effort come out of the funds that will be available in fiscal year 1996 for our other foreign assistance activities. In other words, in order to pay for our aid to Jordan, we would have to cut back significantly our aid to other countries and organizations. Mr. President, I worked all last week trying to find a

way to appropriate in full the $275 million for Jordan debt relief that is essential at this critical stage in the Middle East peace process, and at the same time avoid threatening serious harm to the rest of our foreign assistance programs. Unfortunately, the State Department advised me that any modification of the proposal would be interpreted in the Middle East as a retreat by the United States from its commitment to Jordan and its support for the peace process.

They also told me, however, that the administration will work hard in the coming months to find ways to mitigate the prospective harm to other programs. Given these assurances, and my strong commitment to supporting the Middle East peace process, I am cosponsoring this amendment with Chairman MCCONNELL. Chairman MCCONNELL has worked hard on this amendment, and I have appreciated the chance to work with him on it.

With this action, we make an important contribution to advancing the peace process and we demonstrate to King Hussein the appreciation of the United States for the heroic steps he has taken in support of the peace process.

As we proceed through the fiscal year 1996 appropriations cycle, I will work hard with the administration, Chairman MCCONNELL, and my other fellow Senators to minimize cuts to other essential foreign assistance programs.

Mr. LAUTENBERG. Madam President, I am joining with other members of the Senate Foreign Operations Subcommittee in sponsoring the pending amendment to relieve the remainder of Jordan's debt to the United States. I do so because this initiative is integral to the ongoing peace process in the Middle East.

This action will make good on the promise President Clinton and the American people made to King Hussein—that the United States would support Jordan as it took risks for peace.

In line with this commitment, last summer, President Clinton told King Hussein that he would ask the Congress to relieve Jordan's debt to the United States if Jordan took a bold step toward peace.

As the first step on the road to peace, Jordan and Israel signed the Washington Declaration and King Hussein and Prime Minister Rabin appeared for the first time together in public last July.

It was a historic moment. Many of us sat in the Capitol and marveled as King Hussein and Prime Minister Rabin—two former enemies—stood together before the Congress and spoke publicly about strengthening ties between their nations, about moving toward a comprehensive peace treaty.

We were inspired by their courage. We were moved that the two leaders were taking concrete steps to bring their nations together. That they were committing themselves publicly to waging a battle for peace.

In response, and consistent with the President's commitment, the Congress forgave a portion—$220 million—of Jordan's debt to the United States. to relieve all of the debt at that time would have been premature. It was, after all, important to measure progress and to give the King an additional incentive to sign a formal peace treaty with Israel.

Now, Mr. President, Jordan has signed a formal peace agreement with Israel. Jordan did not wait for other countries in the region to reach an agreement with Israel. It boldly moved forward and signed a comprehensive peace agreement with Israel on its own.

Now that Jordan has done its part, the United States needs to make good on the President's commitment to relieve the remainder of its debt to our country. The Jordanian Government has exposed itself to those who would choose war rather than peace with Israel.

The Government and the people of Jordan need to believe that they are being supported by the United States. They need to see that the fruits of peace are tangible.

Madam President, the administration supports this amendment. Secretary of State Christopher believes it is important to build the confidence of promoters of peace in Jordan and throughout the Middle East.

Last week, I spoke to Dennis Ross, the State Department's Middle East negotiator, who was in the Middle East with Secretary Christopher. He conveyed to me his strong belief that approving the remainder of Jordan's debt relief at this time was necessary to build momentum in the peace process and continue to strengthen American credibility in the region.

Admittedly, this is a less than ideal solution. Approving this amendment will put additional pressure on our foreign aid spending bill. However, as we review spending cuts, we have to keep in mind long-term American foreign policy and security interests, and reflect on expenses that might be incurred, and lives that might be lost, if the peace process does not move forward in the Middle East.

I hope this new commitment will be reflected in the Foreign Operations Appropriations Subcommittee allocation for fiscal year 1996.

Relieving Jordan's debt is important for the peace process. A successful conclusion to the peace process after decades of strife is important to U.S. security interests and, hopefully, will avoid the need for large defense expenditures or military involvement down the road. I urge my colleagues to support this amendment.

AMENDMENT NO 343

Mr. INOUYE offered amendment No. 343 for Mr. MCCONNELL.

The amendment is as follows:

On page 26, at the end of line 23 add the following:

Of the funds appropriated in Public Law 103–316, $3,000,000 is hereby authorized for appropriation to the Corps of Engineers to initiate and complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky.

Mr. MCCONNELL. Madam President, I have proposed an amendment that is essential to the continued survival of Hickman, KY. This town sits on an eroding bluff on the bank of the Mississippi River. If the erosion of the bluff is not halted the city of Hickman risks losing two 500,000-gallon water tanks, the police, fire, and ambulance stations, the county health department, and the community library buildings. As recently as 2 weeks ago the Fulton County School Board was evacuated after engineers indicated that bluff erosion had made the building unsafe.

Over the last several years, I have worked to find a solution to this problem. In 1992, I obtained funds to direct the Corps of Engineers to study the bluff's instability and determine the least costly alternative to address the erosion problem. Last year I was able to get additional funds included in the Energy and Water Development Appropriations, subject to authorization. Unfortunately, the Water Resources Development Act never passed the Senate, leaving the Corps of Engineers without the authorization to initiate their plan to stabilize the bluff. This amendment merely authorizes the expenditure of already appropriated funds.

This year I am concerned that time may run out on the residents of Hickman. Since the erosion does not conveniently conform to the Senate's schedule, I simply can not stand by and wait to see if the Water Resources Development Act will be passed this year. The city of Hickman is counting on this funding to prevent any further loss of their community.

AMENDMENT NO. 344

(Purpose: To restore local rail freight assistance funds)

Mr. INOUYE offered amendment No. 344 for Mr. PRESSLER, for himself, Mr. HARKIN, Mr. CONRAD, and Mr. DASCHLE.

The amendment is as follows:

On page 30, line 8, strike the dollar figure ''$120,000,000'' and insert in lieu thereof the dollar figure ''$126,608,000''.

On page 30, strike line 14 through line 18.

AMENDMENT NO. 345

(Purpose: Sense of the Senate concerning the National Test Facility)

Mr. INOUYE offered amendment No. 345 for Mr. BROWN.

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

''SEC. . NATIONAL TEST FACILITY.

It is the sense of the Senate that the National Test Facility provides important support to strategic and theater missile defense in the following areas: (a) United States-United Kingdom defense planning; (b) the PATRIOT and THAAD programs; (c) computer support for the Advanced Research

Center; and (d) technical assistance to theater missile defense, and fiscal year 1995 funding should be maintained to ensure retention of these priority functions.

AMENDMENT NO. 346

(Purpose: To provide that the rescission from the environmental restoration defense account shall not affect expenditures for environmental restoration at installations proposed for closure or realignment in the 1995 round of the base closure process)

Mr. INOUYE offered amendment No. 346 for Mrs. FEINSTEIN.

The amendment is as follows:

On page 25, between lines 4 and 5, insert the following new section:

SEC. 110. (a) In determining the amount of funds available for obligation from the Environmental Restoration, Defense, account in fiscal year 1995 for environmental restoration at the military installations described in subsection (b), the Secretary of Defense shall not take into account the rescission from the account set forth in section 106.

(b) Subsection (a) applies to military installations that the Secretary recommends for closure or realignment in 1995 under section 2903(c) of the Defense Base Closure and Realignment Act of 1990 (subtitle A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

AMENDMENT TO PROTECT MILITARY BASES

Mrs. FEINSTEIN. Madam President, I rise today to offer an amendment that would protect military bases recommended for closure or realignment in 1995 from the proposed rescission in the Defense Environmental Restoration Account [DERA]. I urge my colleagues to support this important amendment.

As many of my colleagues know, DERA funds are used to clean up environmental contamination at open military bases. Because, the military is subject to Federal and State environmental laws and regulations just like private parties, the Department of Defense has an obligation to clean up its military bases, whether the bases will remain open or will close due to the base realignment and closure process.

I strongly support DERA efforts and am concerned about the proposed $300 million rescission in this appropriation bill. But, I understand that the supplemental funding is extremely important to ensure the readiness of our Armed Forces and protect U.S. national security. Because the Appropriations Committee has decided to fully offset the increase in funding with spending cuts, difficult decisions need to be made. I remain hopeful, however, that the severe cut in DERA funds can be mitigated in conference.

I am particularly concerned about the impact of the DERA rescission on bases that have been recommended for closure or realignment in the current base closure round. Normally, cleanup at closing military bases is funded out of the base realignment and closure [BRAC] account. However, in the first year of a closure—before BRAC cleanup funds are available—environmental cleanup at closing military bases is funded from DERA.

Military bases slated for closure must be closed within 6 years of the closure decision, therefore, it is important that environmental cleanup not be delayed to ensure the timely and effective reuse of bases. Environmental cleanup is vital to assisting impacted communities with economic redevelopment efforts.

This amendment would protect bases recommended for closure or realignment in 1995 from any funding cuts in DERA. The rescission would still take place, but at least for the first year until BRAC funding kicks in, closing bases would not be impacted. This amendment would simply ensure that the timetable for cleaning up and closing a military base is not adversely impacted.

I urge my colleagues to support this amendment.

Mr. INOUYE. Madam President, I ask unanimous consent that the amendments be considered and agreed to, en bloc; that the motions to reconsider be laid upon the table, en bloc; and that statements relative to the amendments be printed in the RECORD as though read.

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

So the amendments (Nos. 342 through 346) were agreed to.

DOD MAIL ORDER PHARMACY PROGRAM

Mr. DOMENICI. Madam President, I would like to bring to Senator STEVENS' attention an issue regarding improved options for access to DOD health services.

Mr. STEVENS. I welcome my friend and colleague's input.

Mr. DOMENICI. The fiscal year 1993 Defense Authorization and Appropriations Acts required the DOD to conduct mail service pharmacy demonstration projects. The fiscal year 1994 Appropriations Act included language requiring DOD to expand the mail service benefit to include all base realignment and closure sites not supported by an at-risk managed care support contract.

DOD has moved forward to implement at-risk managed care support contracts; however, residents within the BRAC sites are still adversely affected because the managed care contracts will not be fully implemented in some areas for up to 27 months. This denies these individuals the access and convenience they previously had in going to medical treatment facility pharmacies.

By acting to extend the mail service pharmacy program now rather than waiting for full implementation of the managed care at-risk contracts, the Government can achieve the following objectives.

First, during the interim period, eligible residents will have access and convenience to a benefit that is comparable to what they had before by being able to go to the pharmacy at the medical treatment facility before it closed.

Second, the existing mail service pharmacy benefit uses government acquired pharmaceuticals, where as currently, beneficiaries are reimbursed based on what they pay for medications on the commercial market, which are considerably higher.

Third, expansion of this benefit now is consistent with previous congressional mandates to provide access and interim coverage to individuals affected by BRAC.

For these and other reasons, it is my hope that you will lend your support to try to address this gap in coverage during the conference.

Mr. STEVENS. The Senator from New Mexico has my support for trying to assist him in addressing this issue during the conference.

Mr. DOMENICI. I thank the Senator. I very much appreciate his support.

AIR FORCE SPACE PROGRAM FUNDING

Mr. STEVENS. Madam President, in discussions with the Air Force early this month, the Defense Subcommittee learned about a potentially serious problem with the financing mechanisms governing Air Force support of the Cassini mission to Saturn sponsored by the National Aeronautics and Space Administration [NASA].

In addition, potential problems have been identified with the funding of on-orbit incentives for several Air Force satellite programs.

The Cassini-related issue centers on the question of how much of the funds reimbursed to the service by NASA, can the Air Force use to finance the Titan IV/Centaur heavy-lift expendable launch vehicle programs. There is no problem with the amount of reimbursement, or with NASA's willingness to pay these funds. The problem apparently arises due to legal interpretation of the statute governing interagency exchanges of goods and services.

The subcommittee has been informed that resolution of this problem should occur early this year to avoid significant impacts on the Titan IV/Centaur space programs.

Similarly, early resolution may be needed for the on-orbit incentives dilemma the Air Force faces. In this case, a change in guidelines for budgeting for on-orbit incentives may have caused financial shortfalls for important satellite programs. The Air Force states that these financing changes may cause serious problems for the Defense Support Program for early warning satellites, the Global Positioning System navigation satellites, the Defense Meteorological Satellite Program, and the Defense Satellite Communications System.

The subcommittee understands that possible solutions to the Cassini and on-orbit incentives problems raise several legislative issues which must be addressed. Because of these issues, I have asked the Secretary of the Air Force to provide the subcommittee with her views on these matters, as well as the views of other organizations within the Department of Defense and NASA which may have an interest in solving these problems expeditiously.

I ask unanimous consent to print in the RECORD my letter to Air Force Secretary Sheila E. Widnall on these matters at the end of my remarks.

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

(See exhibit 1.)

Mr. STEVENS. It is my objective to be able to address these problems during our joint conference with our House counterparts. I am hopeful that the additional information we are seeking will assist us during this conference.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 16, 1995.

Hon. SHEILA E. WIDNALL,
Secretary of the Air Force, The Pentagon, Washington, DC.

DEAR MADAM SECRETARY: In discussions with the Air Force, the Defense Subcommittee has learned about a potentially serious problem with the financing mechanisms governing Air Force support for the Cassini mission to Saturn sponsored by the National Aeronautics and Space Administration (NASA). In addition, problems have been identified with the funding of on-orbit incentives for several Air Force satellite programs. The Subcommittee has been informed that resolution of these problems would occur early this year to avoid significant impacts on Air Force space programs.

The Subcommittee understands that possible solutions to these problems raise several legislative issues which must be addressed. Because of these issues, I would appreciate it greatly if you would share with us your personal views on these matters, as well as the views of other organizations within the Department of Defense and NASA which may have an interest in solving these problems expeditiously.

As I know you recognize, the Subcommittee stands ready to assist the Air Force in meeting its national security missions.

With best wishes,

Cordially,

TED STEVENS,
Chairman.

Mr. DOMENICI. Madam President, I would like to review with the distinguished chairman of the Defense Subcommittee the status of an Air Force program to investigate new air defense surveillance technologies. This program, called HAVE GAZE, has been managed for many years by the Air Force's Phillips Laboratory in New Mexico. Last year, Congress appropriated $8 million for fiscal year 1995 efforts. The same amount was appropriated for fiscal year 1994.

Phillips Laboratory has developed this promising new radar technology to the point where actual field experiments are necessary. These experiments are designed to gather the hard data needed to determine HAVE GAZE's operational potential and to determine whether the next development steps are justified.

Unfortunately, the Office of the Secretary of Defense [OSD] has released only about $2.5 million of the fiscal year 1994 funds and has withheld approval to spend the remaining $5.5 million for fiscal year 1994 and all of the fiscal year 1995 funds. Despite Congress' support for the program, OSD initially tried to terminate HAVE GAZE and now proposes more delays and more study before the Air Force can obligate funds.

I would like to ask the distinguished Defense Subcommittee chairman whether he shares my concerns about the Defense Department's latest actions regarding HAVE GAZE.

Mr. STEVENS. I say to my colleague from New Mexico that I do, indeed, share his concerns about HAVE GAZE. I am sorry to say the Department has not acted expeditiously as we intended when we appropriated funds in fiscal years 1994 and 1995. It is important that these previously appropriated funds be released so that the technical data needed to fully evaluate HAVE GAZE's potential is available to the Pentagon and to the Congress.

Mr. DOMENICI. Is the chairman aware of the support from the military for obtaining this HAVE GAZE data through the field experiments?

Mr. STEVENS. I am well aware of the fact that these HAVE GAZE experiments are supported by both the U.S. Space Command and the Air Force.

Mr. DOMENICI. I believe there is still an opportunity for the appropriate and timely resolution of this difficulty. Does the distinguished chairman agree?

Mr. STEVENS. I agree that there is need for the quick resolution of the situation.

Mr. DOMENICI. Will the chairman be willing to continue to work with me during the joint conference with our House counterparts to encourage the Defense Department to release the HAVE GAZE funds without further delay?

Mr. STEVENS. Let me assure my colleague on the Defense Subcommittee that, should these delays continue, we will need to consider this topic in our deliberations during conference with the House on this bill. I will work closely with him on this important matter.

Mr. DOMENICI. I thank the Senator. I greatly appreciate the support of the distinguished chairman of the Defense Subcommittee in obtaining an expeditious resolution of this HAVE GAZE issue.

MILITARY SCHOOL MAINTENANCE

Mrs. MURRAY. Madam President, I rise to engage the chairman of the Senate Appropriations Defense Subcommittee in a colloquy on the issue of military school maintenance.

As the chairman may know, local education agencies [LEA's] which serve the dependents on active military personnel have a unique and very difficult challenge in meeting the needs of these students. Not the least of these challenges is maintaining a safe and productive learning environment in those educational facilities which are owned by the Federal Government and located on military installations.

This situation is particularly acute in several LEA's which were identified in the joint Department of Defense/Department of Education report, the Dole Commission report mandated by Public Law 99–661, as having the most severe problems while serving at least two major military installations. In fact, some of these facilities would not even meet local fire and safety regulations were they not located on Federal property.

Congress has addressed this problem several times in the past. In fiscal year 1994 Congress appropriated $10 million to initiate repair problems at the above mentioned installations. This allowed the Department to begin correcting the most severe building deficiencies in advance of ownership transfer to the involved LEA's. In fiscal year 1995 Congress appropriated an additional $20 million to continue and hopefully complete this work and transfer ownership.

Though the funds for fiscal year 1995 military school maintenance programs were appropriated almost 6 months ago, I am advised that the Department of Defense has yet to disburse these funds to the appropriate schools.

Mr. STEVENS. I share the Senator's concern about DOD failing to promptly disburse these funds. As the Senator from Washington knows, the Department was directed—in the Senate report accompanying last year's Defense appropriations bill—to allocate these funds to school districts identified in the joint DOD/DOEd study as having the most severe problems. As such, school districts in our two States are in line for receiving some of these funds. One of the reasons for the Department's delay, I am told, is that statutory language approved in the 1995 Defense Appropriations Act does not allow funds for repairing federally owned schools to be used to replace facilities. I believe this problem faces both the Alaska and Washington schools. Is that the Senator's understanding as well?

Mrs. MURRAY. I believe that to be the case. It is my hope that a remedy to this situation will be considered in the conference on this supplemental appropriations bill.

Mr. STEVENS. I look forward to working with the Senator from Washington on this issue and will ask my staff to work closely with your office to craft an appropriate remedy. I can assure the Senator that this issue will be dealt with promptly.

APACHE HELICOPTERS

Mr. BOND. Madam President, there is one issue I would like to bring to the attention of the chairman of our Defense Subcommittee—the proposed rescission of $77.6 million from the Apache A procurement program. Although this funding is no longer needed to prevent a gap in the Apache production line, the Army claims that it is needed to prevent a delay in the Apache Longbow modernization program, which is one of the U.S. Army's priority programs.

I have been informed that the Army currently faces a significant funding shortfall for long lead procurement

items and for research and development in the Longbow program. These funding shortfalls may cause significant downsizing and delay in both efforts. A delay in exercising the long lead contract options and in providing the RDT&E funding, may result in key suppliers ceasing work and may cause delays in production planning, tooling acquisition, and component production. Technical publications may be placed at risk, and total program costs may increase.

I ask the chairman whether he would be willing to address this issue in conference and to work with me to find some kind of accommodation to avoid shortfalls in this critical program.

Mr. STEVENS. I recognize the concerns of the Senator from Missouri in this matter, and I can assure him that I will be happy to work with him within the fiscal limitations which constrain all of our decisions during this time of austerity.

I want to extend to my colleague and fellow member of the Defense Subcommittee my personal commitment to support the Apache Longbow program as a centerpiece of the Army's aviation modernization plan. I also recognize the significance of continuity in the Apache Longbow procurement and development efforts to the consideration of Apache helicopters for purchase by our NATO allies.

Let me add, for the benefit of my colleague, that I have directed the Defense Subcommittee staff to begin discussions immediately with the Army to determine the supplemental funding requirements for fiscal year 1995. The subcommittee is seeking this additional information so that it can assure that adequate resources are available for the program and that fiscal year 1995 funds support the efficient execution of the fiscal year 1996 budget request for Apache Longbow.

Mr. CONRAD. Mr. President, will the Senator from Hawaii be willing to engage in a short colloquy with the Senators from North Dakota?

Mr. INOUYE. I will be glad to engage in a colloquy with the Senators from North Dakota.

Mr. CONRAD. According to my understanding, Congress appropriated $10 million in fiscal year 1994 and $10 million in fiscal year 1995 for the U.S. Army to upgrade and procure the M149A2 water trailer.

Would the Senator from Hawaii tell me if my understanding is correct?

Mr. INOUYE. The Senator is correct. The Senator from North Dakota is aware that, as Chairman of the Defense Appropriations Subcommittee, I strongly supported procurement of the M149A2 because it provided the Army with a modern water trailer which it sorely needed.

Mr. CONRAD. I recognize the key role the Senator has played in procurement of the water trailer, and I am grateful for his support. As the Senator from Hawaii is aware, the M149A2 is manufactured by the Turtle Mountain Manufacturing Co., located on the Turtle Mountain Indian Reservation in North Dakota.

Turtle Mountain Manufacturing Co. began manufacturing the water trailer when the company was part of the Small Disadvantaged Business 8(a) set-aside program, and the company continued manufacturing the trailer after it graduated from the 8(a) program. Procurement of the M149A2 provided the Army with a vital piece of equipment. The procurement also brought job opportunities to the Turtle Mountain Indian Reservation.

However, I have recently learned that the Army has procured enough of the water trailers to meet its new inventory objective. Due to planned force structure changes, the Army does not need as many water trailers as it previously anticipated.

Would the Senator tell me if I am correct?

Mr. INOUYE. The Senator is correct. The Army reports that it has 9,926 M149A2 water trailers on hand, and no longer needs more of the water trailers. As the Senator has indicated, the Army still has $15 million of the funds Congress appropriated for the water trailers in fiscal year 1994 and fiscal year 1995.

The Army does, however, need another trailer, the M105A3 cargo trailer. The average age of the M105 cargo trailer is 16 years, while the trailer's economic life is 20 years. Nearly one-quarter of the Army's fleet of M105 cargo trailers is older than twenty years, and many of these overage trailers are assigned to fight units. The overage trailers can impair unit mobility and readiness.

Mr. CONRAD. As I understand it then, the Army has $15 million remaining from procurement of the M149A2 water trailer. Although the Army does not need additional water trailers, it does need the M105A3 cargo trailer.

Would the Senator support the Army's using this remaining $15 million to procure the M105A3 cargo trailer?

Mr. INOUYE. I indeed support such action by the Army. The funds were appropriated for trailer procurement, and the Army needs the M105A3. I urge the Army to use the funds to procure the M105A3.

Mr. DORGAN. I echo the sentiments expressed by my colleague from North Dakota. I thank the Senator from Hawaii for his support of funding for the M149A2 water trailer. The Senator's support has been vital to its inclusion in the defense appropriations bill.

Regarding the purchase of the M105A3 cargo trailer, I appreciate the Senator's confirmation that the Army needs the trailer. Since procurement of the M105A3 would essentially replace procurement of the M149A2, which was originally procured under the small disadvantaged 8(a) program, would the Senator from Hawaii indicate whether he thinks the M105A3 should be procured under a set-aside program?

Specifically, does the Senator from Hawaii think it would be appropriate for the M105A3 contract to be set aside for small disadvantaged businesses?

Mr. INOUYE. I do think it would be appropriate for the Army to set aside the M105A3 contract for small disadvantaged businesses, and I urge the Army to do so.

Senator STEVENS, the chairman of the subcommittee, is on the floor. Would the chairman of the subcommittee be willing to share his views on this subject?

Mr. STEVENS. I am pleased to tell the Senator from Hawaii that I share his opinion. The Army needs the M105A3 and, since the Army has funds which were appropriated for trailer procurement, the Army should use the $15 million in unused funds from procurement of the M149A2 to procure the M105A3 cargo trailer.

Mr. CONRAD. I thank the Senator from Hawaii and the Senator from Alaska.

FUNDING FOR ENTERPRISE DEVELOPMENT IN THE NIS

Mr. STEVENS. Madam President, I would like to express to the Senator from Kentucky, the chairman of the Foreign Operations Subcommittee, my concern as to whether the rescission in this bill to the Agency for International Development [AID] budget might affect the fiscal year 1995 funding level for the Enterprise Development Program. The projects funded in this program are some of the most successful in the former Soviet Union. I have personal experience with the American Russian Center [ARC] in Alaska, which receives its funding through this program. As you may be aware, during its exit briefing for their assessment of AID's programs in the Newly Independent States [NIS] the General Accounting Office [GAO] stated that the ARC was one of the two best programs in Russia. Mr. Tom Dine, the AID assistant administrator for Eastern Europe and Russia, is quoted as saying ''I use it [ARC] as an example to other Universities of how to get involved in the whole economic transition effort taking place in the former Soviet Union.'' ARC is the only AID privatization program in the Russian Far East Region, and in its first year provided training and technical assistance to over 1,000 Russians. Does the committee support the privatization programs, such as the ARC, in the NIS?

Mr. MCCONNELL. Yes, it does.

Mr. STEVENS. The Enterprise Development Program in AID is funding the development of private enterprises in Russia, not the Russian Government. This is consistent with the goal of strengthening the developing entrepreneur class in Russia. This entrepreneur class will be the backbone of democracy in that country. Because of the outstanding performance of the ARC and other programs like it, and

their critical mission of supporting privatization in Russia, I believe this program merits continued full funding. Is it the intention of the chairman of the Foreign Operations Subcommittee that no reduction be applied to the highly rated projects in the Enterprise Development Program such as the ARC?

Mr. MCCONNELL. Yes, that is correct. AID should maintain full funding for these programs.

Mr. STEVENS. Does the distinguished Senator support the original fiscal year 1995 funding level for the Enterprise Development Program.

Mr. MCCONNELL. Yes.

Mr. STEVENS. Madam President, I want to thank my colleague for clarifying that point.

Mr. DOMENICI. Madam President, I rise in my capacity as chairman of the Budget Committee, to comment on H.R. 889, the defense supplemental appropriations and rescission bill for the fiscal year ending September 30, 1995, as reported by the Senate Appropriations Committee.

The bill provides for a net decrease in fiscal year 1995 budget authority and outlays of $1.3 billion and $91 million, respectively. These are real cuts to the deficit.

I ask unanimous consent that tables showing the relationship of the pending bill to the Appropriations Committee 602 allocations and to the overall spending ceilings under the fiscal year 1995 budget resolution be printed in the RECORD.

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

STATUS OF H.R. 889 DEFENSE EMERGENCY SUPPLEMENTAL AND RESCISSIONS—SENATE-REPORTED

[Fiscal year 1995, in millions of dollars, CBO scoring]

Subcommittee	Current status [1]	H.R. 889	Subcmte total	Senate 602(b) allocation	Total comp to allocation
Agriculture-RD:					
Budget authority	58,117	—	58,117	58,118	−1
Outlays	50,330	—	50,330	50,330	−0
Commerce-Justice:					
Budget authority	26,873	−177	26,696	26,903	−207
Outlays	25,429	−20	25,409	25,429	−20
Defense:					
Budget authority	243,628	−0	243,628	243,630	−2
Outlays	250,661	−0	250,661	250,713	−52
District of Columbia:					
Budget authority	712	—	712	720	−8
Outlays	714	—	714	722	−8
Energy-Water:					
Budget authority	20,493	−100	20,393	20,493	−100
Outlays	20,884	−50	20,834	20,888	−54
Foreign Operations:					
Budget authority	13,679	−172	13,507	13,830	−323
Outlays	13,780	−6	13,775	13,780	−5
Interior:					
Budget authority	13,578	—	13,578	13,582	−4
Outlays	13,970	—	13,970	13,970	−0
Labor-HHS: [2]					
Budget authority	266,170	−300	265,870	266,170	−300
Outlays	265,730	−4	265,726	265,731	−5
Legislative Branch:					
Budget authority	2,459	—	2,459	2,460	−1
Outlays	2,472	—	2,472	2,472	−0
Military Construction:					
Budget authority	8,836	—	8,836	8,837	−1
Outlays	8,525	—	8,525	8,554	−29
Transportation:					
Budget authority	14,265	−187	14,078	14,275	−197
Outlays	37,087	−11	37,075	37,087	−12
Treasury-Postal: [3]					
Budget authority	23,589	—	23,589	23,757	−168
Outlays	24,221	—	24,221	24,261	−40
VA-HUD:					
Budget authority	90,256	−400	89,856	90,257	−401
Outlays	92,438	—	92,438	92,439	−1
Reserve:					
Budget authority	—	—	—	2,311	−2,311
Outlays	—	—	—	1	−1
Total Appropriations: [4]					
Budget authority	782,655	−1,336	781,319	785,343	−4,024
Outlays	806,241	−91	806,150	806,377	−227

[1] In accordance with the Budget Enforcement Act, these totals do not include $1,394 million in budget authority and $6,466 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $877 million in budget authority and $935 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount as an emergency requirement.

[2] Of the amounts remaining under the Labor-HHS Subcommittee's 602(b) allocation, $1.3 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

[3] Of the amounts remaining under the Treasury-Postal Subcommittee's 602(b) allocation, $1.3 million in budget authority and $0.1 million in outlays is available only for appropriations for the Violent Crime Reduction Trust Fund.

[4] Of the amounts remaining under the Appropriations Committee's 602(a) allocation, $1.3 million in budget authority and $1.4 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

Note.—Details may not add to totals due to rounding.

Source: Prepared by SBC majority staff, March 7, 1995.

FISCAL YEAR 1995 CURRENT LEVEL—H.R. 889, DEFENSE SUPPLEMENTAL AND RESCISSIONS BILL

[In billions of dollars]

	Budget authority	Outlays
Current level (as of February 25, 1995) [1]	1,236.5	1,217.2
H.R. 889, Defense Supplemental and Rescissions, as reported by the Senate	−1.3	−0.1
Total current level	1,235.2	1,217.1
Revised on-budget aggregates [2]	1,238.7	1,217.6
Amount over (+) / under (−) budget aggregates	−3.6	−0.5

[1] In accordance with the Budget Enforcement Act, the total does not include $1,394 million in budget authority and $6,466 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $877 million in budget authority and $935 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount requested as an emergency requirement.

[2] Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit-Neutral reserve fund.

Note: Details may not add to total due to rounding.

Source: Prepared by SBC majority staff, March 7, 1995.

NORTH KOREA—AMENDMENT NO. 328

Mr. HATFIELD. Madam President, I wonder is my friend from Alaska will allow me to respond to his final point about the necessity of having this same language included in the rest of the 1996 appropriation bills.

Mr. MURKOWSKI. I welcome the chairman's comment on this point.

Mr. HATFIELD. I appreciate Senator MURKOWSKI's willingness to modify the language of the amendment to delete the reference to ''any other act.'' As the Senator knows, it is my policy as chairman to pass appropriation bills that do not contain amendments that attempt to apply to other appropriation bills that have not yet come before us.

However, I want to give my assurances to the Senator from Alaska and to the majority leader that I support the intent of this amendment and will work with you in your efforts to include it in the remainder of the 1996 appropriation bills.

The Murkowski/Dole amendment brings much needed discipline to the administration's tactics for diverting money to the projects associated with the United States DPRK agreed framework. As the Senator mentioned in his remarks, in fiscal year 1995 the administration relied exclusively on emergency and reprogrammed funds for this purpose. As the chairman of the Appropriation Committee, I strongly support

the Murkowski/Dole amendment for requiring the administration to take an upfront approach from here on out. The administration must specifically request that funds be set aside for use in implementing the agreed framework. This will bring greater accountability to the process, and perhaps decrease the necessity for emergency supplementals such as the one we have before us today.

Mr. MURKOWSKI. I thank the chairman for his remarks, and also thank the Senior Senator from Alaska for his support of this amendment. I will look forward to working with you to see that the Murkowski/Dole language is adopted in subsequent appropriation bills.

Mr. COVERDELL. Madam President, I had planned to offer an amendment today but I will withhold in order to explain an agreement I have reached with the Chairman and manager of this bill, Senator HATFIELD. My amendment would have prohibited the Department of Housing and Urban Development [HUD] from expending further Community Development Block Grant [CDBG] nonemergency monies until funds appropriated last August for Tropical Storm Alberto were fully released.

Madam President, the State of Georgia this summer endured the worst disaster in its history, Tropical Storm Alberto. Alberto has left in its wake flooding unparalleled in the Southeast and damage estimates nearing $1 billion. In the aftermath of this disaster, Georgia embarked on a unified effort to build back its communities. This effort was appropriately called ''Operation Buildback.'' During these efforts, State officials with the assistance of their Federal representatives, catalogued the damages and recommended priority projects for the Federal agencies for whom emergency appropriations were made during our appropriations process.

During the 1995 budget cycle, $180 million were made available for this flood through the Housing and Urban Development [HUD] CDBG program. Let me remind my colleagues that this process took place last August. It has been a full 8 months since and HUD has not released over one-third of the disaster aid. In addition, my three inquiries to Office of Management and Budget [OMB] and HUD as to when the remaining funds would be released were ignored until it was learned that I would offer this amendment. There is $57 million outstanding and I would like to know why. Eight months is entirely enough time to get these funds released. The State of Georgia has done their part in submitting project requests in December that were well in excess of the $180 million that was appropriated for the entire disaster. It is high time for the Federal Government to do their part.

I submit that this is not way to treat disaster victims and their communities. We have a responsibility to get that money back to those who need it most instead of on a bureaucrat's desk in Washington. I will not offer my amendment with the assurances of Committee Chairman HATFIELD that he will support my efforts to add such an amendment to the second supplemental appropriations bill we consider if the administration has not rectified this situation.

Mr. HATFIELD. The Senator from Georgia is correct in regard to our agreement. If this situation has not been resolved by the time the Senate considers the next supplemental appropriations bill, I will support the amendment of the Senator of Georgia.

Mr. COVERDELL. I commend the chairman for his willingness to assist me in this endeavor. It is of utmost importance to my State. I look forward to working with him in the coming weeks to rectify this matter and thank him for his leadership in this regard.

Mr. HATFIELD. I thank the Senator from Georgia.

Mr. DOLE. Madam President, before we vote on the supplemental appropriation bill before us, I want to thank Chairman HATFIELD, Senator BYRD, Chairman STEVENS, and Senator INOUYE for their hard work in hammering out a bill which will restore $1.9 billion needed for training and readiness of our Armed Forces.

I am pleased that this bill is fully offset in both budget authority and outlays. Additionally, in my view, the committee has done a good job in identifying the defense programs which should fund this supplemental appropriation. However, I am concerned by the fact that the operations and maintenance accounts of our Armed Forces are continually being raided to fund unbudgeted contingencies that have little if anything to do with our national security. The administration requested this supplemental because it diverted 4th quarter O&M funding to pay for operations in Somalia, Haiti, Rwanda, Kuwait, Korea, and Bosnia. Now, let me be clear, I am not saying that all of these operations do not relate to U.S. interests. Certainly some, such as the deployment to Kuwait and the increased operations in and around the Korean peninsula, were in line with our national security interests. That is the way it is supposed to be. The deployment of U.S. troops should only be considered when the vital interests of the United States are at stake. We simply cannot continue to raid our O&M accounts to pay for every peace-keeping or peace-making operation dreamed up by the United Nations.

Even as the drawdown continues, our fighting men and women are asked to take on more missions in hostile environments. They face greater dangers with fewer numbers and less resources. In fact, since the collapse of the Berlin Wall, the Army has seen operational deployments increase by 300 percent. Last year, the Army twice set a new record for soldiers operationally deployed to other countries—with U.S. troops in more than 91 countries around the world. Despite all of the administration's rhetoric, they have provided neither an adequate force structure nor an adequate defense budget for the challenges that face us in this new era.

Now, we in the Congress find ourselves in the position of voting on a measure which essentially funds peacekeeping operations on which this Chamber has not expressed its position. Certainly, the President should have the flexibility to act in defense of our Nation and its interests. But we have been put in a position where we are asked to reimburse the Department of Defense for these operations, and if we do not, the readiness of our forces will be irreversibly harmed. Earlier, my colleague, Senator STEVENS, laid out for us what it would mean to not provide these funds. No doubt about it, the readiness of our forces would be downgraded from their current level, which in my view is precarious at best.

So, let me be clear, because I am concerned about the readiness of our forces and because I support the men and women who put their lives on the line whenever this Government asks them to, I will vote for this bill. But that should not be interpreted as a stamp of approval of all of the operations which made this supplemental necessary.

Mr. NUNN. Madam President, I want to start by commending the Senator from Alaska and the Senator from Hawaii for their hard work on this bill. I know there are no two members of the Senate more concerned about our national security than Senator STEVENS and Senator INOUYE. They have been given the difficult task of balancing our national security needs with the need for deficit reduction, and I can certainly appreciate the pressures they are under.

The Appropriations Committee has moved quickly on this supplemental, which the administration says must be enacted by the end of this month. I think the Senate has improved on the House bill in some respects. I particularly want to commend the managers for rejecting the reduction proposed by the House to the Cooperative Threat Reduction Program. That is a program the Secretary of Defense feels very strongly about, as do I.

I also think the managers were wise to reject the addition of $670 million in unrequested funds contained in the House bill. Some of those additional funds do address must-pay bills, which I will come back to in a moment, but they are not programs that belong in an emergency supplemental.

Madam President, the Defense Department needs a supplemental, and I think the leadership of the Defense Department is doing what they feel they need to do to get a supplemental enacted in a timely fashion to avoid a repeat of the disruptions in training that caused readiness problems in fiscal year 1994. However, I have several concerns with the approach the Senate is

being asked to take in this legislation. I question whether this supplemental is a good deal for the Defense Department on balance.

First, it does not provide the net increase in defense spending for readiness that was requested by the administration, despite the concerns many of my colleagues have expressed about readiness. The costs of the contingencies are covered, but only by making cuts elsewhere in the defense budget. Unlike the administration request and the House-passed bill, there is no net increase in funding for the Department of Defense in this supplemental.

Because this bill is not designated as an emergency, it requires all increases to be fully offset in both budget authority and outlays—otherwise enactment of a supplemental could cause a sequester. As this bill demonstrates, it is necessary to cut more budget authority than you add in order to achieve that goal when the supplemental requirements fall in the faster spending accounts, which is usually the case. In the future, I fear that we will find that attempting to offset fast-spending operation and maintenance outlays on a one-for-one basis will be extremely difficult and overly restrictive.

DOD is willing to make some of the cuts in this bill, such as termination of the TSSAM Program, which was anticipated in the budget, but they had planned to use these cuts to offset the cost of other must-pay bills later on this year. I might add that I regret that the TSSAM Program was not able to overcome its problems, because it is a technology we very much need, in my view. I am not quarreling with the administration's decision to terminate the program, although I am concerned that the amount of money rescinded in this bill will not allow sufficient funds to pay the Government's termination costs. I appreciate the comments of the Senator from Alaska that he is aware of that issue and plans to review it in conference.

According to Deputy Secretary Deutch, DOD already has $800 million in must-pay bills unrelated to these specific contingencies which will require reprogrammings, which is a process by which funds are transferred from one defense program to another during a fiscal year. By taking the easier cuts for this bill, we are just making it harder to deal with those other must-pay bills later.

Yet this bill also reduces DOD's 1995 reprogramming authority, thereby reducing their flexibility later in the year if more problems come up. There are other cuts in this bill that the Department of Defense does not agree with, such as the reductions to the Technology Reinvestment Program.

In addition to the concerns I have regarding specific programs in this supplemental, I am troubled by the impact on the defense budget and on defense management that the approach this bill takes of making DOD absorb the full cost of these contingencies could have if it is viewed as a precedent for funding future contingencies, which I hope it will not be. It largely defeats the purpose of having a supplemental.

I am not sure we have really thought through the impact of what we may be doing to the military with this 100 percent offset approach. Last week, Gen. Gordon Sullivan, the Chief of Staff of the Army, told the Armed Services Committee that if the Congress adopts a policy of forcing the military to completely offset the costs of any contingency operation:

> . . . it is just going to destroy our training programs, our quality of life programs, and it is going to be difficult to manage the readiness of the force . . . It is going to come out of reducing real property maintenance. We may have to furlough civilians, terminate temporary employees, curtail supply requests, park vehicles, reduce environmental compliance. It is going to have a major impact.

General Sullivan said that in the event the military is told to assist a large-scale evacuation of U.N. personnel from Croatia:

> I just have to stop training, and I will have to move money around from elsewhere to keep that operation going since obviously what you expect me to do is to fight and win your wars. So, I will have to get the money from people who are not doing that to support it.

Now that may sound like an exaggeration to some, but if you understand the laws that govern the defense budget, you will see why General Sullivan's comments are right on target. The cost of an operation, such as paying for the airlift to get there, the fuel, spare parts, and so on, must come out of the operating budget. The military does not have the authority to divert funds from the procurement of weapons, or from research or military construction or military personnel accounts, even if they wanted to.

And even within the operating budget, there are further constraints. A large portion of the operating account is civilian pay, so you cannot save money there without firing civilians. And you cannot cut really cut the money to operate the bases—you have to pay the light bill. So the areas General Sullivan is talking about—training, maintenance and repair of the buildings on our military bases—are the only areas where the military has the flexibility to change its plans halfway through the year. And in fact that is exactly what happened last year—money had to be diverted from training.

In the past we have paid for contingencies and natural disasters such as the Midwest floods, the Los Angeles riots, the California earthquake, and the cost of the Somalia and Rwanda operations last year, as emergencies under the agreement reached in 1990 as part of the Budget Enforcement Act that set up discretionary caps. What we have done, at least in defense, was make a good faith effort to offset these supplementals as best we could. About 70 percent of the cost of the 1994 Somalia supplemental was offset by defense rescissions, for example, while all of the costs of the Rwanda mission, which was about $125 million, were emergency funds. So in the past we have been consistent about calling an emergency an emergency, but sometimes we have fully or partially tried to offset those costs and sometimes we have not.

That is basically the approach the House is taking. They provided emergency supplemental appropriations for the Department of Defense and then tried to offset those appropriations, in budget authority but not in outlays, using savings from both defense and domestic programs. It is my hope that the House position would prevail on this fundamental point, that is, the question of whether we are going to treat the costs of contingency operations that cannot be anticipated in advance as emergencies for budget purposes.

If we start dropping the emergency designation, we could end up tieing our hands in responding to future emergencies while we wait to find 100 percent offsets. Strong consideration must be given to budgeting for unanticipated contingencies in advance in the DOD budget, but this inevitably runs into the issue of implicit congressional approval for military operations and war powers considerations.

In addition to my concerns about the financial impact on the Defense Department if this bill is viewed as a precedent, I also share the concerns expressed by the Senator from Hawaii about the long term policy implications of telling the military any future contingency they are involved in is going to come out of their budget dollar for dollar. This is going to have an impact on their ability and their willingness to respond to situations like Haiti or Cuba, or especially a much more expensive operation like peace enforcement in Bosnia, in the future. It could have the effect of dictating our policy on the use of force through the appropriations process.

I hope the policy of making the Defense Department absorb the costs of these operations is viewed as a one-shot proposition, not as a precedent for future supplementals, because if we are telling the Department of Defense that any time there is an emergency that comes up and they come over and request supplemental funds that they are going to have to provide a 100-percent offset, then we are going to change the nature of the responsiveness of the Department of Defense itself to the missions that may, indeed, be crucial to our Nation's security.

If the Department of Defense is told that any unanticipated operation they undertake, either unilaterally or with NATO or the United Nations, is going to have to be completely offset within the defense budget, which means they are going to have to basically kill or substantially alter crucial defense programs in order to absorb those costs,

then the result is going to be a very strong signal that the United States is not going to be as involved as we have been in world affairs, including commitments to our allies and commitments that we have voted for at the U.N. Security Council.

This complete offset policy sounds good in speeches but it has very serious implications for the Department of Defense. Make no mistake about it, this complete offset policy means the long-term capability of the Department of Defense is going to go down. It does not mean that the immediate readiness is going down because that can be protected.

But future readiness, future capability, requires modernization and it requires research and development, and those are the programs being cut by this complete offset policy. So 5 or 10 years from now, people will have a very serious problem with readiness if we continue to declare there is no emergency even when our forces are responding to the unanticipated events that we all know will take place somewhere in the world from time to time.

Madam President, I also want to note that this bill contains domestic rescissions of about $1.5 billion. I understand that the defense portion of this supplemental is outlay neutral in 1995 without the domestic rescissions, but that over the 5-year period the domestic rescissions are necessary to make the whole bill outlay neutral over the long run.

Many of my colleagues do not support the idea of using domestic rescissions to offset the cost of a defense supplemental. My view is either we have firewalls or we do not. The Congress has cut defense to pay for domestic supplementals in the past, so I do not see any reason why we should not look to domestic programs to offset the cost of defense supplementals, especially if we are going to start adopting the policy of offsetting both the budget authority and outlays of supplementals.

I hope we decide to reinstate defense firewalls, Madam President. But until we do, I believe domestic programs should be on the table to fund defense supplementals, just as defense programs have been put on the table to fund domestic supplementals.

In 1990, for example, $2 billion in defense funds were rescinded to substantially offset the cost of a supplemental providing economic aid to the new democratic governments of Panama and Nicaragua as well as funds for food stamps, fighting forest fires, veterans programs, and many other programs.

That same fiscal year, discretionary spending was reduced across the board to fund antidrug programs. So once again there was a net transfer of funds from the defense budget to the non-defense discretionary part of the budget.

I should also point out that previously the defense budget has been held to a higher standard than the domestic budget. As I have already pointed out, 70 percent of the defense funds provided in last year's emergency supplemental for Somalia were offset by defense rescissions. But only about 25 percent of the non-defense funds provided in that supplemental were offset by rescissions. If the Congress is contemplating setting out a new policy for offsetting supplementals, or not offsetting supplementals, I think that policy has to be fair in its treatment of defense and domestic emergencies.

HAITI REPORTING REQUIREMENT

Madam President, I am also concerned that the requirement for a Presidential report on the cost and source of funds for military activities in Haiti is linked to a cutoff of funds for those activities if the report is not submitted within 60 days after enactment of this act.

I generally oppose linking a cutoff of funds for any military operation to anything other than the accomplishment of the mission. If the Senate opposes a military activity or operation, it should vote to cut off the funding. In the case of the Haiti operation, however, the Senate voted several times in the last session not to prohibit the President from ordering the deployment of United States forces to Haiti. I do not think that the Senate would be prepared to vote to terminate the funding for the Haiti mission now that it has been carried out with such professionalism by United States forces and is in the process of being turned over to a U.N. operation that will be commanded by a United States general officer.

In this case, moreover, virtually all of the information that the President would have to provide in his report to Congress was mandated last session by Public Law 103–423, a joint resolution regarding United States policy toward Haiti, that was signed into law by the President on October 25, 1994. President Clinton has now submitted four reports pursuant to sections 2 and 3 of that legislation that call for monthly reports until the mission is over. Those reports were submitted to Congress on November 1, December 6, and December 31, 1994, and on February 8, 1995.

If the President had refused to submit those reports, then perhaps it would make sense to condition the continued availability of funding on the submission of such reports in the future. But the President has been submitting those reports and there are no indications that he plans to stop submitting them.

I do not plan to offer an amendment to this bill to delete the cutoff of funding provision. I base my decision on the urgent need of the Department of Defense for this supplemental funding and my realization that there will be a difficult conference with the House on this bill. I therefore want to avoid any action that could delay this legislation. The fact that President Clinton will be able to submit the report required by this bill has minimized my concern over the funding cutoff provision. But I did want to note my concern over this provision and to signal my determination that this provision not serve as a precedent for this type of action.

EF–111 SYSTEM IMPROVEMENT PROGRAM [SIP]

Mr. D'AMATO. Madam President, I would like to commend my good friends, the distinguished chairman and ranking minority member of the Defense Subcommittee, for not including EF–111A System Improvement Program [SIP] funds in the defense rescission package of the supplemental funding measure now before the Senate.

I believe the House Committee on Appropriations acted prematurely by including EF–111A SIP funds in its version of the supplemental. As my colleagues know, the EF–111A SIP has been under siege since fiscal year 1993 when some in Congress suggested that the program duplicated the Navy's EA–6B Advanced Capability [ADVCAP] Program.

At the time, the Pentagon sharply challenged the notion that the EF–111 and EA–6B were duplicative. Then-Air Force Secretary Don Rice was quoted as saying: ''The F–111 does escort jamming as well as local area jamming; it has the capability to keep up with the F–15E's and F–111F's and F–16's when they're doing interdiction missions. The EA–6B does not.'' The Pentagon appeal to the fiscal year 1993 Defense Appropriations Conference was even more detailed:

> The elimination of the EF–111 would significantly compromise the U.S. ability to provide standoff jamming in support of tactical air operations for two reasons. First, the EF–111 and the EA–6B each have capabilities not possessed by the other. Although the two jamming systems will be roughly comparable following modernization, the EF–111 is, and will continue to be, more capable than the EA–6B in supporting deep strike missions. This is due to the EF–111's significant advantage over the EA–6B in speed, range, and time on station.
>
> Second, even if the two platforms were comparable in all respects, there is an insufficient number of EA–6B's in the Navy inventory to support the mission requirements of both Services. To procure additional EA–6B's to compensate for the loss of the EF–111's would be much more expensive than to retain and modernize the existing EF–111 inventory.

In the end, the Department of Defense was successful in reversing the proposed elimination of EF–111A funding. Soon thereafter, in February 1993, the Chairman of the Joint Chiefs of Staff report on the roles, missions, and functions of the Armed Forces of the United States endorsed the retention and modernization of both the EA–6B and the EF–111A.

In retrospect, the roles and missions report was the high water mark of Pentagon support for the EF–111A. As my distinguished colleagues know, the fiscal year 1996 defense budget request calls for the termination of the EF–111A SIP program in fiscal year 1996 and retirement of the EF–111A fleet in fiscal year 1997. Navy EA–6B's, according to the Air Force, will fill the gap

left by the retirement of the EF–111A fleet.

This plan is fatally flawed. The EA–6B ADVCAP program was canceled in February, 1994, and the future of Navy electronic warfare has been in turmoil ever since. In the wake of this cancellation, the Pentagon commissioned the Joint Tactical Air Electronic Warfare Study to examine the relationship between the EA–6B and EF–111A and to review overall electronic combat requirements.

I would like to ask the distinguished Defense Subcommittee chairman whether the results of the joint tactical air electronic warfare study have been delivered to the Congress.

Mr. STEVENS. I will answer my colleague by saying that the results of this study are long overdue and may not be available until June, 1995.

Mr. D'AMATO. Will the distinguished chairman also agree that, until the Congress has had a full opportunity to evaluate the results of this study, any proposal to eliminate EF–111 SIP funds and to retire the entire EF–111 fleet is extremely premature?

Mr. STEVENS. I certainly agree with my colleague from New York.

Mr. D'AMATO. In my opinion, the bottom line is that we are being asked by the House to lay waste to the Air Force's support jammer capability without sufficient analysis or debate. We know the Navy option is woefully inadequate.

We should ask ourselves several critical questions before we even decide what to do about Air Force and Navy support jamming requirements. First, what are the alternatives to the EF–111A SIP? Second, if there are none, how will the termination of the SIP, and the retirement of the EF–111A's, affect the efficiency and survivability of our strike forces?

Does the distinguished Defense Subcommittee chairman agree that, until we can answer these questions, any suggestion of rescinding EF–111A SIP funds is fraught with too many risks for our national security.

Mr. STEVENS. I agree with my colleague that terminating the EF–111 SIP program and planning for the retirement of the EF–111 fleet at this time would be an unwise and risky course of action.

Mr. D'AMATO. Is my colleague willing to work with me and do what he can to prevail over the House in the upcoming joint conference on the supplemental?

Mr. STEVENS. Recognizing that we have a difficult conference before us, and that funds are desperately short, let me assure the Senator from New York that we will do what we can in joint conference to hold the Senate position and to protect his interests to the greatest extent possible.

Mr. GLENN. Madam President, I would like to raise my concerns related to the pending supplemental appropriations bill.

I certainly understand the difficulty under which the Appropriations Committee must work, particularly when the budget deficit looms as large as it does.

But, I am concerned, Madam President, about the precedent set in this bill by requiring that emergency supplemental spending be fully offset.

In the past, Congress and the administration have agreed to allow for emergency spending without requiring offsets, but taking offsets in a more benign manner, usually in cases where programs have been canceled or where contract funds were available because they could not be obligated during the fiscal year for which they were provided.

The supplemental before us takes a much different approach that bears dramatic consequences.

By requiring complete offsets from prior year funding, we really are not cutting lower priority programs as a result of tight fiscal constraints. We are victimizing programs basically because they are in slower spending accounts and their funds are still available to raid. I know a number of my colleagues have expressed similar concerns and I am hopeful that we can craft a new method of funding future emergency spending.

I also note, Madam President, that this approach may be more easily accomplished in the earlier quarters of a fiscal year, but what happens later in the year after we have exhausted the resources of these slower spending accounts?

Will we bring our normal planned operations, maintenance, and training to a screeching halt? Will we stop paying our troops? This is what will happen when we require the cost of contingency operations to be paid from the current operating budget for operations in places like Iraq, Rwanda, the former Yugoslavia, and Haiti. Shortfalls in training and maintenance are the very kinds of actions for which the administration has been criticized and which the President's supplemental request is intended to avoid.

I appreciate the committee's desire and attempt to impose fiscal responsibility and I appreciate the committee's efforts to keep the technology reinvestment project, the so-called TRP, alive, but I don't believe we should fool ourselves that requiring complete offsets does not have important implications for the overall readiness of our Armed Forces.

The effect of this bill, Madam President, is to reduce current defense spending by $1.9 billion. This is particularly curious, Madam President, at a time when the majority, in its Contract With America, calls for additional spending to ensure readiness.

Today's supplemental eats our seed corn in a number of important areas. This bill will cut over $500 million from defense research and development programs. To me, research and development ensures the Nation's future readiness. Make no mistake, yesterday's investment in R&D is what is winning today's battles. It is short sighted, in my view, to downplay or overlook the critical research and development plays in our overall readiness.

I would like to take a moment, to direct my comments to two programs that have been embroiled in the debate over how to fund this supplemental request. They are the TRP Program and the Department of Commerce's Advanced Technology Program. I am very much relieved that the committee did not take the same kind of draconian cuts the House made and I urge the committee to maintain its position on these programs in conference with the House.

I, like virtually every other Member of this body, have been a strong supporter of the technology reinvestment project [TRP]. When Congress first crafted this program in 1992, incorporating the recommendations of both the Democratic and the Republican task forces on defense conversion, the program received virtually universal support.

Several Members on both sides of the aisle came to the floor to express their support for the program and the amendment providing funding for the program was adopted by a vote of 91 to 2. To suggest now that TRP funding is not a high priority is to forget the level of support this program has enjoyed.

It is not surprising either because the TRP is an innovative, and I might add a more cost effective, way for the Department of Defense to meet its research and development requirements. The Defense Department has always spent a portion of its R&D funds on dual-use technologies, notwithstanding recent claims that funding for dual-use technologies is some sort of a handout.

The truth of the matter is that DOD will continue to be involved in developing dual-use technologies, because one of the uses in any given dual-use technology is its military use.

The operative question becomes how do we go about developing this dual-use technology that the military needs. The military can pay the full freight and develop it on its own as it has in the past. Or, the military can try to get the private sector to pay for half of it, since the dual-use technology also will have a commercial application.

It seems simple to me. Do we want to pay full price or half price? I prefer to take advantage of the discount. TRP is not a subsidy or grant program for contractors. If anything, it is like a reverse subsidy for DOD, Mr. President.

Just one example bears this out. The uncooled infrared rifle sight technology under development through TRP funding will help soldiers locate and engage the enemy in bad weather. In the private sector, it can be used by industry to detect energy losses in houses and buildings.

Under a TRP funded, dual use approach the military's goal is to reduce

the unit price from about $100,000 to less than $10,000 per unit, by tapping into the potential commercial market which is 10 times larger than the military requirement. Without TRP, the military could pay 10 times more for the same technology.

TRP funding is a small investment, accounting for less than two-tenths of 1 percent of this year's Defense budget request. Yet, it leverages those defense dollars through industry cost-sharing and it could yield significant benefits to long-term military readiness. To kill the technology reinvestment project, as the House bill would do, would be like killing the goose that lays the golden eggs. It just does not make sense.

Madam President, my concern about efforts to erode government-industry joint efforts to develop next-generation technology extends to the House-passed $107 million rescission of funds for the Advanced Technology Program [ATP].

ATP is cost-shared, industry-led, competitively awarded R&D which pursues cutting edge technologies with strong potential for later commercial success but technology that presently is too risky or too long term to be pursued by industry alone.

Like TRP, ATP was developed with strong bipartisan support in the Congress. ATP is intended to capitalize on America's strength in research and development to create jobs and economic growth, and increase our competitiveness in the global economy. While I believe any cut in these critical technology programs is extraordinarily short-sighted, at least the Senate has reduced the amount of the rescission to $32 million; I urge my colleagues on the Appropriations Committee to do everything they can to maintain the Senate position in conference.

Finally, Madam President, I cannot yield the floor without expressing my concern over the cuts taken in both the Defense Environmental Restoration Account and the Department of Energy's Environmental Management Program. A number of my colleagues have identified environmental cleanup as lower priority spending that could be used for other programs. This is terribly wrong headed Mr. President. I hope that the cuts taken in this supplemental do not signal the beginning of a full scale assault on these important programs in the future.

Both DOD and DOE have legal obligations to clean up their facilities. We already know that failure to meet cleanup milestones will result in fines and penalties. In addition, for DOE, the cost to cleanup will increase substantially simply by virtue of the delay. I intend to address this issue at greater length in a separate statement. Like the mechanic in the transmission commercial, you can either pay me now or you can pay me later. But, it will cost more later.

I yield the floor.

Mr. ROCKEFELLER. Madam President, I want to comment on an important aspect of the debates that took place to develop the legislation approved today, and which I believe is directly related to the kind of military security, growing economy, and strong job base that Americans should be able to count on.

I am referring to the work of the programs within the Department of Commerce, the Department of Defense, and other parts of the Federal Government that serve as partners with industry to spur advances in technology. My belief in these programs is very basic. Knowing what the investment in technology that our foreign competitors are making and the role that technology plays in expanding industries and high-wage jobs in our own country, I view these programs as an essential key to the economic security that West Virginians and the rest of the American people should expect Congress to work toward.

For awhile, it appeared that this appropriations package would be used to cripple some of the most important technology programs in our public arsenal. But thanks to the efforts of many of my colleagues, and I am privileged to work closely with a group of them, we were fairly successful in reminding the Senate that a retreat from technology investments is a dangerous course in military and economic terms.

In fact, I was pleased to see the Senate approve the Sense of the Senate resolution, offered by Senators BINGAMAN and NUNN and which I cosponsored, that expresses a continued commitment to the development of dual-use technologies to be used by both the military and the private sector.

These kinds of private-public partnerships, including the Technology Reinvestment Project [TRP] and the Advanced Technology Program [ATP], chart the course we should be taking for a strong military and economic future. This concept is at the heart of the President's technology policy, and is the most cost effective way to employ the ever-shrinking Federal dollar in a way that maximizes our Federal dollars to the benefit of both the public and the private sector.

To understand these kinds of partnerships, and the value of the TRP and the ATP, we need to look first at the Advanced Research Projects Agency [ARPA], which was set up nearly 40 years ago by President Eisenhower. I think we can all agree that ARPA is one of the big success stories to come out of the military-industrial complex over the years. Aside from technologies it helped develop that our armed services rely on today, things like stealth, the Global Positioning System and smart weapons, it is also one of the parents to some of the technologies that the people of America take for granted in their daily lives, things as varied as a desktop computer is from the laser in a CD player.

I want to also remind my colleagues that the Internet, which is at the heart of the information super highway America is discovering, was originally known as ARPAnet. All of these technological breakthroughs were developed for the military, but have now been spun off into our daily lives. That is what the TRP, and the ATP, are about.

It is about something even greater. We do not spend taxpayers' hard-earned dollars on the TRP just because of what it does for the economy. It is housed in the Department of Defense because of its direct role in military readiness and the strength of our defense. Increasingly, cutting edge technology is not being developed in the military industrial complex, it is coming out of the private sector. The TRP program, and other public-private partnership give the Federal Government, and in the case of the TRP, the Department of Defense, access to the brain power and resources of our best civilian technologists. It is becoming less an issue of spin-offs and more an issue of spin-ons.

We all know that great advances in computing came as spin-offs from DOD programs, but today the leading minds, the human and material resources, are in the private sector. Programs like the TRP give the military the chance to work with those minds and develop software and applications in conjunction with the private sector, where most of the innovation is happening. Then we can spin those technologies invented in partnership with the private sector on to military applications.

And let me be clear, this is not about industrial policy; picking winners and losers. The private sector, in conjunction with the Department of Defense, are picking the winners. Where a program only has defense applications, such as a submarine, the private sector will not be interested in participating in a joint R&D project with the DOD. But when we are developing something that will have commercial and military applications, then the TRP can and should play a part.

It is a ridiculous waste of our country's private and public capital to duplicate our investments in research and development where the military needs something that the private sector may be developing on their own. Frankly, we cannot afford it on either end. If last month's balanced budget debate illuminated anything for the American people, it is that we are going to have to squeeze every last dollar we can out of the Federal budget. I support the deficit reduction portion of this bill. I do not like every line-item in the rescissions package, but overall, it is something we simply have to do. Likewise, the government cannot afford to do all the research and development on leading edge technologies that they will need to maintain the kind of fighting force we all envision. But if we pool our Federal resources with the private sector's, then we all benefit.

I want to point out just one example that demonstrates the usefulness of the TRP to both the armed services and America's consumers. Right now, DOD, in conjunction with private industry is developing something called multi-chip module [MCM] technology. This will allow electronic systems to work faster and more reliably while using less power. DOD needs MCM's for things like precision-guidance of advanced weapons and real-time signaling for intelligence activities. Likewise, the private sector is itching to put MCM's to use in a variety of consumer products, from cars to digital signals in audio and video telecommunications. Certainly we can fund this out of our defense budget, but when there is a clear private sector interest in doing this jointly, why go it alone?

And this should not be a political issue. Many of my colleagues on the other side of the aisle have supported technology programs such as this in the past. As has been noted by others, the basis of this sense-of-the-Senate amendment is former Senator Rudman's task force report of 1992, which was endorsed by many of my current distinguished colleagues, Senators STEVENS, MCCAIN, WARNER, and THURMOND among them.

I should note, that the defense supplemental portion of this package is breaking new ground here. This bill was submitted to the Congress for emergency consideration. That is because the costs that we are trying to cover were unforseen. They were unplanned activities that were undertaken in our national interest.

Madam President, we must be fiscally responsible. But we should resist the fool's game of trying to outfox or out-cut one another. We were elected to set priorities, to deal with current national needs and plan for the future. Because of the size of the Federal deficit, that must include an intense effort to get our books in order. But it should not be a political contest or done blindly. If we abandon the programs and investments designed to maintain a military and economic foundation for all Americans, we will see the pain from a crumbling manufacturing base and defenses after it is too late.

We cannot compromise our future, be it in technology, education, or child nutrition, for the sake of today's political brinkmanship. We must fight for what we know must be national priorities, and I will fight for West Virginia's. The winners will be our soldiers in the field, our children and their ability to learn, the workforce needed to keep this country strong. And in the case of the technology programs discussed in this statement, we want to make sure the winners include our indusries—and our workers—who are on the frontline of the global economic battlefield.

Mrs. BOXER. Madam President, after much thought and analysis, I have decided to oppose this bill. I have made this decision for one simple reason: on balance, I believe this bill is bad for California and bad for the Nation.

I support the supplemental appropriations contained in this bill, which cover the costs of unbudgeted contingencies in Somalia, Bosnia, and Haiti. However, I believe that these unplanned operations should have been treated by the committee as emergency requirements, as requested by the Department of Defense.

Having elected to recommend supplemental funding without the emergency designation, the committee was obligated to find offsetting rescissions. Regrettably, the committee has recommended for rescission in this bill programs that are vital to the defense of our country and to the economic security of the State of California. The cuts made in environmental cleanup programs and in research and development programs like the Technology Reinvestment Project, or TRP, are wrong for this country and wrong for California. I cannot support these reckless cuts, Madam President, and I will not.

This bill contains a $300 million rescission for DERA, the Defense Environmental Restoration Account—twice the cut passed by the House.

What would this rescission mean for the State of California?

At the Marine Corps Logistics Base in Barstow, efforts to clean contaminated groundwater could be delayed. Soil contaminated with heavy metals, petroleum hydrocarbons, pesticides, and herbicides may not be removed.

At the Concord Naval Weapons Station in the bay area, cutting DERA means delaying cleanup on polluted tidal and inland areas. If this rescission is enacted, contaminated water and soil may sit idle so we can say we did the responsible thing by ensuring that every dollar in this bill was offset by a rescission somewhere else in the Pentagon budget. But that's not really the responsible thing. The responsible thing to do is not create an environmental hazard in the first place, but if you do, you clean it up, and you clean it up fast.

I want to make a final point on this DERA rescission. Earlier this month, the Department of Defense announced which military bases it wants to close in the 1995 BRAC round. California was hit again. One major base was recommended for closure and several other installations face realignment. I will fight hard for those bases and get their positive stories out. But if those installations stay on the list, I want the contaminated sites at those bases cleaned up as fast as possible so the communities can do something productive with that land.

In the 1995 base closure round, unlike previous rounds, environmental cleanup will be funded by the DERA account. That is the very same account that this bill proposes cutting by $300 million.

So I would say to all Senators, if you have a base in your State that may be scheduled for closure this year, think long and hard about cutting $300 million from the Department's primary environmental cleanup account. Believe me, you do not want to find yourself in a situation where the military is moving out, but the community cannot move in because of environmental contamination. California has been in that situation too often, and it is very, very unpleasant.

The Senate considered an amendment last week offered by Senator MCCAIN to reduce the rescission in this bill for environmental cleanup funding by increasing the cut for the Technology Reinvestment Project, or TRP. I opposed that amendment not because of the DERA increase—which I support—but because of the draconian TRP cut. That amendment presented the Senate with an impossible choice: allow deep rescissions in DERA or kill the Technology Reinvestment Project outright.

However, even without the McCain amendment, this bill rescinds $200 million from the Technology Reinvestment Project. To be sure, this is better than the House rescission of $500 million, which would kill the program, but the Senate rescission will badly damage this critically needed program.

Research and development is the key to maintaining our military advantage in the future. But the Department of Defense can no longer afford to maintain its own private research industrial base. We must gain access to the commercial technology sector, which in many ways out performs the defense technology base. We must gain access to this commercial technology in the most cost effective way possible—ensuring the public the greatest value for its tax dollar.

The TRP achieves these goals. Let me cite just one example. The TRP has funded a proposal led by the San Francisco Bay Area Rapid Transit District to develop an advanced automated train control system. Like all TRP projects, this grant is matched at least 50–50 by the private sector. For every dollar the government spends, the consortium led by BART spends at least one dollar.

This technology currently being developed by the BART will allow system operators to know exactly where there trains are—even underground in tunnels. This allows trains to operate more safely and in closer proximity. Reducing separation distance between trains allows the BART to have more cars in service at the same time, which doubles passenger carrying capacity.

Critics of the TRP complain vociferously about projects like the BART train control system. ''What has that got to do with national security?'', they say.

The BART train control system has everything to do with national security. This project is based on the Army's Enhanced Position Location Reporting System, which is designed to enable commanders on the battlefield

to collect vital information about the location of troops in real time. The National Economic Council estimates that the technology developed by the BART's TRP project may improve the Enhanced Position Locator and at the same time, reduce its cost by up to 40 percent.

So what does this TRP project do for our country? For private industry, it provides a chance to break into a market dominated by foreign companies, perhaps creating thousands of American jobs and strengthening our economy. For the Department of Defense, it offers a better and cheaper way to collect battlefield information in real time—information that may save soldiers' lives. And for the people of San Francisco, this project provides safer, faster, and more efficient public transportation. This TRP grant creates a win-win-win situation—one that is being duplicated with similar projects around the country.

The TRP is a model dual-use program. It should be expanded and emulated, not cut to the point that its very existence is jeopardized.

To offset the supplemental appropriations made in this bill, the committee has recommended rescinding environmental cleanup, the TRP and other high priority projects. I find it difficult to believe that less important offsets could not be found in the $260 billion Pentagon budget. Consider this: the Congressional Budget Office estimates that at the end of fiscal year 1995, more than $19 billion will remain unobligated in the Pentagon's procurement accounts.

Surely, that $19 billion fund is large enough to offset the funds this bill would cut from environmental cleanup and the TRP. Simply cutting unobligated procurement funds by 3 percent would generate more than enough savings to offset the TRP and environmental cleanup rescission contained in this bill.

I hope that when this bill is considered in conference committee, the Senate managers will take a very close look at these unobligated accounts and try to find a way to minimize the damage done to the very important TRP and DERA accounts.

I also want to serve notice, Madam President, to those who would eliminate all defense reinvestment and environmental cleanup in the Pentagon budget. That must not happen.

Defense reinvestment must remain a national priority for the security of our country and our communities. Environmental cleanup is the moral, ethical, and in many cases, legal responsibility of the Department of Defense, and its must continue.

When the Senate debates the budget in the spring and when it debates the annual defense bills later in the year, these issues will certainly be revisited. Rest assured that I and other concerned Senators will continue to voice their strong support for these vitally needed programs.

Finally Madam President, I must express my profound disappointment that the Senate accepted an amendment offered by Senator HUTCHISON to rescind funding needed to protect endangered species.

This amendment is an irresponsible approach to some very real problems. It is clearly a first step in a piecemeal dismantling of the Endangered Species Act.

It is important to note that this amendment was offered while the Committee on Environment and Public Works was diligently working on a bill offered by the Senator from Texas that was substantially similar to her amendment. I believe that the wiser course would have been to work cooperatively with the committee, under the able leadership of Senator CHAFEE, to find a mutually satisfactory solution to this important problem.

The rescission of $1.5 million from the Fish and Wildlife Service listing budget for 1995, combined with the restriction on remaining funds, effectively kills the Endangered Species Act listing process for 1995. This could cause some species to become extinct and surely will delay solving the very real problems that need attention. This is a irresponsible action, which I strongly oppose.

For all these reasons, I must oppose this bill.

PROJECT ELF

Mr. FEINGOLD. Madam President, this bill marks a milestone for Wisconsin by rescinding funds for Project ELF, a Navy communications system located in Clam Lake, WI, and Republic, MI. This is one cut that the local congressional delegation will not oppose. In fact, I think most of us welcome it.

In the last two Congresses. I have introduced legislation to terminate Project ELF. Senator KOHL has joined me in those efforts, as well as in letters to the Defense Base Closure and Realignment Commission, the Secretary of the Navy, the Secretary of Defense, and the relevant congressional committees urging ELF's termination. Congressman DAVID OBEY has been a consistent opponent of Project ELF throughout his congressional tenure, and indeed is responsible for keeping down the initial size of the program. Representatives from nearby areas have also been helpful in our quest. I am pleased that the Senate will take the first step, the first real action, toward finally terminating this outdated and effective program.

The concept of extremely low frequency communications emerged when submarines started going so far beneath the surface ordinary radios could not reach them. In 1968, the Pentagon proposed the first version of ELF communications in Project Sanguine. It was to be 6,200 miles of cable buried underground, along with 100 ELF transmitter towers spread out over 40 percent of northern Wisconsin. It had to be built in Wisconsin because of unique granite bedrock which would not interfere with ELF signals. Project Sanguine was supposed to communicate with Trident submarines, and was designed to survive a nuclear attack. When residents became aware of it, the project was scuttled.

In 1975, Project Sanguine came back as Project Seafarer. Seafarer was not supposed to have nuclear survivability, but would have above-ground transmitters with underground cables. As Project Seafarer, though, ELF communications lost their wartime efficacy. In fact, an ad hoc ELF review group of the Secretary of Defense advised that a small ELF system would be of marginal utility and was not credible as an ultimate ELF system. However, it recommended that building a small ELF was better than building no ELF at all because the modified version would provide a basis for future system growth if ELF requirements later increased. This was a typical bureaucratic foot in the door program.

Again, due to public concern and budget pressures, President Carter terminated Seafarer in 1978 and directed further studies on how to proceed with ELF. Congressman OBEY was successful in fencing off funds in fiscal year 1979 until the President certified that ELF was in the national interest and that it had found a place to be built.

There was yet another scaled-down ELF system called Austere ELF that had been proposed in 1977. It would have been a single transmitter located at K.I. Sawyer Air Force Base in Michigan. Once it began development, Austere ELF was again in trouble with resident resistance and budget constraints. After a few years of misguided attempts and false starts, the Secretary of the Navy, John Lehman, recommended to the Secretary of Defense, Caspar Weinberger, that the ELF communication system be shelved.

Secretary Lehman was overruled, though, and the Reagan administration ordered the development of a scaled down system called Project ELF in 1981. In its present scaled down version, ELF consists of 28 miles of cable at Clam Lake and 56 miles of cable at Republic. ELF was initially ordered operational in 1985, and was fully functional by 1987.

Scaled down Project ELF was supposed to cost $230 million for development and construction. However, in an October 1993 letter to Senator NUNN, the Pentagon said it had invested nearly $600 million in ELF. In a January 1994 report on ELF, the Navy said that ELF costs approximately $15 to $16 million a year in operating costs.

If ELF served a strategic purpose, this would not be a significant investment. But Project ELF is ineffective and at best obsolete. For that reason, it is millions of dollars which can find a better use. Throughout its history, ELF has never found a mission fit for its times.

The Navy officially states that ELF is simply a communications system

which tells a Trident to come to surface in order to receive a message; in effect, ELF is a bell ringer. If this was ever the true purpose, ELF is a faulty mechanism for that.

First, the bell ringer is supposed to protect the Tridents from detection by permitting them to surface on the call of a signal that they had a longer message awaiting them. Yet if they have to rise to the surface to receive their message, then they are at risk of detection before executing any order ELF would tell them to retrieve. ELF itself cannot execute an order.

Second, ELF has no reliable second strike or counterforce communication capability in any instance. It also cannot be counted on to communicate with a submarine during a crisis since its large size makes it extremely susceptible to conventional or nuclear attack. Thus, it is not dependable retaliatory action.

Further, if ELF were to be destroyed during attack, then subs would be required to use their antennae at or near the surface, and receive their messages through LF/VLF. But in the case of a crisis, submarines should be brought closer to the surface anyway, not only for better communications, but also because missiles cannot be launched from such depths as ELF reaches.

Finally, ELF is one-way communications system, so submarines cannot send messages back.

Thus, Project ELF's utility appears only to be in a pre-war disposition, and only for one purpose: to serve only as a triggering signal for a first-strike launch. This is a capability we are dismantling. So, ELF's mere presence is far more provocative than its utility warrants.

I should also mention that ELF's environmental impact may be quite damaging. Though no studies have conclusively found that ELF radiowaves are dangerous to residents in outlying areas, the research that has been done does little to comfort those living near Project ELF. A 1992 Swedish study found that children living near relatively weak magnetic waves such as those emanating from ELF are four times more likely to develop leukemia. I certainly understand any fears Wisconsin residents must have. In fact, in 1984, a U.S. District court, ruling on State of Wisconsin versus Weinberger, order Project ELF to be shut down because the Navy paid inadequate attention to ELF's possible health effects and violated the National Environmental Policy Act. An appeals court, though, threw out the ruling arguing that the national security threat from the Soviets at the time was more important. Clearly, the premise of that ruling is no longer valid given the collapse of the U.S.S.R.

For all these reasons, I am pleased that after trying to justify ELF's mission in the post-cold war world, the Navy is finally letting it go. Project ELF never made U.S. submarines invulnerable, and it doesn't make them invulnerable today. ELF is not worth any money because it doesn't have a purpose.

If it is a first-strike weapon, then it is destabilizing and threatening, which hardly increases our security. If it is merely a communication system, it is inadequate. A weapon or communications device designed to keep deeply submerged submarines submerged is no longer necessary. ELF was built for war, not peace. It is not guarding against any capable enemy now, but is sucking up money that could be.

I am pleased that the committee has recognized this, and recommended its termination in this rescission bill. I hope we will hold the cut in conference, and that, finally, this weapon, which has long been in search of a mission, is terminated.

AMENDMENT NO. 336

Mr. BRADLEY. Madam President, I regret that I was unable to be recorded on the vote on Senator HUTCHISON'S amendment concerning the Endangered Species Act. I would like to declare for the RECORD that, had I been present, I would have opposed—strongly opposed—the Hutchison amendment.

This amendment amounts to major legislation. This is not some little adjustment. There is little subtlety here. And, there is little doubt that this amendment has nothing to do with the task at hand, which is to provide supplemental appropriations to the Department of Defense and to cut Government spending.

I understand the call for reform of the Endangered Species Act. I have heard many allegations of abuse and bureaucratic overreach. But the Hutchison amendment is not reform. It solves no problems. It does not belong on this bill and it does not reflect well on the Senate or the majority to legislate in such a cavalier fashion.

Mr. INOUYE. Madam President, I have been told that we are now ready for final passage.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

Mr. INOUYE. Madam President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

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

The bill clerk called the roll.

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

The result was announced—yeas 97, nays 3, as follows:

[Rollcall Vote No. 108 Leg.]

YEAS—97

Abraham	Feinstein	Mack
Akaka	Ford	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Packwood
Bryan	Hatch	Pell
Bumpers	Hatfield	Pressler
Burns	Heflin	Reid
Byrd	Helms	Robb
Campbell	Hutchison	Rockefeller
Chafee	Inhofe	Roth
Coats	Inouye	Santorum
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Dole	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Faircloth	Lott	
Feingold	Lugar	

NAYS—3

Boxer	Hollings	Pryor

So the bill (H.R. 889), as amended, was passed as follows:

Resolved, That the bill from the House of Representatives (H.R. 889) entitled ''An Act making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes'', do pass with the following amendments:

(1) Page 1, strike out all after line 2 over to and including line 12 on page 16 and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes, namely:

TITLE I

CHAPTER I

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $35,400,000.

MILITARY PERSONNEL, NAVY

For an additional amount for ''Military Personnel, Navy'', $49,500,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for ''Military Personnel, Marine Corps'', $10,400,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $37,400,000.

RESERVE PERSONNEL, NAVY

For an additional amount for ''Reserve Personnel, Navy'', $4,600,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $636,900,000.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for ''Operation and Maintenance, Navy'', $284,100,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for ''Operation and Maintenance, Marine Corps'', $27,700,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $785,800,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for ''Operation and Maintenance, Defense-Wide'', $43,200,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for ''Operation and Maintenance, Navy Reserve'', $6,400,000.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for ''Defense Health Program'', $14,000,000.

GENERAL PROVISIONS

SEC. 101. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 102. During the current fiscal year, appropriations available to the Department of Defense for the pay of civilian personnel may be used, without regard to the time limitations specified in section 5523(a) of title 5, United States Code, for payments under the provisions of section 5523 of title 5, United States Code, in the case of employees, or an employee's dependents or immediate family, evacuated from Guantanamo Bay, Cuba, pursuant to the August 26, 1994 order of the Secretary of Defense.

(INCLUDING TRANSFER OF FUNDS)

SEC. 103. In addition to amounts appropriated or otherwise made available by this Act, $28,297,000 is hereby appropriated to the Department of Defense and shall be available only for transfer to the United States Coast Guard to cover the incremental operating costs associated with Operations Able Manner, Able Vigil, Restore Democracy, and Support Democracy: Provided, That such amount shall remain available for obligation until September 30, 1996.

SEC. 104. (a) Section 8106A of the Department of Defense Appropriations Act, 1995 (Public Law 103–335), is amended by striking out the last proviso and inserting in lieu thereof the following: '': Provided further, That if, after September 30, 1994, a member of the Armed Forces (other than the Coast Guard) is approved for release from active duty or full-time National Guard duty and that person subsequently becomes employed in a position of civilian employment in the Department of Defense within 180 days after the release from active duty or full-time National Guard duty, then that person is not eligible for payments under a Special Separation Benefits program (under section 1174a of title 10, United States Code) or a Voluntary Separation Incentive program (under section 1175 of title 10, United States Code) by reason of the release from active duty or full-time National Guard duty, and the person shall reimburse the United States the total amount, if any, paid such person under the program before the employment begins''.

(b) Appropriations available to the Department of Defense for fiscal year 1995 may be obligated for making payments under sections 1174a and 1175 of title 10, United States Code.

(c) The amendment made by subsection (a) shall be effective as of September 30, 1994.

SEC. 105. Subsection 8054(g) of the Department of Defense Appropriations Act, 1995 (Public Law 103–335), is amended to read as follows: ''Notwithstanding any other provision of law, of the amounts available to the Department of Defense during fiscal year 1995, not more than $1,252,650,000 may be obligated for financing activities of defense FFRDCs: Provided, That, in addition to any other reductions required by this section, the total amount appropriated in title IV of this Act is hereby reduced by $200,000,000 to reflect the funding ceiling contained in this subsection and to reflect further reductions in amounts available to the Department of Defense to finance activities carried out by defense FFRDCs and other entities providing consulting services, studies and analyses, systems engineering and technical assistance, and technical, engineering and management support.''.

(RESCISSIONS)

SEC. 106. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

Operation and Maintenance, Navy, $16,300,000;

Operation and Maintenance, Air Force, $2,000,000;

Operation and Maintenance, Defense-Wide, $90,000,000;

Environmental Restoration, Defense, $300,000,000;

Aircraft Procurement, Army, 1995/1997, $77,611,000;

Procurement of Ammunition, Army, 1993/1995, $85,000,000;

Procurement of Ammunition, Army, 1995/1997, $89,320,000;

Other Procurement, Army, 1995/1997, $46,900,000;

Shipbuilding and Conversion, Navy, 1995/1999, $26,600,000;

Missile Procurement, Air Force, 1993/1995, $33,000,000;

Missile Procurement, Air Force, 1994/1996, $86,184,000;

Other Procurement, Air Force, 1995/1997, $6,100,000;

Procurement, Defense-Wide, 1995/1997, $81,000,000;

Defense Production Act, $100,000,000;

Research, Development, Test and Evaluation, Army, 1995/1996, $38,300,000;

Research, Development, Test and Evaluation, Navy, 1995/1996, $59,600,000;

Research, Development, Test and Evaluation, Air Force, 1994/1995, $81,100,000;

Research, Development, Test and Evaluation, Air Force, 1995/1996, $226,900,000;

Research, Development, Test and Evaluation, Defense-Wide, 1994/1995, $77,000,000;

Research, Development, Test and Evaluation, Defense-Wide, 1995/1996, $351,000,000.

(TRANSFER OF FUNDS)

SEC. 107. Section 8005 of the Department of Defense Appropriations Act, 1995 (Public Law 103–335; 108 Stat. 2617), is amended by striking out ''$2,000,000,000'' and inserting in lieu thereof ''$1,750,000,000''.

SEC. 108. REPORT ON COST AND SOURCE OF FUNDS FOR MILITARY ACTIVITIES IN HAITI.

(a) REQUIREMENT.—None of the funds appropriated by this Act or otherwise made available to the Department of Defense may be expended for operations or activities of the Armed Forces in and around Haiti sixty days after enactment of this Act, unless the President submits to Congress the report described in subsection (b).

(b) REPORT ELEMENTS.—The report referred to in subsection (a) shall include the following:

(1) A detailed description of the estimated cumulative incremental cost of all United States activities subsequent to September 30, 1993, in and around Haiti, including but not limited to—

(A) the cost of all deployments of United States Armed Forces and Coast Guard personnel, training, exercises, mobilization, and preparation activities, including the preparation of police and military units of the other nations of the multinational force involved in enforcement of sanctions, limits on migration, establishment and maintenance of migrant facilities at Guantanamo Bay and elsewhere, and all other activities relating to operations in and around Haiti; and

(B) the costs of all other activities relating to United States policy toward Haiti, including humanitarian and development assistance, reconstruction, balance of payments and economic support, assistance provided to reduce or eliminate all arrearages owed to International Financial Institutions, all rescheduling or forgiveness of United States bilateral and multilateral debt, aid and other financial assistance, all in-kind contributions, and all other costs to the United States Government.

(2) A detailed accounting of the source of funds obligated or expended to meet the costs described in paragraph (1), including—

(A) in the case of funds expended from the Department of Defense budget, a breakdown by military service or defense agency, line item, and program; and

(B) in the case of funds expended from the budgets of departments and agencies other than the Department of Defense, by department or agency and program.

SEC. 109. It is the sense of the Senate that (1) cost-shared partnerships between the Department of Defense and the private sector to develop dual-use technologies (technologies that have applications both for defense and for commercial markets, such as computers, electronics, advanced materials, communications, and sensors) are increasingly important to ensure efficient use of defense procurement resources, and (2) such partnerships, including Sematech and the Technology Reinvestment Project, need to become the norm for conducting such applied research by the Department of Defense.

SEC. 110. None of the funds appropriated or otherwise made available by this Act may be obligated or expended for assistance to or programs in the Democratic People's Republic of Korea, or for implementation of the October 21, 1994, Agreed Framework between the United States and the Democratic People's Republic of Korea, unless specifically appropriated for that purpose.

(2) Page 16 after line 12 insert:

SEC. 111. LIMITATION ON EMERGENCY AND EXTRAORDINARY EXPENSES.

(a) IN GENERAL.—Funds appropriated or otherwise made available to the Department of Defense may not be obligated under section 127 of title 10, United States Code, for the provision of assistance, including the donation, sale, or financing for sale, of any item, to a foreign country that is ineligible under the Foreign Assistance Act of 1961 or the Arms Export Control Act to receive any category of assistance.

(b) EFFECTIVE DATE.—The limitations in subsection (a) shall apply to obligations made on or after the date of enactment of this Act.

(3) Page 16, after line 12, insert:

SEC. 112. (a) Notwithstanding any other provision of law, no funds appropriated by this Act, or otherwise appropriated or made available by any other Act, may be utilized for purposes of entering into the agreement described in subsection (b) until the President certifies to Congress that—

(1) Russia has agreed not to sell nuclear reactor components to Iran; or

(2) the issue of the sale by Russia of such components to Iran has been resolved in a manner that is consistent with—

(A) the national security objectives of the United States; and

(B) the concerns of the United States with respect to nonproliferation in the Middle East.

(b) The agreement referred to in subsection (a) is an agreement known as the Agreement on the Exchange of Equipment, Technology, and Materials between the United States Government and the Government of the Russian Federation, or any department or agency of that government (including the Russian Ministry of Atomic Energy), that the United States Government proposes to enter into under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153).

(4) Page 16 after line 12 insert:

SEC. 113. It is the sense of the Senate that—

(1) Congress should enact legislation that terminates the entitlement to pay and allowances for each member of the Armed Forces who is sentenced by a court-martial to confinement and either a dishonorable discharge, bad-conduct discharge, or dismissal;

(2) the legislation should provide for restoration of the entitlement if the sentence to confinement and punitive discharge or dismissal, as the case may be, is disapproved or set aside; and

(3) the legislation should include authority for the establishment of a program that provides transitional benefits for spouses and other dependents of a member of the Armed Forces receiving such a sentence.

(5) Page 16 after line 12 insert:

SEC. 114. RESCISSION OF FUNDS FOR CERTAIN MILITARY CONSTRUCTION PROJECTS.

(a) CONDITIONAL RESCISSION OF FUNDS FOR CERTAIN PROJECTS.—(1)(A) Notwithstanding any other provision of law and subject to paragraphs (2) and (3), of the funds provided in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1659), the following funds are hereby rescinded from the following accounts in the specified amounts:

Military Construction, Army, $11,554,000.

Military Construction, Air Force, $6,500,000.

(B) Rescissions under this paragraph are for projects at military installations that were recommended for closure by the Secretary of Defense in the recommendations submitted by the Secretary to the Defense Base Closure and Realignment Commission on March 1, 1995, under the base closure Act.

(2) A rescission of funds under paragraph (1) shall not occur with respect to a project covered by that paragraph if the Secretary certifies to Congress that—

(A) the military installation at which the project is proposed will not be subject to closure or realignment as a result of the 1995 round of the base closure process; or

(B) if the installation will be subject to realignment under that round of the process, the project is for a function or activity that will not be transferred from the installation as a result of the realignment.

(3) A certification under paragraph (2) shall be effective only if—

(A) the Secretary submits the certification together with the approval and recommendations transmitted to Congress by the President in 1995 under paragraph (2) or (4) section 2903(e) of the base closure Act; or

(B) the base closure process in 1995 is terminated pursuant to paragraph (5) of that section.

(b) ADDITIONAL RESCISSIONS RELATING TO BASE CLOSURE PROCESS.—Notwithstanding any other provision of law, funds provided in the Military Construction Appropriations Act, 1995 for a military construction project are hereby rescinded if—

(1) the project is located at an installation that the President recommends for closure in 1995 under section 2903(e) of the base closure Act; or

(2) the project is located at an installation that the President recommends for realignment in 1995 under such section and the function or activity with which the project is associated will be transferred from the installation as a result of the realignment.

(c) DEFINITION.—In the section, the term ''base closure Act'' means the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(6) Page 16 after line 12 insert:

SEC. 115. SENSE OF SENATE ON SOUTH KOREA TRADE BARRIERS TO UNITED STATES BEEF AND PORK.

(a) FINDINGS.—The Senate makes the following findings:

(1) The United States has approximately 37,000 military personnel stationed in South Korea and spent over $2,000,000,000 last year to preserve peace on the Korean peninsula.

(2) The United States Trade Representative has initiated a section 301 investigation against South Korea for its nontariff trade barriers on United States beef and pork.

(3) The barriers cited in the section 301 petition include government-mandated shelf-life requirements, lengthy inspection and customs procedures, and arbitrary testing requirements that effectively close the South Korean market to such beef and pork.

(4) United States trade and agriculture officials are in the process of negotiating with South Korea to open South Korea's market to United States beef and pork.

(5) The United States meat industry estimates that South Korea's nontariff trade barriers on United States beef and pork cost United States businesses more than $240,000,000 in lost revenue last year and could account for more than $1,000,000,000 in lost revenue to such business by 1999 if South Korea's trade practices on such beef and pork are left unchanged.

(6) The United States beef and pork industries are a vital part of the United States economy, with operations in each of the 50 States.

(7) Per capita consumption of beef and pork in South Korea is currently twice that of such consumption in Japan. Given that the Japanese are currently the leading importers of United States beef and pork, South Korea holds the potential of becoming an unparalleled market for United States beef and pork.

(b) It is the sense of the Senate that—

(1) the security relationship between the United States and South Korea is essential to the security of the United States, South Korea, the Asia-Pacific region and the rest of the world;

(2) the efforts of the United States Trade Representative to open South Korea's market to United States beef and pork deserve support and commendation; and

(3) The United States Trade Representative should continue to insist upon the removal of South Korea's nontariff barriers to United States beef and pork.

(7) Page 16 after line 12 insert:

SEC. 116. (a)(1) The Senate finds that the Treaty on the Non-Proliferation of Nuclear Weapons, hereinafter referred to as the NPT, is the cornerstone of the global nuclear nonproliferation regime;

(2) That, with more than 170 parties, the NPT enjoys the widest adherence of any arms control agreement in history;

(3) That the NPT sets the fundamental legal and political framework for prohibiting all forms of nuclear nonproliferation;

(4) That the NPT provides the fundamental legal and political foundation for the efforts through which the nuclear arms race was brought to an end and the world's nuclear arsenals are being reduced as quickly, safely and securely as possible;

(5) That the NPT spells out only three extension options: indefinite extension, extension for a fixed period, or extension for fixed periods;

(6) That any temporary or conditional extension of the NPT would require a dangerously slow and unpredictable process of re-ratification that would cripple the NPT;

(7) That it is the policy of the President of the United States to seek indefinite and unconditional extension of the NPT: Now, therefore;

(b) It is the sense of the Senate that—

(1) indefinite and unconditional extension of the NPT would strengthen the global nuclear nonproliferation regime;

(2) indefinite and unconditional extension of the NPT is in the interest of the United States because it would enhance international peace and security;

(3) the President of the United States has the full support of the Senate in seeking the indefinite and unconditional extension of the NPT;

(4) all parties to the NPT should vote to extend the NPT unconditionally and indefinitely; and

(5) parties opposing indefinite and unconditional extension of the NPT are acting against their own interest, the interest of the United States and the interest of all the peoples of the world by placing the nuclear nonproliferation regime and global security at risk.

(8) Page 16 after line 12 insert:

SEC. 117. NATIONAL TEST FACILITY.—It is the sense of the Senate that the National Test Facility provides important support to strategic and theater missile defense in the following areas—

(a) United States-United Kingdom defense planning;

(b) the PATRIOT and THAAD programs;

(c) computer support for the Advanced Research Center; and

(d) technical assistance to theater missile defense;

and fiscal year 1995 funding should be maintained to ensure retention of these priority functions.

(9) Page 16 after line 12 insert:

SEC. 118. (a) In determining the amount of funds available for obligation from the Environmental Restoration, Defense, account in fiscal year 1995 for environmental restoration at the military installations described in subsection (b), the Secretary of Defense shall not take into account the rescission from the account set forth in section 106.

(b) Subsection (a) applies to military installations that the Secretary recommends for closure or realignment in 1995 under section 2903(c) of the Defense Base Closure and Realignment Act of 1990 (subtitle A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(10) Page 16 after line 12 insert:

CHAPTER II

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

DEBT RESTRUCTURING

DEBT RELIEF FOR JORDAN

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans to Jordan issued by the Export-Import Bank or by the Agency for International Development or by the Department of Defense, or for the cost of modifying: (1) concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, and (2) credits owed by Jordan to the Commodity Credit Corporation, as a result of the Corporation's status as a guarantor of credits in connection with export sales to Jordan; as authorized under subsection (a) under the heading, ''Debt Relief for Jordan'', in title VI of Public Law 103–306, $275,000,000, to remain available until September 30, 1996: Provided, That not more than $50,000,000 of the funds appropriated by this paragraph may be obligated prior to October 1, 1995.

(11) Page 16 strike out line 13 and insert:

TITLE II

(12) Page 16, strike out all after line 20 over to and including line 7 on page 17 and insert:

DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $10,000,000 are rescinded.

DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

INDUSTRIAL TECHNOLOGY SERVICES

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317 for the Advanced Technology Program, $32,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317, $2,500,000 are rescinded.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

INFORMATION INFRASTRUCTURE GRANTS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $34,000,000 are rescinded.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(RESCISSION)

Of the amounts made available under this heading in Public Law 103–317, $40,000,000 are rescinded.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for tree-planting grants pursuant to section 24 of the Small Business Act, as amended, $15,000,000 are rescinded.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–317 for payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $15,000,000 are rescinded.

DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

(ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD)

(RESCISSION)

Of unobligated balances available under this heading, $28,500,000 are rescinded.

(13) Page 17, after line 18, insert:

Of the funds appropriated in Public Law 103–316, $3,000,000 is hereby authorized for appropriation to the Corps of Engineers to initiate and complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky.

(14) Page 18, after line 6 insert:

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–306, $70,000,000 are rescinded.

(15) Page 18, strike lines 14 to 20 and insert:

DEVELOPMENT ASSISTANCE FUND

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $13,000,000 are rescinded.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $9,000,000 are rescinded.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(RESCISSION)

Of the funds made available under this heading in Public Law 103–87 and Public Law 103–306, $18,000,000 are rescinded, of which not less than $12,000,000 shall be derived from funds allocated for Russia.

(16) Page 19, after line 14, insert:

DEPARTMENT OF THE INTERIOR

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

(RESCISSION)

Of the funds made available under this heading in Public Law 103–332—

(1) $1,500,000 are rescinded from the amounts available for making determinations whether a species is a threatened or endangered species and whether habitat is critical habitat under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(2) none of the remaining funds appropriated under that heading may be made available for making a final determination that a species is threatened or endangered or that habitat constitutes critical habitat (except a final determination that a species previously determined to be endangered is no longer endangered but continues to be threatened).

To the extent that the Endangered Species Act of 1973 has been interpreted or applied in any court order (including an order approving a settlement between the parties to a civil action) to require the making of a determination respecting any number of species or habitats by a date certain, that Act shall not be applied to require that the determination be made by that date if the making of the determination is made impracticable by the rescission made by the preceding sentence.

(17) Page 20, strike out lines 2 to 6 and insert:

STUDENT FINANCIAL ASSISTANCE

(RESCISSION)

Of the funds made available under this heading in Public Law 103–112, $100,000,000 made available for title IV, part A, subpart 1 of the Higher Education Act are rescinded.

(18) Page 20, after line 10 insert:

FEDERAL AVIATION ADMINISTRATION

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

Of the available balances under this heading that remain unobligated for the ''advanced automation system'', $35,000,000 are rescinded.

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSION)

Of the available contract authority balances under this heading in Public Law 97–424, $13,340,000 are rescinded; and of the available balances under this heading in Public Law 100–17, $126,608,000 are rescinded.

MISCELLANEOUS HIGHWAY DEMONSTRATION PROJECTS

(RESCISSION)

Of the available appropriated balances provided in Public Law 93–87; Public Law 98–8; Public Law 98–473; and Public Law 100–71, $12,004,450 are rescinded.

(19) Page 20, strike out lines 11 to 15

(20) Page 20, strike out lines 16 to 19

(21) Page 21, strike out lines 5 to 11

(22) Page 21, after line 11 insert:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(RESCISSION)

Of the funds made available under this heading in Public Law 103–327 and any unobligated balances from funds appropriated under this heading in prior years, $400,000,000 are rescinded from amounts available for the development or acquisition costs of public housing.

(23) Page 21, after line 11, insert:

TITLE III—MISCELLANEOUS

SEC. 301.—Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel L. R. BEATTIE, United States official number 904161.

(24) Page 21, after line 11, insert:

TITLE IV—MEXICAN DEBT DISCLOSURE ACT OF 1995

SEC. 401. SHORT TITLE.

This title may be cited as the ''Mexican Debt Disclosure Act of 1995''.

SEC. 402. FINDINGS.

The Congress finds that—

(1) Mexico is an important neighbor and trading partner of the United States;

(2) on January 31, 1995, the President approved a program of assistance to Mexico, in the form of swap facilities and securities guarantees in the amount of $20,000,000,000, using the Exchange Stabilization Fund;

(3) the program of assistance involves the participation of the Federal Reserve System, the International Monetary Fund, the Bank of International Settlements, the World Bank, the Inter-American Development Bank, the Bank of Canada, and several Latin American countries;

(4) the involvement of the Exchange Stabilization Fund and the Federal Reserve System means that United States taxpayer funds will be used in the assistance effort to Mexico;

(5) assistance provided by the International Monetary Fund, the World Bank, and the Inter-American Development Bank may require additional United States contributions of taxpayer funds to those entities;

(6) the immediate use of taxpayer funds and the potential requirement for additional future United States contributions of taxpayer funds necessitates Congressional oversight of the disbursement of funds; and

(7) the efficacy of the assistance to Mexico is contingent on the pursuit of sound economic policy by the Government of Mexico.

SEC. 403. REPORTS REQUIRED.

(a) REPORTS.—Not later than April 1, 1995, and every month thereafter, the President shall transmit a report to the appropriate congressional committees concerning all United States Government loans, credits, and guarantees to, and short-term and long-term currency swaps with, Mexico.

(b) CONTENTS OF REPORTS.—The report described in subsection (a) shall include the following:

(1) A description of the current condition of the Mexican economy.

(2) Information regarding the implementation and the extent of wage, price, and credit controls in the Mexican economy.

(3) A complete documentation of Mexican taxation policy and any proposed changes to such policy.

(4) A description of specific actions taken by the Government of Mexico during the preceding month to further privatize the economy of Mexico.

(5) A list of planned or pending Mexican Government regulations affecting the Mexican private sector.

(6) A summary of consultations held between the Government of Mexico and the Department of the Treasury, the International Monetary Fund, or the Bank of International Settlements.

(7) A full description of the activities of the Mexican Central Bank, including the reserve positions of the Mexican Central Bank and data relating to the functioning of Mexican monetary policy.

(8) The amount of any funds disbursed from the Exchange Stabilization Fund pursuant to the approval of the President issued on January 31, 1995.

(9) A full disclosure of all financial transactions, both inside and outside of Mexico, made during the preceding month involving funds disbursed from the Exchange Stabilization Fund and the International Monetary Fund, including transactions between—

(A) individuals;

(B) partnerships;

(C) joint ventures; and

(D) corporations.

(10) An accounting of all outstanding United States Government loans, credits, and guarantees provided to the Government of Mexico, set forth by category of financing.

(11) A detailed list of all Federal Reserve currency swaps designed to support indebtedness of the Government of Mexico, and the cost or benefit to the United States Treasury from each such transaction.

(12) A description of any payments made during the preceding month by creditors of Mexican petroleum companies into the petroleum finance facility established to ensure repayment of United States loans or guarantees.

(13) A description of any disbursement during the preceding month by the United States Government from the petroleum finance facility.

(14) Once payments have been diverted from PEMEX to the United States Treasury through the petroleum finance facility, a description of the status of petroleum deliveries to those customers whose payments were diverted.

(15) A description of the current risk factors used in calculations concerning Mexican repayment of indebtedness.

(16) A statement of the progress the Government of Mexico has made in reforming its currency and establishing an independent central bank or currency board.

SEC. 404. PRESIDENTIAL CERTIFICATION.

Notwithstanding any other provision of law, before extending any loan, credit, guarantee, or arrangement for a swap of currencies to Mexico through any United States Government monetary facility, the President shall certify to the appropriate congressional committees that—

(1) there is no projected cost to the United States from the proposed loan, credit, guarantee, or currency swap;

(2) all loans, credits, guarantees, and currency swaps are adequately collateralized to ensure that United States funds will be repaid;

(3) the Government of Mexico has undertaken effective efforts to establish an independent central bank or an independent currency control mechanism; and

(4) Mexico has in effect a significant economic reform effort.

SEC. 405. DEFINITION.

As used in this title, the term ''appropriate congressional committees'' means the Committees on Banking and Financial Services and International Relations of the House of Representatives and the Committees on Foreign Relations and Banking, Housing, and Urban Affairs of the Senate.

(25) Page 21, strike out lines 12 to 15 and insert:

This Act may be cited as the ''Supplemental Appropriations and Rescissions Act, 1995''.

The PRESIDING OFFICER. The title amendment is agreed to.

The title was amended so as to read:

Making supplemental appropriations and rescissions for the fiscal year ending September 30, 1995, and for other purposes.

Mr. HATFIELD. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

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

Mr. HATFIELD. Mr. President, I move the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. GORTON) appointed Mr. HATFIELD, Mr. STEVENS, Mr. COCHRAN, Mr. GRAMM, Mr. DOMENICI, Mr. MCCONNELL, Mr. GORTON, Mr. SPECTER, Mr. BOND, Mr. BURNS, Mr. BYRD, Mr. INOUYE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. LEAHY, Mr. HARKIN, Mr. LAUTENBERG, Ms. MIKULSKI and Mr. REID conferees on the part of the Senate.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that at 5 p.m. on Monday, March 20, the Senate proceed to Calendar No. 26, S. 4.

I further ask unanimous consent that the general debate on the line-item veto occur from 10 a.m. to 3 p.m. on Friday, and 10 a.m. to 5 p.m. on Monday, with the time to equally divided as designated by the leaders or their designees.

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

ORDER OF PROCEDURE

Mr. DOLE. I thank my colleagues. It is my understanding that the Senator from Arizona would like to discuss, generally, the line-item veto this evening, and somebody on the other side may wish to discuss it this evening.

There will be no votes this evening and no votes tomorrow. I do not anticipate a vote on Monday. But there will be discussion. Once the bill is laid down Monday, there will be discussion into the evening on the bill itself. On Tuesday, I hope we might start voting.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask that there be a period for morning business with Members permitted to speak therein for an indefinite time, unless there is some agreement on equal time. I think Senator MCCAIN wants to speak for a couple of hours.

Mr. President, was leader time reserved?

The PRESIDING OFFICER. It was.

Mr. DOLE. I ask unanimous consent that I may use part of my leader's time.

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

PRESIDENT CLINTON'S ANNOUNCEMENT ON FEDERAL REGULATIONS

Mr. DOLE. Mr. President, today President Clinton announced his proposal for reinventing environmental, food and drug regulations. I certainly want to welcome President Clinton to the regulatory reform debate. Easing the burdens of compliance is a welcome first step, but misses the point that real reform means getting rid of unnecessary and overburdensome regulations.

President Clinton is trying to have it both ways. On the one hand, his limited proposals are consistent with legislation I have introduced on regulatory reform. On the other, he sent his administrator of EPA to Capitol Hill last week to denounce our common sense reform bill as rolling back 20 years of environmental protection and to reel off wild horror stories that are an obvious misreading of what we are trying to do.

On February 21, President Clinton specifically instructed the Federal regulators ''to go over every single regulation and cut those regulations which are obsolete.'' President Clinton's proposal does not meet that test—his proposal is no substitute for eliminating unnecessary regulations that stifle productivity, innovation and individual initiative. That is exactly the kind of reform the American people are looking for, and the kind of reform our comprehensive regulatory reform act will provide.

What I am looking for is real common sense when regulations are needed. Commonsense regulations that will not require fines for not checking the right box, regulations that do not define all farm ponds as wetlands and regulations that will not create significant burdens for small businesses and communities.

Americans are demanding that we get government off their backs by eliminating unnecessary regulations and applying some common sense before enacting regulations that are necessary. President Clinton's proposal today, while welcome, does not address this fundamental problem. I invite him to work with us to pass meaningful regulatory reform.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

THE LINE-ITEM VETO

Mr. McCAIN. Mr. President, as we begin discussion and debate on the line-item veto, I would like to express my appreciation to the majority leader for his assistance in gathering together people who have very different views on this very volatile issue. The majority leader and his staff assistant, Sheila Burke, have worked night and day to get a consensus amongst Republicans. I believe that we on this side of the aisle look forward to a unanimous vote—at least on cloture. I do not think that, at least some time ago, that many observers believed that was possible. I believe it is probable now.

Mr. President, I would also like to express my appreciation to Senator DOMENICI, who has a very longstanding involvement in this issue. He has some very strongly held views. But most importantly, Senator DOMENICI has been very important in shaping a compromise. Most of all, I would like to thank my friend from Indiana, Senator COATS, who has been my partner for many, many years on this issue. He has worked very hard. He has done, I think, a magnificent job, and I am very proud that he and I have been able to engage in this kind of partnership, which I believe will fundamentally change the way the Government does business and will fundamentally bring about changes and a restoration, frankly, of confidence on the part of the American people as to how their tax dollars are spent.

Mr. President, there are many ways to interpret the election of November 8. There is no doubt in my mind, and in most observers' minds, that an overwhelming message was sent that the American people do not have confidence in their Government in Washington, and part and parcel of that lack of confidence is the way that we spend their tax dollars. Fodder for talk shows across America today is the indiscriminate pork barrel, wasteful spending practice that has become a way of life and indeed a disease which has consumed both bodies of Congress.

Everyone has their favorite anecdote as to how we spend millions or billions or tens of billions of dollars on frivolous or unnecessary projects, frivolous or unnecessary items, that have no bearing on the purpose for which they are stated—but perhaps more importantly, would never, ever be authorized and appropriated under the normal procedures that the Senate should adhere to. What I mean by that is a hearing authorization and subsequent appropriation.

I do not know how this vote is going to turn out at the end of a week or so. I am grateful that the leader has said that we intend to move to cloture at a fairly early point. We do not intend to drag this issue out. This issue is well known to every Member of this body. It certainly should be. On seven different occasions in the last 8 years, either Senator COATS or I have brought up this measure, although we have always been stymied in the past because a budget point of order has lain against the amendment. The reason for that is obvious. I was in the minority party.

Now that we are in the majority, we are able to bring this measure to the attention of this body.

And it is possible that we will not achieve 60 votes in order to cut off debate in order to move to amending and serious final consideration of the bill. I believe that we will reach 60 votes. But if we do not, I want to assure my colleagues again that I will continue to pursue this effort until I either succeed or leave this body.

I want to point out an added dimension to this issue, Mr. President, and that is the role of the President of the United States.

The President of the United States, in his booklet that he put out when he ran for President in 1992, ''Putting People First,'' said a line-item veto is a necessary item. Let me quote, Mr. President, from ''Putting People First,'' Governor Bill Clinton on the line-item veto:

> I strongly support the line-item veto because I think it is one of the most powerful weapons we could use in our fight against out-of-control deficit spending.

''In our fight against out-of-control deficit spending.''

Mr. President, shortly after President Clinton took office, I had a meeting with him. He said, ''I look forward to working with you on the line item veto.'' And, I must say, in the succeeding 2 years, I was disappointed that the White House refused to take a position in support of the line-item veto.

I have heard public statements since the November election on the part of the President of the United States. I strongly urge his involvement in this issue if he believes in it, as he said he does, and I do believe that he is committed to it. I look forward to his active participation in this issue because it is clear that there will have to be 6 votes from that side of the aisle in order to reach the number of 60, which is what is required in order to invoke cloture.

Mr. President, we have a $4 trillion debt, approaching $5 billion. We have a growing budget deficit. We have misplaced priorities and, as I mentioned, we have a loss of public confidence and cynicism.

Mr. President, we are going to hear a lot of history during this debate. We are going to hear about the days of the Greeks, the Roman Empire, Great Britain, our earliest days. But I want to talk about something that happened a little over 20 years ago.

In 1974, the Congress of the United States enacted the Budget and Impoundment Act. The Budget and Impoundment Act basically prevented the President of the United States from impounding funds which were authorized and appropriated by the Congress of the United States.

I understand why that happened at that time. We had a weakened Presidency and that President had also abused that impoundment authority to the point where billions of dollars, which Congress had appropriately authorized and appropriated, were being impounded and not spent.

President Nixon was not the first President to do this. The first President to do this, from the record that I can find, was President Thomas Jefferson, who impounded $50,000 that the Congress had appropriated for the purchase of gunboats and he impounded that money.

From the earliest times in our history, when impoundment was practiced by the President of the United States, until 1974, the President of the United States, for all intents and purposes, had a line-item veto power. In other words, he had the authority to not spend moneys and use so-called impoundment authority. In 1974, Mr. President, the Budget Impoundment Act was enacted.

Mr. President, it is not a coincidence—it is not a coincidence—if we look at this chart, that beginning around 1974–75, the deficit began to rise. There obviously are a couple of valleys in it, but the overall trend is not only significant but it is clearly alarming.

What happened, Mr. President? I think it is clear the real restraint on the appropriations process and the appropriations of funds, which really had no real fiscal governing on it, took place, and we went from fundamentally a rather small deficit and accumulated debt to one which, as we know now, is approaching $5 trillion.

And the bad news is, as we know, Mr. President, that as a result of actions taken in the last few years by Congress, there will be a temporary decline in the annual deficits, but never a decline to zero. And, tragically, because of a variety of reasons, the deficit will start on a very steep upward climb, and there is no end in sight of deficits. And this year, Mr. President, we are going to spend more money to pay interest on the national debt than we are on national defense.

Now, if someone had said in 1974, when a much larger proportion of the budget was devoted for national defense than it is today, that 20-some years later we would be paying more in interest on the national debt than we are on national defense, they would have thought that we were actually inhaling wrong and incorrect substances. The fact is that it has happened. The fact is it is approaching $5 trillion, and we are beginning to hear the confidence in the American economy translated in the stock market, but, most of all, translated in the strength of the American dollar which is being eroded because of the burgeoning debt that has been accumulated. And, again, as I said, there is no end in sight.

Mr. President, later next week, probably on Tuesday, the majority leader will be offering a substitute which will contain a couple of additional items to supplement S. 4, which is the result of the consensus amongst those people who are interested in the bill. Let me briefly explain the details of the measure that will be proposed by the majority leader.

It will direct the enrolling clerk to enroll each item where money is allocated to be spent in an appropriations bill as a separate and distinct bill. This would allow the President to sign or veto each item.

Number two, it would also mandate that any language in a report to accompany an appropriations bill that specifies how money be spent must be

included in the bill itself. Further, if the report contains direction on how Federal funds are to be spent and the legislation itself does not, a point of order would lie against the bill.

Mr. President, this legislation would enable the President to veto pork-barrel spending and other nonpriority spending without sacrificing appropriations for important and necessary functions of the Government.

This bill would allow the President to use his constitutional right to veto legislation in order to prevent wasteful, unnecessary spending. It is a simple, but very necessary approach to help solve the problem of wasteful spending in this era of crippling Federal budget deficits.

Mr. President, pork-barrel politics is certainly not a new phenomenon in our Republic. However, given the systemic damage inflected on our economy by Federal deficit spending, it is unacceptable that Congress should still expect the taxpayer to continue underwriting our addiction to pork. The political appeal of pork-barrel spending has clearly lost its luster as the people have come to recognize the gravity of our fiscal dilemma. The failure of a Speaker of the House and the chairmen of powerful committees to be returned to office is stark testimony to the people's determination that the cost of pork-barrel spending to the Nation greatly exceeds its value to them individually.

As usual, Mr. President, the people have grasped the essence of this Faustian bargain well in advance of Congress' common understanding of the conflict between immediate political gratification and the progress of our civilization. Parents sacrifice for the future well-being of their children. Certainly, parents are willing to dispense with temporal pleasures if payment for those pleasures would require their children to live in greatly diminished circumstances from those into which they were born. That is, of course, the Faustian bargain that wasteful Federal spending represents. Why is it, Mr. President, that we expect American parents to prove more selfish with regard to the squandering of their children's national inheritance than they are when husbanding the family's wealth?

I know that Senators opposed to this bill will declaim eloquently on the indispensable contribution that public works projects have made to America's development as a great nation. I will not argue the fact. But neither will I accept that all public works projects have been necessary or even defensible expenditures of public resources. Today, the near insolvency of the Federal Government requires that all Federal spending meet much stricter standards of need than have governed congressional appropriations in the past.

Mr. President, let us review the facts regarding our Nation's fiscal health.

The Federal debt is approaching $5 trillion.

The cost of interest on that debt is now almost $200 billion a year. That is more money than the Federal Government will spend on education, science, law enforcement, transportation, food stamps, and welfare combined.

The Federal budget deficit set a record of $290 billion in 1992.

By 2003, the deficit is expected to leap to a staggering $653 billion and will have reached its largest fraction of gross domestic product in more than 50 years.

Mr. President, it is impossible to exaggerate the urgency with which we must restrain the further, reckless descent of this Nation into bankruptcy. Nor can we take much comfort from our past attempts at restraining spending. The simple and unavoidable fact is that following each of the last major budget deals, the deficit increased, spending increased, and taxes increased.

No remedy to our escalating debt proposed by Congress or the Executive has been adequate to the task. Neither, Mr. President, will the line-item veto—even if exercised vigorously by the President—be sufficient means to secure the end of deficit spending. But of this I am confident: without the discipline imposed on Congress by a Presidential line-item-veto authority, we will forever spend more money than the Treasury receives in revenues. Opponents of this measure will resent that charge, but the examples of Congress' inability to live within the Nation's means—even in the midst of fiscal crisis—are simply too numerous for me to conclude that Congress will meet its responsibilities without some measured restoration of the balance of power between the Congress and the executive branch.

Mr. President, I might point out that for the last 10 years, as I have been a supporter of the line-item veto, some who are perhaps a bit cynical have said, ''You would probably not support the line-item veto if it was a member of the other party who was President of the United States.'' I am here on this floor today to State unequivocally, I am as fervently in support of a line-item veto under this President or any other President no matter what that President's party affiliation might be.

Mr. President, it will be very hard to measure the exact effects of a line-item veto, because when a line-item veto is threatened we will find a dramatic reduction in the kinds of anecdotal appropriations which have plagued this body's reputation with the American people.

No longer, Mr. President, will we see $2.5 million appropriated to study the effect on the ozone layer of flatulence in cows. No longer will we see billions of dollars appropriated out of the defense account on items that have nothing to do with national defense.

The reason for that is because before that is tucked into an appropriations bill, Mr. President, there is the great fear that that piece of pork will be exposed to the light of day by the President of the United States and there will be time for something to be done about it. One of the great tragedies and dilemmas I faced over the years is that I always seem to find out most of the egregious aspects—most, not all, most—of the egregious aspects of pork in appropriations bills after they are passed.

That has to do with the system in which we do business, and perhaps, with the lack of efficiency on my part. Time after time after time, I have seen appropriations bills, and much to my astonishment, seen items in there which are egregious.

If it is believed that there is a strong likelihood that the President of the United States would highlight that particular item, send it to the Congress of the United States with all the attendant publicity and veto it, and then ask the Congress of the United States to examine it in the light of day and debate it, I do not think we will see those kinds of examples, Mr. President.

I do not think we will see that. Time after time, we have seen the amendment that is accepted on both sides—not read, then accepted on both sides—and then placed in as a line in an appropriations bill. I believe that, and I am convinced that nowhere will we be able to total up how much of those will be prevented from appearing in an appropriations bill.

Ending deficit spending is, of course, a monumental undertaking that will involve asking all, including many powerful coalitions, to sacrifice immediate and parochial rewards for the greater good of the Nation. The line-item veto—whether it is derived from enhanced rescission or separate enrollment—is a small, but indispensable part of real budgetary reform.

Mr. President, if we are to take control of the budget process we must change the process. We must restore what has come to be an imbalance in the checks and balances between the executive and legislative branches, and we must balance the power between the congressional authorizing committees and the Appropriations Committee.

Now is the time to rise above jurisdictional rivalries and political turf wars. We must avoid letting institutional pride deprive the Nation of an effective response to the critical problems clouding our future. And most importantly, we must stop the microscopic focus on local wants and desires to the exclusion of national needs. Now, Mr. President, is the time for statesmen who—for the sake of the Nation which our children will inherit—are prepared to relinquish some of the personal power they have accrued through their service to the Nation.

We must reinstitute budgetary restraint and take firm action to control

spending. This will involve implementing specific strategies and standing behind a commitment to decrease spending—no matter what the political climate. This will involve accepting one set of budgetary goals and not allowing them to float or be adjusted.

Mr. President, one glaring example of our failure to resolutely adhere to spending discipline is the alteration-beyond-all-recognition of the Gramm-Rudman-Hollings deficit targets. The Congress had sought when it passed the Gramm-Rudman-Hollings Act to impose mandatory spending caps on the Congress. During recent years, however, these fixed budget targets have become relaxed and are now meaningless.

Mr. President, when push came to shove, the Congress allowed these ceilings to be altered. Due to the pressure of Gramm-Rudman-Hollings on the Congress to curtail its deficit spending, the Congress curtailed Gramm-Rudman-Hollings. As a result, the 1990 Budget Act was passed and new higher targets were established.

Now, 4 years into that agreement, deficits and domestic spending are being allowed to increase without penalty, despite the massive cuts in defense and huge tax increases. The problem of ending the deficit, although mentioned frequently and solemnly in our political discourse as the Nation's first priority, has yet to be addressed seriously by this or any previous Congress.

The only solution to our budgetary problems and our profligate spending habits is substantial process reform. One key aspect of that process reform is the line-item veto. Mr. President, I implore those who say there is no need for the line-item veto to listen to the arguments in support of that authority made by Americans of varied experiences and political persuasions who are united only in their concern for the fiscal health of the nation.

Ross Perot on Good Morning America stated: ''There's every reason to believe that if you give the Congress more money, it's like giving a friend who's trying to stop drinking a liquor store. The point is they will spend it. They will not use it to pay down the debt. If you don't get a balanced budget amendment, if you don't get a line-item veto for the president, we might as well take this money out to the edge town and burn it, because it'll be thrown away.''

Then-Governor Clinton on Larry King Live: ''We ought to have a line-item veto.''

Candidate Bill Clinton in Putting People First: ''Line-Item Veto. To eliminate pork-barrel projects and cut government waste, I will ask Congress to give me the line-item veto.''

President Bill Clinton in his Inaugural Address:

Americans deserve better * * * so that power and privilege no longer shout down the voice of the people. Let us put aside personal advantage so that we can feel the pain and see the promise of America. Let us give this Capitol back to the people to whom it belongs.

According to the CATO Institute, December 9, 1992, Policy Analysis:

Ninety-two percent of the governors believe that a line-item veto for the President would help restrain federal spending. Eighty-eight percent of the Democratic respondents believe the line-item veto would be useful.

America's governors and former governors have a unique perspective on budget reform issues. Most of them have had practical experience with the line-item veto and balanced budget requirement in their states. The fact that most governors have found those budget tools useful in restraining deficits and unnecessary government spending suggests that they may be worth instituting on the federal level.

Additionally from the CATO Institute Study:

Keith Miller (R), former Governor, AK: ''The line-item veto is a useful tool that a governor can use on occasion to eliminate blatantly ''pork barrel'' expenditures that can strain a budget. At the same time he must answer to the voters if he or she uses the veto irresponsibly. It is a certain restraint on the legislative branch.''

Michael Dukakis (D), former Governor, MA: ''The line-item veto is helpful in stopping efforts to add riders and other extraneous amendments to the budget bill.''

L. Douglas Wilder (D), Governor, VA: ''To the detriment of the federal process, the President is not held accountable for a balanced budget. Congress takes control over budget development with its budget resolution, after which, the President may only approve or veto 13 appropriations bills. Without the line-item veto the President has minimal flexibility to manage the Federal budget after it is passed.''

S. Ernest Vandiver (D), former Governor, GA: ''Tremendous tool for saving money.''

Ronald Reagan (R): ''When I was governor in California, the governor had the line-item veto, and so you could veto parts of a bill. The President can't do that. I think, frankly—of course, I'm prejudiced—government would be far better off if the President had the right of line-item veto.''

THE GREATER THREAT OF INACTION

Mr. President, many have characterized this legislation as a dangerous ploy to centralize political power in the hands of the Executive. Since the President has no authority to appropriate money for projects he believes are important, he will always have abundant incentive to compromise with Congress. Such compromises will always be necessary for the President to govern at all and will, of course, prevent the unlikely danger of a tyranny emerging at the other end of Pennsylvania Avenue. Congress will still dispose of whatever the President proposes and thus the checks and balances which distinguish our Republic will remain secure.

What the opponents of this measure often ignore is the greater danger presented by our out-of-control budget process.

For instance, as my colleagues know, I believe one of the most dangerous consequences of pork-barrel spending is its weakening of the national security of the United States. I do not make that charge lightly. As thousands of men and women who volunteered to serve their country have to leave military service involuntarily because of declining defense budgets, money is still found in defense bills to underwrite billions of dollars worth of nondefense spending in the defense bill. At a time when we need to restructure our forces and manpower to meet our post-cold war military needs, we have squandered billions to build projects on bases that are slated to be closed.

Mr. President, every Member of Congress has pursued projects for his or her district or State which may lack obvious merit. It is an institutional problem. There are no saints here of my acquaintance. Certainly, I am not one. I have been guilty in the past of pursuing projects in my State. But the supporters of this measure are trying to change this system that has so clearly failed the country. We are trying to make a difference. I am not here to cast aspersions on other Senators who secured projects for their States. I am not here to start a partisan fight.

But it serves no one—not the Members of this institution nor the people we represent—to ignore or attempt to obscure our individual and collective responsibility for the piling up of $3.7 trillion in debt. We have done this. And while we have often done this in the name of the people we serve, those very people believe we have done it to sustain ourselves in power. And those people, Mr. President, are not buying it any longer.

Anyone who feels that the system doe not need reform need only examine the trend in the level of our public debt. As I have stated in my analysis of the most recent budget plans, the deficit has continued to grow and spending continues to increase. In 1960, the Federal debt held by the public was $236.8 billion. In 1970, it was $283.2 billion. In 1980, it was $709.3 billion. In 1990, it was $3.2 trillion, and it is expected to near $5 trillion this year.

With line-item veto authority, the President could play a more active role in helping to prevent the further waste of taxpayers' resources for purposes that do not really serve our national security needs, our infrastructure needs, and other important purposes that merit public support.

According to a recent General Accounting Office [GAO] study, $70 billion could have been saved between 1984 and 1989, if the President had a line-item veto—$70 billion.

The line-item veto will, indeed, change the way Washington operates. I know that very admission will provide grounds for some Members to oppose this measure. As I previously noted, I am completely confident that the constitutional distortions which some opponents fear the line-item veto will cause will not occur. But there will be change. Unnecessary parochial spending will decline. Thus, this change that we should all welcome.

RETURN TO THE VIEWS OF THE FOUNDING FATHER AND THE CONSTITUTION

Mr. President, let me remind my colleagues that a President empowered with a veto was not considered a threat

to our Republican form of Government by the Framers of the Constitution.

This bill in no way alters or violates any of the principles of the Constitution. It preserves wholly the right of the Congress to control our Nation's purse strings—a trust the Congress has sometimes abused. On the contrary, this legislation helps sustain the sound checks and balances which provide enduring protection from tyranny.

The veto was designed by the Founding Fathers to ensure that the President retains the authority to govern should Congress exceed the bounds of responsible stewardship of the Nation's wealth.

According to Alexander Hamilton in Federalist No. 73 the views of the Founding Fathers on Executive veto power are as follows:

> It [the veto] not only serves as a shield to the executive, but it furnishes an additional security against the inaction of improper laws. It establishes a salutary check upon the legislative body, calculated to guard the community against the effect of faction, precipitancy, or any impulse unfriendly to the public good, which may happen to influence a majority of that body.

Given Congress' predilection for unauthorized and/or pork-barrel spending, omnibus spending bills, and continuing resolutions, it would seem only prudent and constitutional to provide the President with functional veto power.

The President must have more than the option of vetoing a spending cut bill and shutting down Government or simply submitting to congressional coercion.

The authority provided him by this strictly defined and limited line-item veto will not fundamentally upset the balance of power between the executive and legislative branches. It is consistent with the values expressed in our Federal Constitution.

The President is given very limited power by this bill. It is limited to appropriation bills and it can only be exercised for a limited time after the passage of an appropriations bill. Congress is guaranteed—by the Constitution—the opportunity to quickly overturn the President's veto. Opponents speak of their alarm over the prospect of Presidential coercion. But does any Member truly believe that Members—irrespective of their political affiliation—would not unite in opposition to a President who was attempting to abuse his powers. When has any Congress failed to do so in the past? Did not a majority of Congress—including many members of the President's party, oppose President Roosevelt's attempt to pack the Supreme Court? Did not a majority of Congress, including most members of the President's party, join in opposition to President Nixon's abuse of his office? I have no doubt, whatsoever, that Congress would not submit to extortion from a President with line-item veto authority. They would expose the President's coercion, and overturn any offensive rescission.

Charges that the President would abuse this power are also misleading and unfounded.

Again, I will rely upon Alexander Hamilton, who posed this question to his contemporaries in Federalist No. 73:

> If a magistrate so powerful and so well fortified as a British monarch would have scruples about the exercise of the power under consideration, how much greater caution may be reasonably expected in a President of the United States, clothed for the short period of four years with the executive authority of government wholly and purely republican?

Mr. President, the Constitution gives each House the power to set and establish its own rules. Additionally, the Constitution does not define the term ''bill.'' Therefore, what constitutes a bill, or a matter to become law that is presented to the President, may be defined by the Congress in any way that it sees fit. The Constitution did make clear that any type of measure passed by both Houses must be presented to the President.

For example, if a bill were named an ordinance, it would still have to be presented to the President. As reinforced in the Chadha versus INS case, anything with legal standing adopted by Congress must be presented to the President. The form of the presentment is up to the discretion of the Congress as a function of its internal rulemaking ability. Therefore, Mr. President, it is clear that division of a bill into separate parts is an internal rule change, and not a presentment issue.

Some will claim incorrectly that this bill violates the delegation clause of the Constitution. The delegation clause is not applicable here since the Congress is not delegating any power. It is merely adopting rules to change the manner in which it sends certain legislation to the President.

Others will claim that the Presentment Clause mandates that legislation be passed by both Houses in the same form before it is sent to the President, and that Separate Enrollment by a clerk after the passage of the legislation therefore changes the form of the legislation and violates the Presentment Clause.

This charge is also untrue. Changes made to a bill strictly of a technical nature due to the mechanics of the process of enrolling a measure have never been considered a change to a bill. Further, such technical changes would never merit subsequent action by either House. Lastly, let me point out that the Senate on the first day of session traditionally, authorizes the Enrolling Clerk—as an employee of the body—to make technical corrections as necessary to bills sent to the Clerk.

Additionally—and very importantly—the precedence for separate enrollment has already been established by the House of Representatives. The House has rules that ''deem'' a measure or matter as passed. The Gephardt rule states that when the House passes the concurrent budget resolution, the debt limit increase is deemed to have been passed by the entire body. The rule authorizes the Clerk to incorporate language into the concurrent resolution regarding the debt limit. Note that the budget concurrent resolution is not even a bill, yet the House enrolling clerk enrolls in it the entirety of another, never considered measure.

Another argument against this bill is that we cannot delegate legislative powers to the Enrolling Clerk and separate enrollment would do precisely that.

Once again the critics of this bill are incorrect. Separate enrollment gives no additional power or authority to the enrolling clerk. The Congress, within its ability to establish its own rules and instruct its employees on their duties, is prescribing certain limited activities to the clerk, not transferring any power to an unelected official.

To summarize, Mr. President, this legislation is constitutional and should be allowed to move forward.

PRESIDENTIAL POWER USED TO IMPLEMENT BUDGETARY REFORM

Congress' infidelity to sound fiscal policy was aggravated in 1974 by the Budget Control and Impoundment Act. If opponents of the line-item veto are seeking an example of a dangerous transfer of political power, they can end their search with that power grab by Congress. Specifically, the Budget Control and Impoundment Act of 1974 weakened executive power by allowing the Congress the legal option of ignoring the spending cuts recommended by the President through simple inaction.

Since 1974, the Congress' attitude toward presidential rescission has been one of increasing neglect.

President Ford proposed 150 rescissions, and Congress ignored 97. President Carter proposed 132 rescissions, and Congress ignored 38. President Reagan proposed 601 rescissions, and Congress ignored 134. President Bush proposed 47 rescissions, and Congress ignored 45.

If the Congress had accepted the 564 presidential rescissions that it has ignored since 1974, $40.4 billion would have been saved. This is not a trivial sum to the taxpayer, even if it is to Washington veterans.

The practice of ignoring presidential rescissions is in contrast to the practice prior to the 1974 act. Presidents Truman, Eisenhower, Kennedy, Johnson, and Nixon all impounded funds that Congress had appropriated for line item projects.

These modern Presidents were not alone in their exercise of rescission power. In 1801, President Jefferson refused to spend $50,000 on gunboats as appropriated by Congress. He, of course, had good reason. When the gunboats were appropriated, a war with Spain was considered imminent. The war never materialized, and the threat posed by Spain ended. As these circumstances changed, Jefferson thought it was within his power to eliminate

what had become unnecessary spending.

The money for gunboats was not spent, and money was not appropriated in 1802 for the gunboats.

Clearly, the Union did not fall because the President refused to waste the taxpayers' money.

Until 1974, our Presidents had the power to decide whether appropriated moneys should be spent or not. It is indeed true that President Nixon abused the power of impoundment. But the abuses of one man do not require us to permanently deny all Presidents the authority to restrict spending.

Again, let me quote Alexander Hamilton in Federalist No. 73 on the role of executive veto power in our system of checks and balances:

> When men, engaged in unjustifiable pursuits, are aware that obstruction may come from a quarter which they cannot control, they will often be restrained by the apprehension of opposition from doing what they would with eagerness rush into if no such external impediments were to be feared.

Those opposed to this legislation should consider that sound observation when contemplating the importance of some of the ''unjustifiable pursuits'' that find their way—irresistibly—into every appropriations bill passed by Congress.

Let me return to the broader picture of process reform. Many opponents claim that a President with line-item veto authority would not have any real ability to balance the budget or even significantly reduce the deficit. I will make no claims that this bill is the answer to all our budgetary problems.

As I earlier stated, the line-item veto is only one of many needed tools in our efforts to restore the Nation's financial health. With roughly $1 trillion of entitlement spending in a budget of $1.5 trillion, it is clear that a line-item veto will not solve all of our fiscal difficulties. Only a Congress with a political will not characteristic of recent Congress' will be able to balance the budget.

A President dedicated to restraining Federal spending could use line-item veto power as an effective tool to reduce Government spending and move closer to a balanced budget than we are today.

The GAO study makes my point. A President with line-item veto authority could have saved the American taxpayer $70 billion since 1974.

A determined President may not be able to balance the budget—only the voters can ultimately control Congress—but a determined President could make substantial progress toward real spending reduction.

As we continue to confront enormous budget deficits and annually search for ways to reduce spending, it is obvious that there our efforts will require the service of a President whose line-item veto authority has been restored. With our public debt expected to approach $3.9 trillion this year and a gross domestic product of roughly $5.7 trillion, it seems quite probable that our debt may soon surpass our output. Unless we decide to simply wait for the moment when this growing crisis begets a movement for stronger measures that really will threaten constitutional principles, we ought not decry those reasonable and constitutionally sound measures that will help us control the greatest threat facing our Republic.

With that in mind, I hope the Senate would consider the following quote by a figure in the Scottish Enlightenment, Alexander Tytler. He stated:

> A democracy cannot exist as a permanent form of government. It can exist only until a majority of voters discover that they can vote themselves largesse out of the public treasury. From that moment on, the majority always votes for the candidate who promises them the most benefit from the public treasury, with the result being that democracy always collapses over a loose fiscal policy.

It is to prove Mr. Tytler wrong that I ask my colleagues to support this bill. If our debt surpasses our output, I fear Mr. Tytler will be proved correct, and the recognition of his powers of prophecy will mean that the noblest political experiment in human history will have ended in failure.

This bill is only a small step toward preventing the arrival of such a dismal calamity for this country and mankind. But it is a necessary step. I urge my colleagues to support this measure.

Mr. President, we are going to have a lot of detailed debate on this issue. Some may appear to observers to be esoteric and somewhat minute. There are significant questions about the constitutionality and the other aspects of this bill as far as its applicability ranging from how much money it would save to whether it directly violates the Constitution of the United States.

Mr. President, I do not claim to be a Constitutional expert. I do claim to have been involved in this issue now for 10 years. I do claim to have read and discussed with eminent Constitutional scholars this entire issue, and I am convinced that any argument on Constitutional grounds can be easily rebutted.

The question, however, will be, is the Congress of the United States prepared to transfer significant power from the legislative branch of Government to the executive branch of Government for the sake of the future of our children? Is the Congress of the United States, especially those Members who are in more powerful positions than others, prepared to do what is necessary?

We cannot live with that deficit. Our children and our children's children will be called upon someday to pay that bill. And if we do not start now to reduce that deficit, an exercise in fiscal sanity, we will not only threaten our children's futures but we will continue to increase the cynicism that exists in America today about the profligate way we spend the taxpayers' dollars. There is no confidence in America today that the Congress of the United States spends that money in a wise fashion.

Mr. President, that is not my personal opinion. Poll after poll after poll concerning this issue confirms that statement. When people lose confidence in their government, then very bad things can happen because then, over time, they search for other means of governing or they search for other people or parties that they think can govern better.

On this side of the aisle, as the Presiding Officer well knows since he is a newly arrived Member of this body, having come from the other body, I believe we made a promise to the American people. We made several promises. Those promises were embodied in the Contract With America. The crown jewels of the Contract With America in my opinion—others may differ—were a balanced budget amendment and a line-item veto. Unfortunately, recently the Senate failed to enact a balanced budget amendment. The reasons for it have been well discussed and dissected in every periodical in America so I do not intend to go into the reasons why. But the fact remains the American people, in overwhelming majorities, are deeply disappointed that we did not have the courage, we could not muster 67 or two-thirds of the votes in this body to make that happen and send that measure to the States for their ratification.

Now we are confronted with a second duel and that is the line-item veto. It is going to be a close call. It is going to be very, very close, as to whether we can obtain the 60 votes to get cloture or not. I do not know if we will be able to achieve that.

I know I am willing, and those of us who are supporters are willing to negotiate with our colleagues on the other side of the aisle and try to satisfy concerns they have. Obviously, we will not negotiate the principle of two-thirds majority override but we certainly would be willing to talk about ways in which we can protect Social Security, for example, and make sure we do not do damage to those who are least fortunate in our society.

At the same time, when all this concern is voiced about those who are unfortunate in our society and cannot defend themselves—the elderly, the children, the poor, the homeless, those who are ill—the fact is if we do not do something about that, we cannot help any of them. If we do not stop this deficit spending there is no way we can help the people who need help in our society, because we will be spending all our money on paying off a debt or we will debase the currency through inflation, reduce the national debt but at the same time destroy middle-income America. We will be faced with those two choices.

Again I want to say, the line-item veto will not balance the budget. But I hasten to add the budget will not be balanced without a line-item veto. That graph over there is a compelling

argument to validate my argument, my statement. Between the years of this Nation's birth, which are not on that chart, up until 1974, roughly, our deficit was either a slight one or nonexistent. Beginning in 1974 and 1975 it skyrocketed off the charts.

For 10 years, Senator COATS and I have been working on this issue. For 10 years we have brought up this issue before this body, unable to do anything but ventilate the argument, ventilate the issue, talk about it and debate it, knowing full well that the Senator from West Virginia or the Senator from Oregon were going to pose a budget point of order and we would not succeed in that effort and we would be doomed to try again another day or another year.

I believe this is the defining moment for this issue. I believe we should engage in extended and in-depth debate in a manner and environment of respect for one another's views. At the same time, I believe if we lose this battle we are sending a message that we are willing to do away with our children's futures and any opportunity for fiscal sanity.

Before I yield the floor I again would express my appreciation to my dear, dear friend, Senator COATS, who has been, many times, the one who has helped restore my spirits after we have suffered defeat after defeat and encouraged me and himself. I hope I have encouraged him from time to time to stay at this very critical battle even at the risk of bruising friendships and relationships we might have with others in this body, and even at risk of appearing somewhat foolish from time to time as we jousted with a windmill in the form of a majority on the other side in full recognition we could not succeed.

But I say to my friend from Indiana, I do not know if we would be here today if we had not done all the things we did for the past 10 years. Without his help and friendship I do not believe we would be here.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Indiana.

Mr. COATS. Mr. President, my understanding is that under the unanimous consent agreement time is managed by the Senator from Arizona. The Senator from Alaska has asked for 5 minutes of time in which—or more if he wishes—to introduce some legislation. I think if the Senator from Arizona will yield that time I think it would be appropriate at this time.

Mr. McCAIN. Mr. President, I yield to the Senator from Alaska whatever time he needs to consume.

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

Mr. STEVENS. Mr. President, I am grateful to the Senator from Indiana and the Senator from Arizona. I find myself in an a position this year of applauding the leadership they are giving to this subject of the line-item veto. I will be making a statement on that tomorrow.

(The remarks of Mr. STEVENS pertaining to the introduction of S. 575 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

THE NATIONAL DEBT

Mr. COATS. Mr. President, Calvin Coolidge may have been a man of few words, but the thoughts he expressed when he chose to speak were very precise. On the subject of government spending he once very accurately observed that, ''Nothing is easier in the world than spending public money. It does not appear to belong to anyone.''

How true those words were because we have seen a Congress spend the public's money in a way that has significantly reduced the respect and credibility of this institution in a way that has taxpayers across America not only scratching their heads in wonder but shaking their fists in rage, disturbed over the fact that while they are getting up in the morning and fighting traffic and getting to work and putting in an honest day's work for what they thought was an honest day's pay, they receive their paycheck at the end of the week and bimonthly and note the ever-increasing deduction for funds being sent to Washington to pay for programs and to pay for expenditures that they do not deem in the national interest.

They are becoming outraged, and they are frustrated. They expressed that outrage and frustration this past November. They wanted a change in the way that this Congress does business. They have been calling for it for years, even decades. Politicians have been going back home and promising change. ''Elect me and we will do it differently.'' People ask, ''Well, what can you do about it?''

Many of us were proposing two basic structural changes in the way that the Congress does business. One was the balanced budget amendment. Despite all of the fine rhetoric, all of the wonderful promises, all of the budget bills, the budget deals, the budget reduction packages that were debated, voted on, and promised by the Congress, despite all of that, Americans continued to see an ever-escalating debt, hundreds of billions of dollars annually of deficit spending, and a frightening explosion in the national debt.

In 1980, when I was elected to Congress, one of the very first pieces of legislation that we had to vote on was whether or not we would raise the national debt ceiling—that is, that level over which we could not borrow money—to raise that to $1 trillion. Many of us were deeply concerned that we not break the trillion dollar threshold. We had campaigned that year in 1980 on fiscal responsibility. We campaigned on balancing the budget. We knew that, if we were going to balance the budget, we had to stop the flow of red ink. That was our first priority. We knew, if we were going to reduce that debt, that we could not have any more years of deficit spending.

So we were concerned about raising that debt limit. Yet, for a whole variety of reasons—some of them valid and many of them invalid, but all because of a lack of discipline—we not only did not balance the budget but we saw the national debt explode; explode from the $1 trillion level to nearly $5 trillion today, a 500-percent increase. It almost is beyond our ability to comprehend how we as a Nation could have gone from a $1 trillion debt level to nearly a $5 trillion debt level.

Automatic spending as a way of meeting entitlement obligations clearly has played an enormous role in all of this, some necessary defense increases, some less than projected revenue estimates, but primarily a lack of will on the part of the Congress to curb its spending habits and its appetite for spending. I said then and I said in the debate a few weeks ago and I still believe that until we enact into the Constitution of the United States a requirement that this body balance its budget each and every year, we will not solve our debt problem. We will not begin to solve our debt problem.

My greatest disappointment in my years in Congress has been our failure by one vote to join the House of Representatives and pass on to the States for their consideration and, hopefully, their ratification a balanced budget amendment—one vote. We came that close. I think the American people instinctively know that, unless the Constitution forces us to balance the budget, we will always find an excuse not to. As Calvin Coolidge said, how easy it is to spend what appears to be someone else's money because it does not appear to belong anywhere.

We have seen year after year after year Congress saying, ''Well, maybe next year, too many pressing priorities this year, too big a problem to address all at once, we will do it another time.'' Or, we have seen Congress say ''Here is the legislation that will put us on the path to a balanced budget, that will bring finally fiscal discipline to this body.'' Of course, we have seen every one of those efforts fail.

Now we are looking at the second tool to try to curb congressional spending, this appetite for spending, spending, spending, and paying for it not by asking the taxpayer to ante up, although we have done that, and it has I think had a negative effect on our ability to grow and provide opportunities for our young people and job opportunities for Americans. But we found a convenient way to pass on the debt to a different generation to a time when we are no longer here serving; pass it on by floating debt, by incurring debt which future generations will have to pay. We are paying it now. We are paying $200-and-some billion a year just in interest. It is rapidly approaching $300 billion a year—$300 billion which could

be used either to impose a lesser tax burden on Americans, to provide a child tax credit which would give American families with children an opportunity to meet some of their financial obligations, to put aside money for college or savings, pay the rent, pay the mortgage, buy the clothes, or meet their monthly obligations. Or it could be used for more appropriate needs that exist in our society. But, no, it goes simply to pay interest on the debt, and it mounts every year. It is the second largest expenditure in our budget. If a few years, it will exceed the entire spending for national security, for all our military men in uniform, for all that we provide for national defense. Interest. Just paying obligations so that we can spend now and somebody can pay for it later.

So we come to the second tool. The Senate has rejected, unfortunately, by one vote, the right of the people, the right of the States to determine whether or not they want this fiscal discipline imposed constitutionally on the Congress of the United States. We now come to the second institutional change, the line-item veto. As my colleague, Senator MCCAIN, said, make no mistake about it, this will not balance the budget. This is not enough of a tool to do the job. But it is an institutional change. It is a structural change in the way that we do business, and it can make a difference and it can make a substantial difference.

Senator MCCAIN and I, as he recently has said, have been fighting this battle for a number of years. We have alternately introduced it. JOHN MCCAIN manages it one time, and I manage it another time—alternately introducing the line-item veto under different forms—enhanced rescission we called it. It is a statutory measure designed to secure passage with 51 votes instead of two-thirds. It is not a constitutional amendment. But we have been offering it in Congress after Congress, year after year, always falling short of the necessary number of votes to break a filibuster, because those who oppose line-item veto, those who believe Congress can exercise the will for fiscal discipline, those who feel that the power of making those decisions should not rest anywhere except in this body have been able to block our efforts.

Senator MCCAIN has been, as is his great talent, a man of extraordinary perseverance, extraordinary commitment, extraordinary dedication to this issue and many others that he has been involved with. He paid me a nice compliment by saying I shored him up at times when he was discouraged and we were not making more progress. He has picked me up equally as much, and maybe more. Sometime we think, what is the use, we are never going to get there, we are never going to break the power and the hold on the spending process that currently exists with those who see spending, or the control of the process, as advantageous, for whatever reason.

But I want to compliment him for continuing to persevere. He is a man of great perseverance. I want to compliment him for pushing through and insisting that we go forward. Together we are doing that. And we know we have the support of many colleagues and we have the support of a vast majority of the American people because they have lost confidence in Congress' promises, in Congress' ability to discipline itself. They know that we need system changes. They know that we need structural changes if we are going to get this accomplished.

It has become so easy to spend in this body that, every year, about $10 billion worth of appropriations are tacked onto an already loaded Federal budget for spending that meets no emergency request, is not formally authorized by Congress, and that means it has not been discussed and debated and examined by the authorizing committees and voted on and put forward to our colleagues to examine. Nor has it been requested by the President. On the contrary, it is $10 billion that serves only to appease or satisfy a particularly parochial special interest. As a result, Congress has become so addicted to spending other peoples' money, that the last time the Federal budget was balanced on a regular basis, Calvin Coolidge was still alive. Political scientist James Payne calls this a culture of spending. ''Members of Congress,'' says Payne, ''act as if Government money is somehow free.'' They distribute it like philanthropists helping worthy supplicants—except that they are usually lobbyists or special interests, and the money goes to a very narrow, very parochial use. In a recent tabulation of witnesses who testified at congressional hearings, Mr. Payne found that fully 95.7 percent of them came to urge more Government spending. Only 0.7 percent spoke against it. I do not know what happened to the other 3 or 4 percent. They probably just came to see the monuments and watch Congress in session.

This year, the President sent to Congress a budget that directs the Government to spend $1.6 trillion. Every month of that year, the Government will spend $134 billion; every week, $31 billion; every day, $4.4 billion; every hour, $184 million; $3 million a minute; every second of every day, the Federal Government will spend another $50,000 of someone else's money.

By the end of 1996, the Federal deficit will have increased by $200 billion, a figure that will be repeated in 1997, 1998, 1999, and the year 2000, after which it will rise even greater. That is a projection on which we almost always come in under what the actual figure is. But the sad fact is that even if the President could manage to send a balanced budget proposal to Congress, it probably would not make any difference. Congress would still choose to pad the bill with billions of extra dollars of parochial pork.

In some cases, these projects are tacked on—usually at the last minute—to legislation that is too important or too politically risky for the President to veto, like Federal disaster assistance when California is devastated by floods, when hurricanes devastate south Florida, or when the military needs a pay raise, or emergency spending is needed to cover deployments or costs that it has incurred, or benefits for veterans. These huge bills pass often, literally, in the dark of the night. But almost always we find tucked away in the very dark recesses of complicated bills, sometimes weeks and months later, we find items of appropriations that go for special interests, that go for special spending, which causes all of us to ask, how in the world did that become part of this bill? How in the world did the Congress ever pass something like that? In honesty, many of us say we did not even know we passed it. Well, it was part of the HUD-Independent Agencies appropriations bill. Well, that was a 1,300-page bill, and while we searched through it, we must have found tucked away in there—sometimes in very obscure language—spending that goes for something that the taxpayer finds is absolutely outrageous.

And every year, this type of spending adds up to billions of dollars worth of unnecessary spending that would wilt in a white-hot minute if it were forced to weather the glare of public scrutiny. If that item was brought to the floor of the Senate and debated solely on that item, and if Members were forced to vote yea or nay on that item, it would never pass; it would never stand the scrutiny of the light of public debate. Members would never risk a vote for an item that brings outrage to the American public when they hear about it.

The list goes on and on, and Senator MCCAIN and I will have the opportunity to detail some of that list. It is not our purpose tonight to castigate other Members. In one sense, we are all guilty. There is probably not a Member of Congress that has not gone to the Appropriations Committee and said, ''Do you think there is a way we can get this particular appropriated item in the bill? It is important to my constituents and it is something that I think is important. Can we get it tucked on there? Has it been authorized?'' ''No. You know it is going to be tough to get that through the authorization process, and my colleagues might not understand. But could we just add it to this bill? This bill is going through.''

There is probably not one of us that does not bear some responsibility, some blame, for this.

What we are saying here is that the system is bad, and the system needs to be changed. Some people make a career out of doing this. Others do it on occasion. But whether it is a standard operating procedure or whether it is just an occasional request, the system allows

it to happen and it is not right and it ought to stop.

If you happen to occupy an important position here, a position where you are influential in terms of appropriating certain funds, it is quite easy to add some items. Every year in appropriations bills, we find certain Members seem to do quite well, thank you. They happen to occupy positions that allow them that opportunity.

But we are not going to list the items. Americans read about them regularly in the newspapers, in the magazines. They hear about them on the national news. In fact, one network outlined on a regular nightly basis for several weeks—and perhaps it is still going on—how your money is spent. And each time they do that, our phones light up the next morning, the mail pours in, people stop you back at home and say, ''How in the world can you take my hard earned dollars and spend it on that item?''

Mr. President, we have a budget process that encourages delay, rewards subterfuge, and works to the detriment of the American people. But any spending that must be attached or hidden is spending that cannot be justified on its merits.

It is time for us to change the system. It is time for us to shine a light in the deep, dark corners of deficit spending. It is time to give the President and to give the American people the line-item veto.

Just as a yellow highlight earmarks and highlights a text, the line-item veto will give the President the power to highlight Government pork by drawing bright lines through the billions of dollars of added on Federal waste. No longer will unnecessary expenditures be able to hide in the dark details of necessary bills. The line-item veto will spotlight their existence and force legislators to defend their merits in open debate.

More importantly, the line-item veto means that pork finally stops at somebody's desk. Even if the Congress persists in passing wasteful spending measures, the people can still demand that the President line out parochial pork barrel projects that increase their tax burden and threatens their children's future. The line-item veto is a giant step forward in fiscal responsibility.

Mr. President, today objections raised by the Congress against the line-item veto seem to boil down to some fundamental questions. One of the questions is: Is the line-item veto the best solution to the problem?

As I said earlier, the best solution would have been a balanced budget amendment. Congress failed by one vote in that effort.

But the next best structural change that can take place would be the line-item veto, in this Senator's opinion, because it is clear the Congress cannot muster the will to, on a regular basis or even on an occasional basis, balance the budget.

As I said, Calvin Coolidge was still alive the last time we did balance the budget. Our record is pretty sorry, despite our promises, despite our best efforts.

The other objection raised is: Is this constitutional? Let me address the first one: Is it the best solution?

Obviously, the best solution would be for the Congress to put the interest of the country before its own parochial interests, to follow the basic principle, which we attempted to teach our children around the kitchen table or sitting in the family room, that every corporation in America has to follow, that every home owner has to follow: If you keep spending more money than you take in, you are going to get yourself in deep trouble.

How many times have I told my children, how many times have any of us told our children, ''Look, you can't spend more than you have. Sure you can get a plastic credit card, but the bill comes 30 days later and there is interest attached. And the interest is not cheap. It keeps adding up. And if you keep mounting that up, you are going to get yourself in a real hole.''

And there are a lot of Americans that have done that.

Well, we each are given a credit card when we come here. It is called our ID. In the House, they actually use it to put it in a machine and that records their vote. Here, we vote by voice vote. But this is the most expensive credit card in America. It says ''United States Senator.'' It allows us to walk in this Chamber and, because we can carry this card, we have license to the taxpayers' dollar.

What we are suggesting here is that that license has been abused. We have racked up the points. We have reached the limit and it is time to call each of us on that. And it is time to change the system, time to put some restrictions on the use of this card. Maybe I should say the abuse of this card.

We have demonstrated an institutional inability to restrain ourselves from unnecessary pork barrel spending. And perhaps the line-item veto is the only tool we have left.

Each year, Congress sends the White House massive bills, at most 13 appropriations bills. All of our spending is pretty much compressed into 13 bills.

Sometimes we send the President one continuing resolution. That combines all the bills that we have not passed separately into one bill and we have one vote, yes or no. We send this massive bill to the President—sometimes it is the entire spending for the entire Federal Government—and we say, ''Well, Mr. President, the fiscal year runs out on September 30 at midnight. We are going to send you a bill up about 10 p.m., September 30. That is going to allow you to continue Government running until we get around to passing the separate appropriations bills.''

Sometimes we never do. We just operate. In other words, we give him authority to continue spending the money that he had last year.

Send it up there about 10 o'clock and say, ''Mr. President, you have about 2 hours—I know the bill is several thousands of pages long—a couple hours to look at it. Now you can veto it. You might find some things in there you do not like. You can veto it. But, of course, the Government will shut down. Nobody will get paid. Everything stops. All the checks stop.''

And the President is held almost in a position of blackmail because his only choice is to either accept the whole bill or veto the whole bill.

So the ground rules offered by Congress are very clear. Tie the President's hands by leaving him with a take-it-or-leave-it decision and obscure in the process all the uncounted billions of dollars of unnecessary pork-barrel spending.

Now this maneuver is very commonplace in the Congress. Because it seems that our facility for outrage has been dulled by the repetition of the times that we have done this. But I would suggest it is also contemptible, for when we hide those excesses behind the shield of vital legislation, we do it precisely to avoid making hard choices, to mask our actions and to confuse the American taxpayer.

In other words, we avoid public ridicule by consciously attempting to keep citizens from knowing how their money is spent. We hope they do not find out.

We criticize the press sometimes, but sometimes we have to give them credit. Sometimes those people sit down and pore through those bills and say, ''Wait until you, American taxpayer, hear about this one.'' And we pick up the USA Today the next morning and there is the list of spending that just defies rationality, particularly at a time of burgeoning deficits.

In his 1985 State of the Union Address, President Reagan very effectively demonstrated this point; that is, the point of Congress dumping massive legislation on his desk in a take-it-or-leave-it proposition. The President slammed down 43 pounds and 3,296 pages of Congress' latest omnibus spending bill. He slammed it down on the desk of Tip O'Neill. It was the bill that represented $1 trillion worth of spending—one bill. Not one penny of which he had the power to veto unless he rejected the entire bill.

As my colleague, Senator MCCAIN, has pointed out, Congress' addiction to pork barrel politics has reached the point where it is threatening even our national security and consuming resources that could be better spent on returning it to the taxpayers in the form of tax cuts, on deficit reduction, or any one of a legitimate number of worthwhile programs that would benefit all Americans—not just the few who happen to live in one particular State or one particular district.

The seriousness of this problem demands a serious response. I suggest, as

Senator MCCAIN suggested, the line-item veto is a serious response because it will force this Congress to get serious about spending and end business as usual because ''business as usual'' is something that this country can no longer afford.

Mr. President, before the Budget Impoundment and Control Act of 1974, Presidents could eliminate or impound political pork by simply refusing to spend the appropriated funds. Using this tactic, President Johnson in 1967 eliminated 6.7 percent of total Federal spending, which in today's terms would amount to about $99 billion.

A few years later, President Nixon provoked Congress' wrath by impounding the money for more than 100 different programs. Typically, Congress was outraged, in 1974, it retaliated. Grab the power of unlimited political pork by passing legislation that would ''ensure congressional budget control.''

Now, I do not know if that is an oxymoron or not. I guess an oxymoron is just 2 years. Maybe this is an oxy-oxymoron. ''Congressional budget control,'' it is like airline food and the Postal Service—they just do not seem to ring quite right. Congressional budget control. Dare we use the term ''ensure″ congressional budget control when we have seen the national debt increase from $1 to $5 trillion in less than 15 years?

Under the new law passed in 1974, the President can still propose cuts. The Congress said, ''Well, listen, we will not take this power away from you completely. You can still propose cuts, but those cuts will not take effect,'' Congress said, ''unless both the House and the Senate vote to approve those cuts in 45 days.''

Well, as we can guess, this proved just a little too convenient for Congress. In order to kill a Presidential cut, Congress quickly learned it does not have to do anything, a skill at which we are very adept at, as history will testify.

So in the years that followed, only 7 percent of the proposed cuts that President Ford sent to the Congress were approved. From 1983 to 1989 we only approved 2 percent of President Reagan's proposed cuts. President Bush proposed 47 recisions. We approved one of them. Congress got its way.

But the result was not only more congressional control but more congressional spending. From 1969 to 1974, President Nixon kept domestic discretionary spending to an annual growth rate of 7.3 percent. In 1975, the first year the new recision provision went into place, that is, if Congress does nothing, the President cannot stop the spending, Federal spending, and nondefense discretionary programs grew by an unprecedented 26.4 percent. Let me make that point again: When he had the power to check congressional spending, congressional spending only grew, discretionary spending only grew at 7.3 percent a year.

The year after Congress took it away, took the President's power away to do this, it jumped to 26.4 percent. The wild growth in Federal spending can often be traced to a number of causes. One of the reasons is crystal clear: The President has had limited authority left to prioritize how funds are spent. Congress can no longer be checked by the prospects of Presidential impoundment.

Today what we have is a President with no reliable means to check the excesses of Congress, because by simple inaction Congress can perpetuate projects that we can no longer afford. Inertia is rewarded with scarce funds. Pet projects are shielded by our indecision. Predictably, the effect on the deficit has been dramatic.

Mr. President, I expect that the majority leader will introduce a substitute to the bill that Senator MCCAIN and I are introducing. We have been working very, very closely with the majority leader in crafting a measure which we believe is even more effective than the one which we proposed and which, hopefully, can secure additional support.

I want to commend the majority leader for his efforts in moving forward, in designating line-item veto as a top five priority for this Congress. Mr. President, S. 4 is the bill that was introduced by the majority leader. The one that Senator MCCAIN and I have been working on for a number of years, trying to refine the differences, pick up additional support.

We have been working now with the majority leader, the Chairman of the Budget Committee, and others in this Congress to write an even stronger bill, write an even better bill. We expect that the majority leader will be introducing that in a relatively short time—not tonight—but early next week.

Under that legislation, each item in an appropriations bill will be enrolled separately. That means it will be defined separately as a bill and presented to the President for his signature. In this way, the President will be able to pick and choose among funding, supporting those he considers worthy, and vetoing others.

Under this process, Congress will no longer be able to protect its excesses by simply wrapping egregious spending in one omnibus bill or tacking it in, hoping to hide it from public scrutiny. On the contrary, Congress will be forced to put itself on the record, and any conflict between the Congress and the President will be publicly aired before the American people.

The reform embodied in this amendment is not radical. It would simply restore a balance between the executive and legislative branches to what was regular practice for 185 years of American history.

As I said, since 1989 Senator MCCAIN and I have fought for the line-item veto as a tool to rein in out-of-control spending. I believe there is no surer sign of our commitment to real change than our willingness to have this Republican Congress, in one of its first defining acts, to give this tool to a Democrat President.

If President Clinton had the line-item veto, the savings would not be miraculous, but they could be substantial. For years, Senator MCCAIN and I heard the charges from the opposition. ''Well, you would not do this if it were a Democrat sitting in the White House. You would not give up that power.'' We said, ''yes, we would.'' We are not giving it to a particular person. We are giving it to the office, to the office of the Presidency, because we so firmly believe that Congress has abused its privilege of deciding and solely determining the power of the purse that we believe that the President needs a check, a balance, that the President had prior to 1974.

It is not like we are giving him something new. We are restoring something that he already had. We want to give him that authority. Whether it is a Republican President or a Democrat President, there needs to be a check on the excessive spending habits of Congress.

Senator MCCAIN has mentioned that the GAO report that says that in the mid-1980's we could have saved $70 billion if the President had line-item veto. Some will dispute that amount. No one can dispute—no one can dispute—that we would have saved money. No one can dispute that we would have prevented a great deal of excess wasteful pork-barrel spending, whatever the amount.

If it were $70 billion, think what that could have done. We can have doubled the personal exemption for families struggling to raise their children, to pay the bills. We could have paid for the entire student loan program for 5 years. We could have cut the national debt, and could have substantially reduced our interest obligations.

If the President gets this line-item veto authority, we will never know the full extent of the savings because what it will do is it will send a message to every Member of Congress that the days of pork-barrel spending are over.

The slick little habit that is exercised time and time again of attaching an item of spending that everybody knows deep down in their heart would never, never withstand the glare of public scrutiny, would never withstand the openness of public debate, would never achieve a majority of Senators voting for their particular item, that will never even get attached to a bill. But they know that the President has line-item veto authority and their spending item, their special interest parochial spending item is lined out and sent back to the Congress and that the only way it can be restored is to bring it to the floor and override the President's veto. We will never know how much money we will save in this process. We will never know how many

projects, how much special interest parochial spending would have been attached and hidden in the appropriations bills or a tax bill if the process is changed.

Mr. President, as I said, one of the other objections to this are the constitutional concerns. The majority leader's substitute will restore a healthy tension between the legislative and executive branches necessary for fiscal discipline. President Truman wrote:

> One important lack in the Presidential veto power, I believe, is authority to veto individual items in appropriations bills. The President must approve the bill in its entirety or refuse to approve it. . . it is a form of legislative blackmail.

Some will argue that the veto is too high a standard; that it is difficult to muster the numbers to override it. To those, I would say, that the greater challenge today is to reduce our Nation's debt and balance our Nation's books. In this day, it should be a formidable challenge to continue to spend our children's and grandchildren's money. It is time for a higher standard.

Others will say that the separate enrollment is inconvenient; the President will be forced to examine and sign hundreds of bills instead of one; how is the House going to process all this?

I find it interesting that every President since Ulysses Grant, with a couple of exceptions, has asked for a line-item veto. Not one of them has complained about the inconvenience of a line-item veto.

I also will say to my colleagues that modern technology, the information age, is upon us, the computer age is here. What used to be a tedious task, what used to be a complex process, what used to be a question as to the decisionmaking power of an enrollment clerk—that is someone who writes up the bills and presents them for final approval to the executive branch—what used to be a complex process is now a very simple process. Software has been written for computers that can process this in a matter of moments. And so to separately line item and enroll a large appropriations bill is no longer a difficult process. So the objection to the nightmare of the mechanical difficulty has been met through the miracle of modern technology.

As I said, some question the constitutional standard. Article I, section 5, says that each House of Congress has unilateral authority to make and amend rules governing its procedures. Separate enrollment speaks to the question of what constitutes a bill, it does nothing to erode the prerogatives of the President as that bill is presented. The Constitution grants the Congress sole authority for defining our rules. Our procedures for defining and enrolling a bill are ours to determine alone.

There is precedent provided in House rule XLIX, the Gephardt rule. Under this rule, the House Clerk is instructed to prepare a joint resolution raising the debt ceiling when Congress adopts a concurrent budget resolution which exceeds the statutory debt limit. The House is deemed to have voted on and passed the resolution on the debt ceiling when the vote occurs on the concurrent resolution. Despite the fact that a vote is never taken, the House is deemed to have passed it.

The American Law Division of the Congressional Research Service has analyzed separate enrollment legislation and found it constitutional. Let me quote from Johnny Killian of the CRS:

> Evident it would appear to be that simply to authorize the President to pick and choose among provisions of the same bill would be to contravene this procedure. In [separate enrollment], however, a different tack is chosen. Separate bills drawn out of a single original bill are forwarded to the President. In this fashion, he may pick and choose. The formal provisions of the presentation clause would seem to be observed by this device.

Prof. Laurence Tribe, a constitutional scholar, has also observed that the measure is constitutional. He recently wrote, and I quote:

> The most promising line-item veto idea by far is . . . that Congress itself begin to treat each appropriation and each tax measure as an individual ''bill'' to be presented separately to the President for his signature or veto. Such a change could be effected simply, and with no real constitutional difficulty, by a temporary alteration in congressional rules regarding the enrolling and presentment of bills.

He goes on to say:

> Courts construing the rules clause of article I, section 5, have interpreted it in expansive terms, and I have little doubt that the sort of individual presentment envisioned by such a rules change would fall within Congress' broad authority.

The distinguished Senator from Delaware, Senator BIDEN, during his tenure as chairman of the Senate Judiciary Committee, wrote extensive additional views in a committee report on the constitutional line-item veto. He wrote about a separate enrollment substitute he offered, and I quote:

> Each House of Congress has the power to make and amend the rules governing its internal procedures. And, of course, Congress has complete control over the content of the legislation it passes. Thus, the decisions to initiate the process of separate enrollment, to terminate the process through passage of a subsequent statute, to pass a given appropriations bill, and to establish the sections and paragraphs of that bill, are all fully within Congress' discretion and control.

He goes on to say:

> A requirement that Congress again pass each separately enrolled item would be only a formal refinement—not a substantive one. It would not prevent power from being shifted from Congress to the President, because under the statutory line-item veto, Congress will retain the full extent of its legislative power. Nor would it serve to shield Congress from the process of separate enrollment, because Congress will retain the discretion to terminate that process.

Mr. President, the line-item veto will discourage budget waste because it will encourage the kind of openness and conflict that enforces restraint. The goal is not to hand the Executive dominance in the budget process. It is not a return to impoundment. It is a gentle and necessary nudge toward an equilibrium of budgetary influence, a strengthening of vital checks on the excesses of this Congress.

The President's veto or ''revisionary'' power, as the Constitution defines it, was intended to serve two functions: To protect the Presidency from the encroachment of the legislative branch, and to prevent the enactment of harmful laws.

Certainly, any attempt by a President today to line out unnecessary spending would meet the second of the Framers' objectives, that of preventing the enactment of harmful laws.

In 1916, a Texas Congressman, who shall go unnamed but will be quoted, had this to say:

> There are a half a dozen places in my district where Federal buildings are being erected or have recently been constructed at a cost to the Federal Government far in excess of the actual needs of the communities where they are located. This is mighty bad business for Uncle Sam, and I'll admit it; but the other fellows in Congress have been doing it for a long time and I can't make them quit.
>
> Now we Democrats are in charge of the House and I'll tell you right now, every time one of those Yankees gets a ham, I'm going to get myself a hog.

Mr. President, that was colorful language. We do not use that kind of language too much around here in 1995. But the principle is the same. Everybody else is getting it for their district, so I better get it for mine. If that fellow over there can get a ham, I am going to see that I get a hog.

That is not spending in the national interest. That is not appropriate spending even if our budget is balanced, but I guarantee you it is not appropriate spending when you have an unbalanced budget, when needs are being unmet, when the taxpayer is paying a higher burden than he should, when the debt is running out of control, when we are saddling future generations with a debt obligation which will bury them and bury their opportunity to enjoy the same standard of living available to each one of us.

The line-item veto is a measure whose time has come. The American people voted for it. The House has passed it. The President wants it. And now only the Senate, only the Senate, stands in the way of the line-item veto. Let us make sure that the Senate is viewed as the world's greatest deliberative body and not the world's greatest deliberative obstacle to the line-item veto.

Mr. President, I contend it is time to pass the line-item veto.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. McCAIN. Mr. President, the Citizens Against Government Waste have sent a letter that says:

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, March 14, 1995.

DEAR SENATOR: The 600,000 members of the Council for Citizens Against Government Waste (CCAGW) strongly endorse S. 4, the enhanced rescissions bill. S. 4 was introduced by Senator Majority Leader Robert Dole (R-KS) and Senators John McCain (R-AZ) and Dan Coats (R-IN). This line-item veto truly provides the president with a veto of congressional spending, by requiring a ⅔ vote to override.

The House of Representatives heeded the President's call for fiscal soundness and overwhelmingly supported enhanced rescission legislation over ''expedited rescissions.'' Most Americans agree with the House and President Clinton on this issue—give the president the authority to weed out wasteful spending. In addition, CCAGW calls on the Senate to further strengthen S. 4 by extending the line-item veto power over tax and contract authority legislation, also havens for pork.

The inside-the-beltway crowd says the line-item veto will die in the Senate. It's time to prove them wrong. The defeat of the Balanced Budget Amendment made it painfully obvious that some members of Congress are not ready to give up their ''pork perk.'' However, their victory should be short-lived. Passing S. 4 will strike a blow against wasteful spending and begin the long journey back to sound fiscal policy.

Sincerely,

TOM SCHATZ,
President.

I would like to respond to my friends from Citizens Against Government Waste. We do intend in the Dole substitute, which will be brought up sometime early next week, to provide some power over taxing, in the respect that we are attempting to craft language that would eliminate the targeted tax benefits in the so-called transition rules which have really been egregious violations of the intentions of the law. They, like pork-barrel spending, are very anecdotal. An example is the person who owned a house on the ninth tee of the Augusta Golf Course in Augusta during the Masters tournament who rented it out for a week and got some huge tax writeoff.

The so-called transition rules that are hidden in tax bills, which give enormous tax breaks which the American taxpayer really never is aware of—certainly not sufficiently aware of—we are going to try to address that, I say to my friends at Citizens Against Government Waste. We have yet to figure out a way to address the contract authority situation, but I suggest, if we had the line-item veto that prevented the expansion of entitlements, that took care of targeted tax incentives, that took care of the appropriations aspect, we would go a very, very long way.

The National Taxpayers Union writes:

NATIONAL TAXPAYERS UNION,
Washington, DC, March 16, 1995.

Hon. JOHN MCCAIN,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR MCCAIN: On behalf of our 300,000 members, National Taxpayers Union (NTU) strongly endorses S. 4, the ''Legislative Line-Item Veto Act,'' which is clearly the best line-item veto bill before the Congress.

The need for a line-item veto has become more pressing in recent years as Congress has tended to aggregate legislation into mammoth continuing resolutions and omnibus bills. Such a practice greatly reduces the likelihood that the president will use his veto power because of his objections to a relatively small provision in the legislation.

The all-too-common congressional tactic is to attach parochial, pork-barrel appropriations to must-pass legislation that the president has little choice but to sign. Since many of these provisions are neither the subject of debate nor a separate vote, many Members of Congress do not realize they exist. The legislative line-item veto would allow the president to draw attention to pork-barrel provisions and force their proponents to justify them. Meritorious provisions would be repassed by Congress, while the rest would be eliminated.

Additionally, the line-item veto would make the president more accountable on the issue of wasteful spending. Many presidents have repeatedly criticized Congress on spending. With line-item-veto authority, the president could no longer blame Congress for loading up spending bills with non-essential spending and would have to work actively, rather than rhetorically, to trim wasteful spending.

Some people warn that the line-item veto will affect the balance of power between the Executive Branch and the Legislative Branch. Our much greater concern, and I believe that of most Americans, is the risk inherent in a record amount of peace-time debt, which endangers our country's financial future. It is far beyond the point where we ought to quibble about whether this is going to slightly enhance the power of the president or Congress. We should recognize, as most people have, that the process has broken down and that our general interest as a nation lies in bringing our financial house to order.

The president is the only official elected by the nation who exerts direct control over legislation. It is entirely appropriate that the president be given an opportunity to veto items of spending that are not in the national interest. Again, National Taxpayers Union strongly endorses S. 4 and urges your colleagues to support it on the floor of the Senate.

Sincerely,

DAVID KEATING,
Executive Vice President.

Mr. President, these two organizations, the Citizens Against Government Waste and the National Taxpayers Union, along with the Citizens for a Sound Economy, who also strongly support this legislation, are three organizations on whom I have relied over the years to educate the American people. They have performed a signal service. These three organizations have fought against Government waste and pork barreling in a dedicated and effective fashion. I believe without their help we would not be here today on the floor of the Senate, considering this legislation.

I am grateful for their participation. I am grateful for their support. Occasionally it is a bit amusing when we go to the annual publication of the ''Pig Book,'' which is published by the Citizens Against Government Waste. There are these cute little pigs there, and every year they issue a Citizens Against Government Waste—this is the ''Congressional Pig Book,'' and a State-by-State breakdown of projects.

It is partially entertaining but sometimes it is also very saddening. It is entertaining to see the uses and creativity of some Members and their staffs in appropriating funds to certain projects. Again I will relate my all time favorite of a couple of years ago, the $2.5 million which was spent on studying the effect on the ozone layer of flatulence in cows. But there are many others. At the same time, when we view tens of millions and sometimes billions of dollars that are wasted in such a profligate fashion, then it is no longer amusing. It is very, very disturbing.

I want to emphasize what Mr. Keating said in his letter from the National Taxpayers Union, that there will be dire warnings, the tocsin will be sounded: You are transferring all this power over to the executive branch. You cannot do it. If you do it we are upsetting the balance of powers and our Founding Fathers will be spinning in their graves, et cetera, et cetera.

First of all, I do not believe it is true. Second, I have quoted extensively from the Federalist Papers as to the intent of our Founding Fathers. I think it is appropriate to mention that Thomas Jefferson said, in retrospect, long after the Constitution was written, that if he had it to do over again he would put in some mechanism that would force the Congress and the Nation to balance revenues with expenditures.

There is no doubt whatsoever that the President in most respects had the authority from the time that Thomas Jefferson refused to spend $50,000 in 1801 to build some gunships, to 1974 when the President, President Nixon, unfortunately in my view, in a weakened Presidency, used the impoundment powers in such an abusive fashion that the Congress rose up and passed the 1974 Budget Impoundment Act.

From that point on—not since 1787, not since 1802, not since 1905—since 1974 has been when the deficit has sprung out of control and the debt has accumulated at a rate never seen before in the history of this country.

So, as the debate wears on, I ask my colleagues to keep in mind that all of the talk about the Greek civilization, the Roman Empire, the precedents set in the British parliament, are all very interesting if not entertaining expositions of history. But I must say, Mr. President, what we are really talking about is what has happened with the Federal deficit since 1974.

Mr. President, I had a chart up here earlier that showed for most of this century how both the expenditures and revenues had basically matched each

other with certain changes. With the exception of wartime, basically it had been a priority of this Nation to keep our financial house in order as every family in America is required to do. Something happened. Maybe in the view of some there was just some huge change in attitude. Maybe in the view of some it was a coincidence that the Budget and Impoundment Act was passed in 1974. I do not believe it was a coincidence. I know it is not a coincidence. I know what happened—that expenditures began to exceed revenues at an alarming rate.

This habit of tucking projects into appropriations bills became more and more rampant. The situation grew out of control because fundamentally the executive branch had no choice but to do two things: One, veto a bill which would then for all intents and purposes shut down the Government, or certain branches of Government, and deprive our citizens of much needed benefits and services provided by the Government and sort of have a showdown with the Congress. The other choice was to send forth a package of rescissions and hope that the Congress would act. Two things have happened since the Congress was not required to act. One is that Congress has simply not acted. That has been more and more the case since President Ford's administration, and the other is to take a rescission request on the part of the President and then change it all around so that it bears no recognition to the original rescission request made by the President.

So what we have really done is removed a check and balance that was fundamentally in place for nearly 200 years. Now what we are seeking to do is restore that balance and restore that check so that some fiscal sanity is restored.

Mr. President, I can thumb through this book and find most anything in here. Some of them I say are amusing. Electric vehicles—$15 million for electric vehicles. That is out of the Defense appropriations bill; $15 million. That was last year. I know that electric vehicles are probably something of the future. I hope that we will be able to develop them. I believe that they are probably important. But I am not sure where they fit into our defense requirements when we have 20,000 men and women in the military on food stamps, when we have not enough steaming hours or flying hours or training hours or pay raises for our military. But we want to spend $15 million on electric car development out of the Defense appropriations bill.

I can pick out from any page of that several hundred pages of these projects. My point is that for many of these projects, if the sponsors of these particular lines knew that a President of the United States would say, ''Here is the electric car. I do not know if they are needed or not, but we sure don't need to take it out of defense because we are having to cancel every modernization program and weapons system that we have and we do not have enough money to maintain readiness. We are having trouble recruiting, and we need to have more money for that. And electric cars just is not my priority. So I am line-item vetoing it,'' I would suggest to you that the person who put that particular appropriation in with the best of intentions would certainly think twice before putting it in, especially if it was not deemed a priority by the Department of Defense.

Let me also point out that there are other projects which are worthy projects.

By the way, one just jumps out at me: The shrimp aquaculture, $3.54 million for shrimp aquaculture. And I am astounded to see that one of the States that is getting part of this $3 million is my home State of Arizona. We have a lot of wonderful things in Arizona but water is not in abundance. I am intensely curious—and I will find out, and put a statement for the RECORD—where the shrimp aquaculture project is in my State and how much money we have gotten for it. By the way, this shrimp aquaculture $3 million is divided up amongst five different States.

Again, shrimp aquaculture might be a very vital project for my State's economy. I would be surprised to know that. But there are a lot of things that I do not know about my State. But if shrimp aquaculture is an important part of my State's economy, at least I think I would have known about it or been told about it before I had to read it in the congressional ''Pig Book.'' So this is the kind of thing that in my view would never be inserted in an appropriations bill because it would be open to ridicule.

Frankly, Mr. President, being on the floor of the Senate and if somebody said, ''You know. We are spending $3 million or part of $3 million in your State for shrimp aquaculture, what do you think about that?''—I would have to say in all candor I think it may be nice but I have not known in my 12 years of representing the State of Arizona, 4 years in the House and 8 years in U.S. Senate that it was an important item. In fact, in all seriousness I would have a great deal of difficulty defending it on the floor of the Senate if it were line-item vetoed by the President.

As I say, these items are sometimes amusing. But the reality is I do not think those items would creep in. So when we say how much money would be saved if we had the line-item veto, frankly we will never know. We will never know that. But when I see people like the former Governor, now our colleague, John Ashcroft, who was a very well-respected and regarded Governor of his State, say that he does not believe that there would have been fiscal sanity in his State during his two terms as Governor had he not had the ability to exercise the line-item veto, then I think we should notice that.

Mr. President, before this debate is over, we will have letters from nearly every one of those 43 out of 50 Governors in America that have a line-item veto telling us how important a tool it is for them.

Let me just quote from several we have received already.

> Besides providing greater authority to veto . . . the threat of a veto allows great flexibility in negotiating with the legislature or Congress. The key to a good budget is negotiations between both sides. This device is a mechanism for negotiation.

That is from a Utah Republican, Governor of the State of Utah.

> I support the line-item veto because it is an executive function to identify budget plans and successful items.

That is from Hugh Carey, a New York Democratic Governor from 1975 to 1983.

> Congress' practice of passing enormous spending bills means funding for everything from a Lawrence Welk museum to a study of bovine flatulence.

I am glad Governor Wilson also found that would be one of his favorite slips through Congress.

> The President may be unable to veto a major bill that includes such spending abuses because the majority of the bill is desperately needed. A line-item veto would let the President control the irresponsible spending that Congress cannot. A line-item veto already works at the State level. It not only allows a Governor to veto wasteful spending but it works as a deterrent to wasteful-spending legislators who know it will be vetoed.

Pete Wilson, Governor of California.

I find Pete Wilson's statements most interesting because Pete Wilson, as opposed to most, has gone from being a Senator to Governor, rather, as many in our body, have been former Governors.

But I think it is also important to point out, whether I happen to like it or not, the State of California is by far the largest State in America with a population of some 30 million people. If we were looking from purely a gross national product standpoint, it would be the fifth-largest nation in the world—from a gross national product standpoint. And the Governor of that State is unequivocally committed to a line-item veto.

So I suggest that this Governor of California, Pete Wilson, has also had to struggle with a severe recession in his State and has had to make some very difficult budgetary decisions. I know for a fact because he told me that a line-item veto was a critical arrow in his quiver in his ability to be able to bring his State out of a terrible, terrible financial recession.

''Legislators love to be loved, so they love to spend money. Line-item veto is essential to enable the executive to hold down spending.'' That was William F. Weld, Governor of Massachusetts.

Mr. President, I happen to remember the days in the late 1980's when the Massachusetts miracle, as they called it, crumbled. I remember when the State of Massachusetts was in terrible shape, and I also know that Governor Weld has gotten well-deserved credit

for bringing the State of Massachusetts into a situation where, again, it has a very healthy economy.

I think his description is probably a little more blunt than some use around here. ''Legislators love to be loved, so they love to spend money.'' But, at the same time, I am not going to argue with that language, even if I might not use it myself.

Of course, my favorite of all, obviously, is that of Ronald Reagan who said:

When I was Governor in California, the Governor had the line-item veto, so you could veto parts of a bill, or even part of the spending in a bill. The President can't do that. I think, frankly—of course, I am prejudice—Government would be far better off if the President had the right of line-item veto.

Speaking of the President, in December 1992, after President Clinton was elected, an article appeared in the Wall Street Journal and it was titled, ''Where We Agree: Clinton and I on Line-Item Veto,'' by Ronald Reagan.

When Bill Clinton called on me the other day, it didn't take us long to find several things we agreed about, such as the line-item veto and trimming the size of Government in some areas. We also agreed on the importance of public-private sector dialog and cooperation in the planning of many Government programs.

Soon after the election, President Bush and President-elect Clinton named the leaders of their transition teams, the teams were formed and the process is moving forward in an orderly and completely civil manner.

* * * In the course of our meeting, Governor Clinton spoke of his plan to trim the Federal work force through attrition. He wants to begin by downsizing the administrative staff at the White House. And he has invited Congress to do the same with its staff.

* * * Both Mr. Clinton and I have had experience with the line-item veto as Governors. Our States, along with 41 others, allow their Governors to delete individual spending items from the annual budget without having to veto the entire thing. At the Federal level, it could become an important part of the system of checks and balances, as well as a significant tool in the deficit reduction process.

As President, Bill Clinton may have only a short time in which to get Congress to do his bidding before the new Members are overwhelmed by the impulse to spend more and to dish out pork to please the special interest groups. He should use the ''honeymoon'' period to get the line-item veto from Congress first.

Mr. President, I am disappointed that President Clinton did not take President Reagan's advice. I am doubly disappointed because I remember, with great clarity, when President Clinton came to have lunch with the Republican Senators shortly after his inauguration, which is the custom for incoming Presidents—to go to lunch with both Republican and Democrat Senators at their respective luncheons. I remember with great clarity, as President Clinton was speaking—and I still remember what a fine job he did that day—he said, ''I am looking forward to working with Senator MCCAIN on the line-item veto.'' I must say that I was buoyed by that remark of President Clinton's.

Unfortunately, there never was any followup. Unfortunately, when Senator COATS and I took up the line-item veto again some 8 or 9 months later and sought to propose it as an amendment, since we were in a minority and unable to bring it up as a freestanding bill as we are now, I wrote a letter to the President asking for his support for Senator COATS' and my effort. The response I got back was disingenuous at best. It said that the President would support a line-item veto only when it came up as a free-standing bill. He could not provide his support if it were proposed as an amendment. Obviously, at that time, that was a catch-22 answer because the leadership on that side of the aisle, which was the majority, was not about to let the line-item veto be brought up. So we were stymied and did not receive the commitment I thought I had from the President that day at lunch.

Now, Mr. President, we are in a different situation. I do not want to confuse my remarks to ''Mr. President,'' who is presiding in the Chamber—who perhaps should be President some day—with the President of the United States. Mr. President, I am speaking of the President of the United States when I say now is the opportunity of the President of the United States to do what he said in ''putting people first''; but he said ''putting people first,'' which was his campaign commitment to the American people, which was sent around to every library in America. It stated:

I strongly support the line-item veto because I think it is one of the most powerful weapons we can use in our fight against out of control deficit spending.

What the President said to me and what the President has said publicly and stated on several occasions after the 1994 elections, has usually been in the context that ''I want to work with the Congress on some issues,'' and he almost invariably states the line-item veto.

Mr. President, we know what the reality is around here. We know we will probably have 54 Republican votes for cloture. The question is, Will we have six Democrats? I believe that, at last count, after the last crossover, there are now 46 Members on the opposite side of the aisle. I am asking the President of the United States to persuade 6 of them—not 46, but 6; not 26, not 36, not even 16, but 6.

So the responsibility, to a large degree, will rest on the President of the United States. Governor Clinton, on ''Larry King Live,'' said, ''we ought to have a line-item veto.'' Candidate Clinton emphasized ''putting people first'' and line-item veto to eliminate pork barrel projects and cut Government waste. He said, ''I will ask Congress to give me the line-item veto.''

Mr. President, I hope that the President of the United States will weigh in on this issue not only because of the fact that it would make his job a lot easier, because I am convinced that it would, but because we must show some sanity and return ourselves to fiscal sanity. And there is no way of doing that, in my view, without a line-item veto.

Let me repeat, Mr. President—and I will say this on many occasions in the next few days—we will not balance the budget of the United States with a line-item veto alone. You cannot believe that. But the budget of the United States cannot be balanced without a line-item veto. The Chamber of Commerce sent me a letter, Mr. President, which said:

Dear Senator MCCAIN:

In the next few days, the Senate will consider legislation granting line-item veto authority to the President. The U.S. Chamber of Commerce—the world's largest business federation, representing 215,000 businesses, 3,000 State and local Chambers of Commerce, 1,200 trade and professional associations, and 72 American Chambers of Commerce abroad—strongly urges you to vote YES on S. 4, the legislative line-item veto.

The American business community believes that meaningful long-term deficit reduction can come about only through spending restraint. While a primary weapon in the fight against the deficit is a balanced budget amendment, our arsenal must also include a line-item veto or enhanced rescission authority. Such authority would provide the surgical strike capability necessary to take out specific spending targets.

S. 4, true enhanced rescission or legislative line-item veto, would provide the President with the ability to reduce or eliminate specific spending proposals. These cuts would become law unless Congress votes to disapprove the rescissions within a limited period. The President may then veto the disapproval, which Congress can subsequently override with a two-thirds majority vote. With such a framework, S. 4 appropriately restores the impoundment prerogative of every President from Jefferson to Nixon.

The American people have placed fiscal responsibility high on the agenda for the 104th Congress. We now urge you to act accordingly by voting YES on S. 4.

Sincerely,

R. BRUCE JOSTEN.

Mr. President, while my colleague from Indiana was talking on the floor, I must confess that I did not remain on the floor for all of his remarks, which I knew were illuminating and important. I did go in the Cloakroom, because previously today, a talk show in my State had asked to talk to me about the line-item veto. And the talk show host had advertised that I was coming on the show. In the Cloakroom, I spoke on the talk show back in the State of Arizona on KFYI. The talk show host—an individual I have gotten to know very well—named Bob Mohan, informed me that all of the lines had been full since he had mentioned the line-item veto, and that his listeners were overwhelmingly in support of the line-item veto.

Mr. President, he also said something else that I thought was interesting and should be interesting to at least the Members on my side of the aisle.

He said, ''You know, I am getting a lot of calls and they are saying that

the Senate is dragging their feet and they are not really doing anything, and that Republicans are not staying together and that Republicans are really not committed to the Contract With America. Can you allay some of those fears and concerns that we are hearing more and more of in our calls from our listeners?''

I said to Mr. Mohan, ''Well, I can allay most of those fears. I would remind you that it was only one on this side of the aisle, one person that voted against the balanced budget amendment. And we decided in our Republican caucus that a vote of conscience on the part of any Senator was something that we not only would allow but we would respect.''

But I did agree with him, to the extent that we are perhaps not pushing our agenda as hard as we could and as far as we could. At the same time, I attempted to explain that the rules of the Senate are far different than from that of the other body.

I guess what I am saying, Mr. President, is that we have a lot at stake here, not just those of us who reside on this side of the aisle, but I think that Congress has a lot at stake as far as our credibility with the American people.

I believe that most Americans believed, after the November 8 elections, starting and beginning on November 9, that the Congress of the United States would really fulfill the Contract With America. It is the first time in this century that I know of where a campaign was run on a national basis where there was commitments to do certain things. It was called a contract.

The American people's definition of a contract is an agreement between two parties which is binding. And some American citizens today are wondering if they, as a result of their votes, fulfilled their end of the contract and whether we are fulfilling our end of it.

Now, I believe we are making great efforts to do so on this side. But I would suggest that, after the defeat of the balanced budget amendment, it would be very, very important for all of us to recognize how serious the line-item veto is. I believe we will revisit the balanced budget amendment, Mr. President. I believe we will revisit it and I believe we will pass it because I have to believe that, when the overwhelming majority of American public opinion favors such a thing, a representative body—even one that plays the role of the saucer where the coffee is cooled—is going to, sooner or later, respond to the popular will.

Now, the balanced budget amendment is not some mania that swept across the country and everyone said, ''Oh, gee, we need a balanced budget amendment,'' woke up in the morning and decided that.

Mr. President, the balanced budget amendment and the line-item veto, which I consider the crown jewels of the Contract With America, have longstanding, deeply-held support on the part of the American people. And as they hear more and more and more excerpts from the ''Pig Book,'' they hear more and more times on April 15 that their taxes have gone up and up and up, they are now sending more and more of their money to the Federal Government in Washington and, in their view, getting less and less in return.

Mr. President, in 1950, a family of four of median income sent $1 out of every $20 they earned to Washington, DC, in the form of Federal taxes. This April 15, that same median-income family of four will send $1 out of every $4 that they earn to the Federal Government in Washington. And if nothing changes, if nothing changes and we do not enact a single new entitlement program, we do not enact a single increase in expenditure, by the turn of the century, that will be $1 out of every $3 that they are sending to Washington in the form of taxes.

Mr. President, that is an enormous burden on median-income families. Then when you add in the State and local taxes, depending on which State they reside in, this jumps up to somewhere around 40 to 43 percent of their earnings go in the form of taxes. And then, bearing that heavy burden, they turn around and see their money spent on things which really do not bear the scrutiny of anyone. They see that and they rebel and they lose confidence in their elected representatives as a body.

And, strangely enough, they even lose confidence and faith in their elected representatives as individuals. We saw a strange phenomena in 1994. It used to always be, how do you feel about Congress? It was very low approval ratings, 10, 30 percent, whatever it was. But we saw a very great phenomena. Even the approval rating of their own elected representatives, Congressmen and Senators, also dropped dramatically.

And again I want to return though this situation of confidence in Government.

It is fascinating because every nation in the world that has emerged from oppression and repression, especially those that emerged from behind the Iron Curtain since the Berlin Wall came down and the Soviet Union collapsed, look to the United States as a model for how government should be run and how people should be represented and what really liberty and freedom are all about.

The students at Tiananmen Square erected a statue of liberty as their symbol of resistance to Communist oppression.

One of the most interesting experiences of my life was traveling to Albania and seeing the empty pedestals that once held the statues of their dictator Hoxha, who was one of the most incredible dictators in history in Albania, and the words ''Long live Bush'' on the pedestals. ''Long live Bush.''

Everywhere I travel in the world, it is the United States that is the role model—freedom, democracy, all of the things that have to do with the rights of men and women. And yet, here in the United States in 1994, the place that they all admire, there was a dramatic upheaval. And that upheaval was largely bred by dissatisfaction with Government; not satisfaction, dissatisfaction and outright anger.

Now, Mr. President, a lot of that anger was understandably focused on the fact that their money was not being well spent. And not only not being well spent, it was wasted.

American families, many of them, over the last 10 to 15 years, experienced a real decrease in income. And that has been the case with many middle-American families. They have received increases in salary, but it has not kept up with inflation, it has not kept up with the taxes, it has not kept up with other things, and they find themselves running in place. And when that happens to American families, two bad things happen. One is, they lose confidence in their children's futures and they lose confidence in their Government.

The most astounding and alarming exit polling data of the 1994 election was this: for the first time since we have been taking polls, a majority of the American people believe that their children will not be better off than they are.

Mr. President, the essence of the American dream was that someone comes here from someplace else, they may come to Ellis Island, live in a ghetto in New York or Chicago, or some other place, and live under the most terrible conditions. But they work and save and they improve themselves and their own lives and most importantly provide an opportunity for their children. That is what America is all about. Story after story after story of poor people who come here penniless and they work and sacrifice and their dreams are fulfilled in their children. And now, most Americans believe that their children are not going to be as well off as they are.

How does all of this diatribe come back to the line-item veto? It means that unless we restore confidence in the American people in their Government, we are not going to restore the American dream.

Is a line-item veto all of that? No, clearly. But if we continue to fail to make the reforms that are necessary that will restore that confidence, then there will not be a restoration of the American dream.

Mr. President, I mean it. I mean it. I run into my fellow Arizonans every weekend when I am home, and they say, ''Why are you doing this? I didn't send you there to do that.'' Maybe I, individually, had not done that, but we as a Congress have.

Maybe it is only a few million here. Maybe it is only $15 million for the electric car; maybe only $3 million for the aquaculture shrimp center, whatever it is; maybe it is only a small

amount of money when we are talking about a $1.5 trillion budget.

To the average citizen, $3 million is a lot of money. To the average citizen, $15 million for electric cars is a lot of money. One of the things that I find most jading about our experiences here is how we throw around big numbers, $100 million here, $1 billion there, $2 billion there, this for that program. After a while, it kind of loses its meaning. It is sort of like being at a crap table in a casino and playing only with chips, until you lose all the chips and then figure out that it was real money. I must say I have done that, too, Mr. President.

The fact is that the American people expect Congress to exercise fiscal sanity. There is a lot at stake here in this debate. There is a lot at stake—not because Senator COATS and I have worked for 10 years on this issue and obviously we feel very strongly and subjective about this issue—but it is important and critical, this issue is, because it is important and critical to the American people.

I hope that we can continue to conduct this debate, when the debate begins, on a very high plane. We can go a couple ways in this debate. I am not going to impugn anybody's integrity. I am not going to impugn anyone's motives. But I will make it perfectly clear what we have done since 1974. And what we have done is not a great service to the American people. In fact, it is a great disservice.

I hope that working with the people of the United States, working with some like-minded individuals such as Senator FEINSTEIN from California who is a cosponsor of this bill, and working together, we can persuade a sufficient number of our colleagues to cut off debate, in the form of invocation of cloture, and move forward with passage of the bill.

Now, Mr. President, I have talked with the majority leader, who obviously controls our activities here on the floor. The majority leader does not intend, and I agree with him, to drag out this debate for weeks as we did the balanced budget amendment.

This issue is very well known, Mr. President. It is not really a very complex issue. It is not nearly as complex as a number of issues that we address in a much shorter period of time on the floor of the Senate. The majority leader wants Members to put in long hours and put in a very few number of days and get this issue passed and behind us, because we do have a very large agenda. We do have a lot of issues that the American people expect the Senate to address.

I hope that we will maintain a high level of debate. I hope that we will put in long evenings, if it is necessary to do so. I hope in a very relatively short period of time we will be able to resolve this issue.

If we cannot resolve this issue favorably and enact a line-item veto, then, obviously, Senator COATS and I will not give up our quest for this very, very, very crucial measure. At the same time, it would be rather pleasant for both Senator COATS and I to move on to other issues which also would command our attention.

I would like to say I appreciate the patience of the President in the chair. I know the hour is late. I want to thank him for that.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A CHECKLIST APPROACH TO TELECOMMUNICATIONS

Mr. PRESSLER. Mr. President, I wish to print in the RECORD a possible proposal for a checklist approach to the telecommunications bill. I invite comments for improving it from my colleagues. There have been many suggestions, and I hope my colleagues will consider these suggestions.

I ask unanimous consent that the checklist approach be printed in the RECORD at this point.

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

[Discussion Draft]

March 16, 1995

"SEC. 255. INTEREXCHANGE TELECOMMUNICATIONS SERVICES.

''(a) IN GENERAL.—Notwithstanding any restriction or obligation imposed before the date of enactment of the Telecommunications Act of 1995 under section II(D) of the Modification of Final Judgment, a Bell operating company, or any subsidiary or affiliate of a Bell operating company, that meets the requirements of this section may provide—

''(1) interLATA telecommunications services originating in any region in which it is the dominant provider of wireline telephone exchange or exchange access services after the Commission determines that it has fully implemented the competitive checklist found in subsection (b)(3) in the area in which it seeks to provide interLATA telecommunications services;

''(2) interLATA telecommunications services originating in any area where that company is not the dominant provider of wireline telephone exchange or exchange access service in accordance with the provisions of subsection (d); and

''(3) interLATA services that are incidental services in accordance with the provisions of subsection (e).

''(b) DUTY TO PROVIDE INTERCONNECTION.—

''(1) IN GENERAL.—A Bell operating company that provides telephone exchange or exchange access service has a duty under this Act upon request to provide, at rates that are just, reasonable, and nondiscriminatory—

''(A) for the exchange of telecommunications between its end users and the end users of another telecommunications carrier; and

''(B) interconnection that meets the requirements of paragraph (3) with the facilities and equipment of any other telecommunications carrier for the purpose of permitting the other carrier to provide telephone exchange or exchange access services.

''(2) INTERCONNECTION AGREEMENT PROCESS.—The provisions of section 251 (c), (d), (e), (f), and (g) apply to the negotiation of a binding interconnection agreements under this section.

''(3) COMPETITIVE CHECKLIST.—Interconnection provided by a Bell operating company to other telecommunications carriers under this section shall include:

''(A) Nondiscriminatory access that is at least equal in type, quality, and price to the access the local exchange carrier affords to itself or to any other entity.

''(B) The capability to exchange telecommunications between customers of the local exchange carrier and the telecommunications carrier seeking interconnection.

''(C) Nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the local exchange carrier where it has the legal authority to permit such access.

''(D) Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.

''(E) Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.

''(F) Local switching unbundled from transport, local loop transmission, or other services.

''(G) Nondiscriminatory access to—

''(i) 911 and E911 services;

''(ii) directory assistance services to allow the other carrier's customers to obtain telephone numbers; and

''(iii) operator call completion services.

''(H) White pages directory listings for customers of the other carrier's telephone exchange service.

''(I) Before the date by which neutral telephone number administration arrangements must be established, nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers. After that date, compliance with the neutral telephone number administration arrangements.

''(J) Nondiscriminatory access to databases and associated signaling, including signaling links, signaling service control points, and signaling service transfer points, necessary for call routing and completion.

''(K) Before the date by which the Commission determines that telephone number portability is technically feasible and must be made available, telecommunications number portability through remote call forwarding, direct inward dialing trunks, or other comparable arrangements, with as little impairment of functioning, quality, reliability, and convenience as possible. After that date, full compliance with full number portability.

''(L) Nondiscriminatory access to whatever services or information may be necessary to allow the requesting carrier to implement local dialing parity in a manner that permits consumers to be able to dial the same number of digits when using any telecommunications carrier providing telephone exchange service or exchange access service.

''(M) Reciprocal compensation arrangements for the origination and termination of telecommunications.

''(N) Telecommunications services and network functions provided on an unbundled basis without any conditions or restrictions on the resale or sharing of those services or functions, including both origination and termination of telecommunications services, other than reasonable conditions required by the Commission or a State. For purposes of this subparagraph, it is not an unreasonable

condition for the Commission or a State to limit the resale—

''(i) of services included in the definition of universal service to a telecommunications carrier who intends to resell that service to a category of customers different from the category of customers being offered that universal service by such carrier if the Commission or State orders a carrier to provide the same service to different categories of customers at different prices necessary to promote universal service; or

''(ii) of subsidized universal service in a manner that allows companies to charge another carrier rates which reflect the actual cost of such services, exclusive of any universal service support received for providing such services.

[Note in margin indicates that the following is to be placed in section 251: "The cost of establishing neutral number administration arrangements and number portability shall be borne by all providers on a competitively neutral basis."]

''(3) COMPENSATION.—Amounts charged by a local exchange carrier for interconnection under this section shall meet the requirements of section 251(x)(x).

''(4) RELATIONSHIP TO SECTION 251 MINIMUM STANDARDS.—For the purpose of determining whether a Bell operating company may provide interLATA services under subsection (c), the provisions of this subsection shall be applied in lieu of any requirement under section 251(b).

''(5) COMMISSION MAY NOT EXPAND COMPETITIVE CHECKLIST.—The Commission shall adopt rules to implement the competitive checklist found in subsection (b)(3), but may not, however, by rule or otherwise, limit or extend the terms used in the competitive checklist.

''(c) IN-REGION SERVICES.—

''(1) APPLICATION.—Upon the enactment of the Telecommunications Act of 1995, a Bell operating company or its subsidiary or affiliate may apply to the Commission for authorization notwithstanding the Modification of Final Judgment to provide interLATA telecommunications service originating in any area where such Bell operating company is the dominant provider of wireline telephone exchange or exchange access service. The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

''(2) DETERMINATION BY COMMISSION.—

''(A) DETERMINATION.—Not later than 90 days after receiving an application under paragraph (1), the Commission shall issue a written determination, on the record after a hearing and opportunity for comment. Before making any determination under this subparagraph, the Commission shall consult with the Attorney General regarding the application.

''(B) APPROVAL.—The Commission may only approve the authorization requested in any application submitted under paragraph (1) if it finds that—

''(i) the requested authorization is consistent with the public interest, convenience and necessity;

''(ii) the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(3); and

''(iii) the requested authority will be carried out in accordance with the requirements of section 252.

''(3) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (2), the Commission shall publish in the Federal Register a brief description of the determination.

''(4) JUDICIAL REVIEW.—

''(A) COMMENCEMENT OF ACTION.—Not later than 45 days after a determination by the Commission is published under paragraph (3), the Bell operating company or its subsidiary or affiliate that applied to the Commission under paragraph (1), or any person who would be threatened with loss or damage as a result of the determination regarding such company's engaging in the activity described in such company's application, may commence an action in any United States Court of Appeals against the Commission for judicial review of the determination regarding the application.

''(B) JUDGMENT.—

''(i) The Court shall enter a judgment after reviewing the determination in accordance with section 706 of title 5 of the United States Code.

''(ii) A judgment.—

''(I) affirming any part of the determination that approves granting all or part of the requested authorization, or

''(II) reversing part of the determination that denies all or part of the requested authorization,

shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which the affirmance or reversal applies.

''(5) REQUIREMENTS RELATING TO SEPARATE SUBSIDIARY; SAFEGUARDS; AND INTRALATA TOLL DIALING PARITY.—

''(A) SEPARATE SUBSIDIARY; SAFEGUARDS.—Other than interLATA services authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment before the date of enactment of the Telecommunications Act of 1995, a Bell operating company, or any subsidiary or affiliate of such a company, providing interLATA services in that market only in accordance with the requirements of section 252.

''(B) INTERLATA TOLL DIALING PARITY.—

''(i) A Bell operating company granted authority to provide interLATA services under this subsection shall provide intraLATA toll dialing parity throughout that market coincident with its exercise of that authority. If the Commission finds that such a Bell operating company has provided interLATA service authorized under this clause before its implementation of intraLATA toll dialing parity throughout that market, or fails to maintain intraLATA toll dialing parity throughout that market, the Commission, except in cases of inadvertent interruptions or other events beyond the control of the Bell operating company, shall suspend the authority to provide interLATA service for that market until the Commission determines that interLATA toll dialing parity is implemented or reinstated.

''(ii) A State may not order the implementation of toll dialing parity in intraLATA area before a Bell operating company has been granted authority under this subsection to provide interLATA services in that area.

''(d) OUT-OF-REGION SERVICES.—A Bell operating company or its subsidiary or affiliate may provide interLATA telecommunications services originating in any area where such company is not the dominant provider of wireline telephone exchange or exchange access service upon the enactment of the Telecommunications Act of 1995.

''(e) INCIDENTAL SERVICES.—

''(1) IN GENERAL.—A Bell operating company may provide interLATA services that are incidental to the purposes of—

''(A)(i) providing audio programming, video programming, or other programming services to subscribers of such company,

''(ii) providing the capability for interaction by such subscribers to select or respond to such audio programming, video programming, or other programming services, to order, or control transmission of the programming, polling or balloting, and ordering other goods or services, or

''(iii) providing to distributors audio programming or video programming that such company owns, controls, or is licensed by the copyright owner of such programming, or by an assignee of such owner, to distribute,

''(B) providing a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of the enactment of the Telecommunications Act of 1995, a provider of wireline telephone exchange service,

''(C) providing a commercial mobile service except where such service is a replacement for land line telephone exchange service for a substantial portion of the telephone land line exchange service in a State in accordance with section 332(c) of this Act and with the regulations prescribed by the Commission,

''(D) providing a service that permits a customer that is located in one LATA to retrieve stored information from, or file information for storage in, information storage facilities of such company that are located in another LATA area, so long as the customer acts affirmatively to initiate the storage or retrieval of information, except that—

''(i) such service shall not cover any service that establishes a direct connection between end users or any real-time voice and data transmission,

''(ii) such service shall not include voice, data, or facsimile distribution services in which the Bell operating company or affiliate forwards customer-supplied information to customer- or carrier-selected recipients;

''(iii) such service shall not include any service in which the Bell operating company or affiliate searches for and connects with the intended recipient of information, or any service in which the Bell operating company or affiliate automatically forwards stored voicemail or other information to the intended recipient; and

''(iv) customers of such service shall not be billed a separate charge for the interLATA telecommunications furnished in conjunction with the provision of such service;

''(E) providing signaling information used in connection with the provision of exchange or exchange access services to a local exchange carrier that, together with any affilated local exchange carriers, has aggregate annual revenues of less than $100,000,000; or

''(F) providing network control signaling information to, and receiving such signaling information from, interexchange carriers at any location within the area in which such company provides exchange services or exchange access.

''(2) LIMITATIONS.—The provisions of paragraph (1) are intended to be narrowly construed. The transmission facilities used by a Bell operating company or affiliate thereof to provide interLATA telecommunications under subparagraphs (C) and (D) of paragraph (1) shall be leased by that company from unaffiliated entities on terms and conditions (including price) no more favorable than those available to the competitors of that company unless the Commission or a State approves different terms and conditions. The interLATA services provided under paragraph (1)(A) are limited to those interLATA transmission incidental to the provision by a Bell operating company or its affiliate of video, audio, and other programming services that the company or its affiliate is engaged in providing to the public and, except as provided in paragraph (1)(A)(iii),

does not include the interLATA transmission of audio, video, or other programming services provided by others.

''(3) REGULATIONS.—

''(A) The Commission shall prescribe regulations for the provision by a Bell operating company or any of its affiliates of the interLATA services authorized under this subsection. The regulations shall ensure that the provision of such service by a Bell operating company or its affiliate does not—

''(i) permit that company to provide telecommunications services not described in paragraph (1) without receiving the approvals required by subsection (c), or

''(ii) adversely affect telephone exchange ratepayers or competition in any telecommunications services market.

''(B) Nothing in this paragraph shall delay the ability of a Bell operating company to provide the interLATA services described in paragraph (1) immediately upon enactment of the Telecommunications Act of 1995.

''(f) DEFINITIONS.—As used in this section—

''(1) LATA.—THE TERM 'LATA' MEANS A LOCAL ACCESS AND TRANSPORT AREA AS DEFINED IN UNITED STATES V. WESTERN ELECTRIC CO., 569 F. SUPP. 990 (UNITED STATES DISTRICT COURT, DISTRICT OF COLUMBIA) AND SUBSEQUENT JUDICIAL ORDERS RELATING THERETO.

''(2) AUDIO PROGRAMMING SERVICES.—The term 'audio programming services' means programming provided by, or generally considered to be comparable to programming provided by, a radio broadcast station.

''(3) VIDEO PROGRAMMING SERVICES; OTHER PROGRAMMING SERVICES.—The terms 'video programming service' and 'other programming services' have the same meanings as such terms have under section 602 of this Act.

''(g) CURRENTLY AUTHORIZED ACTIVITIES.—Subsection (a) does not prohibit a Bell operating company, or its subsidiary or affiliate, from engaging, at any time after the date of enactment of the Telecommunications Act of 1995, in any activity authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgement if such order was entered on or before such date of enactment.''.

RECOGNITION OF JOSEPH E. SEAGRAMS & SONS

Mr. MACK. Mr. President, in 1988 Joseph E. Seagrams & Sons, Inc., founded Meals-on-Wheels America to help communities across the Nation feed their homebound elderly. Mr. President, I rise to speak today to recognize Joseph E. Seagrams & Sons, Inc. for their $5,000 grant to the North Miami Foundation for Senior Citizens' Services, Inc., who in conjunction with Meals-on-Wheels America, will expand their services and increase the number of recipients of this important program.

In addition, I commend the volunteers from the Seagram family and Senior Citizens Services, Inc., for their tireless efforts in distributing and serving the meals. Through their hard work and dedication, they have improved the quality of life for the homebound elderly. As our elderly population continues to grow, our country will become increasingly dependent on the altruistic efforts of groups like Joseph E. Seagrams & Sons and the North Miami Foundation for Senior Citizens' Services, Inc.

TRIBUTE TO JOHN BYRNE, IBEW LOCAL UNION NO. 401

Mr. REID. Mr. President, on occasion, like other Members of this body, I am pleased to take the opportunity to recognize residents of my home State who have made significant contributions to their community. These comment are then included in the CONGRESSIONAL RECORD where they become a permanent part of our Nation's history.

Today, I am proud to recognize a native Nevadan, and a good friend, John Byrne, on the occasion of his retirement. Throughout his career as an electrician and labor official, John has exemplified the traits of excellence and leadership.

John grew up in the historic mining town of Virginia City, NV, graduating from Storey County High School in 1943. After completing his electrical apprenticeship in Medford, OR, he returned to Reno where he was employed by Landa Electric as general foreman. In 1951, he transferred his union membership to IBEW Local 401 in Reno.

During the next 6 years, John earned the respect and admiration of his fellow electrical workers and, in 1957, as elected financial secretary and business manager of the local. He held this position until 1966 when he accepted the appointment as secretary and business representative of the Northern Nevada Building Trades Council, a position he held until 1971. Following an interim appointment as secretary/business representative of the Honolulu Building Trades Council, he returned to Reno and was reelected financial secretary and business manager of IBEW Local 401.

In addition to these professional achievements, John has also been active in civic and community affairs. He has served on the Washoe County Building Code Appeal Board, the Reno Electrical Board of Examiners, the Nevada Employment Security Board of Review, the Nevada State Apprenticeship Council, as chairman of the Nevada OSHA Review Board, and as president of the California State Electrical Association.

As a member of the Governor's Committee for the Restoration of Virginia City, he played an active role in the preservation of the historic Fourth Ward School and other projects that preserved our State's early history. He has also served as a member of the Virginia City Volunteer Fire Department and has been named to the Virginia High School Hall of Fame for outstanding achievement.

John Byrne's reputation in the State is reflected in an award bestowed upon him by the Associated General Contractors for Skill, Integrity, and Responsibility. John is the only labor representative in Nevada history to be recognized with the S.I.R. award.

On March 30, 1995, John will be honored by his friends and coworkers at a luncheon in Reno, NV. It is a privilege for me to recognize his achievements, and his dedication and commitment to the State and his profession. On behalf of all Nevadans, I wish him the best for his future goals.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, before contemplating today's bad news about the Federal debt, let's do that little pop quiz again: How many million dollars are in $1 trillion? When you decide upon an answer, no matter what it is, bear in mind that it was Congress that ran up a debt now exceeding $4.8 trillion.

To be exact, as of the close of business yesterday, Wednesday, March 15, the total Federal debt—down to the penny—stood at $4,847,771,555,727.54—meaning that every man, woman, and child in America now owes $18,402.22 computed on a per capita basis.

Mr. President, again to answer the pop quiz question, How many million in a trillion? There are a million million in a trillion; and you can thank the U.S. Congress for the existing Federal debt exceeding $4.8 trillion and headed shortly for $5 trillion and higher.

A TRIBUTE TO MAX HAWK

Mr. PRESSLER. Mr. President, I rise today to recognize one of South Dakota's dedicated educators, Max Hawk of Yankton. For the past 38 years, Hawk has been a teacher and a coach, serving in Scotland for 8 years and Yankton for the remaining 30. While admired and respected as a committed teacher, he is best known in South Dakota for his exemplary skill as a football coach. Hawk earned 284 career gridiron victories, making him second on South Dakota's all-time list. His teams have earned eight State titles, including the Class 11AA title this past fall, and 20 conference titles. In all those years, his teams only had one losing season.

Hawk is not only respected by his students and players, but also by his peers nationwide. He has been awarded many honors, including being inducted into the South Dakota High School Coaches Association Hall of Fame in 1979 and being named National High School Football Coach of the Year in 1986.

When Max Hawk retires this spring, South Dakota will be losing a great asset. However, his legacy of excellence will live on for years to come. I join with the citizens and students of Yankton and South Dakota who honor Max Hawk for his devotion to his profession, his community, and his State.

Mr. President, I ask unanimous consent to place an article about Mr. Hawk from the Sioux Falls Argus Leader in the RECORD at this point.

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

[From the Argus Leader, Oct. 26, 1994]

HAWK'S FINAL FLIGHT

(By Brian Kollars)

The final bell at Yankton High School has sounded. Class is out, and Max Hawk is putting on his game face.

It's time for football practice, and the Bucks' legendary coach is suddenly rejuvenated. Hawk is 61, but he briskly exits his office and leaves behind the walls covered with portraits of past YHS stars.

His first stop: the locker room.

''Come on Bucks,'' he snaps. ''You guys are getting slower every day.''

Hawk, with longtime assistant Jim Miner flanking him, breezes past the sign that reads ''Your Mother Doesn't Work Here, Clean Up After Yourself,'' and finds the stairway that takes him out of the basement classroom into the soothing sunlight.

Time for some philosophy.

''You can always tell a freshman or sophomore—they'll have their shirt out and they'll be walking to practice,'' Hawk laments, ''Varsity guys run.''

So do coaches, so Hawk and Miner are off. They dodge cars in the student parking lot and quickly reach the place where they are most at ease: the football field.

Max Hawk is in his 38th and final season as a high school football coach. His two-syllable name says a lot about him: no nonsense and to the point. It's also synonymous with football in Yankton, a town that has responded favorably to its coach's stern style.

''The kids here all want to play football,'' Hawk said. ''The town and school expect them to play, and they expect a winner.''

The Bucks, who host Lincoln Thursday in a Class IIAA playoff opener, have won 228 games during Hawk's 30-year run. Add five mythical state championships and two playoff titles and you have a resume as powerful as Yankton's running game.

Hawk's 271 career victories put him second on South Dakota's all-time list. Only Howard Wood, whose career at Washington High began in 1908 and ended in '47, has more wins (286).

The Bucks' boss says he hasn't lost his enthusiasm for the game, but will make a clean break when the playoffs conclude.

''I'm tired of the long days and the routine of teaching and coaching,'' he said. ''A lot of people get burned out and bitter. I don't want to do that.''

What Hawk does yearn for is a return trip to the DakotaDome and a shot at his eighth state title. He'll try to get there using the same old plays and formations.

''I'm still winning games with the same stuff I used 35 years ago,'' Hawk said. ''If that's old-fashioned, yeah, I'm old-fashioned.''

The same playbook?

''We try to convince people of that, so when we put in a new play they're not ready for it,'' Miner says.

Hawk quickly points to the continuity of his coaching staff when talking about Yankton's success. There's Milner, his defensive coordinator for 29 years. Sophomore/freshman coach Ray Kooistra, who also is retiring, has been with Hawk 28 years.

Longtime assistant Gary Satter died of cancer last winter. It was one reason Hawk announced his retirement before this season started.

''When Gary Satter died, we had to replace him,'' Hawk said. ''If everyone knew I would stay for just one year, we'd get good applicants.''

The new man on the staff is Arlin Likness, who guided Hamlin to three Class 11B titles before joining the Bucks.

CLOSE TO HOME

Hawk, who grew up in Wessington Springs and was a standout center and linebacker at Northern State, began his career at Scotland in 1957.

He wasn't your normal raw recruit. In addition to a football background, Hawk had military experience, logging two years with a helicopter crew during the Korean War.

''My claim to fame was we took part in the atomic and nuclear tests,'' Hawk said. ''I got to witness three atomic bombs go off.''

Scotland got to witness Hawk in his formative coaching years.

Joe Foss was residing in the governor's mansion, Dwight D. Eisenhower was dealing with integration problems in Little Rock and Hawk was winning 13 of his first 15 games.

Hawk turned down more money from Faith to coach in Scotland because he wanted to mold an 11-man program. He also had an offer to coach in Lovell, Wyo., but opted to stay in South Dakota.

''You know, one time me and my wife drove out there to see what we missed and it was beautiful, right by Yellowstone Park,'' Hawk said of Lovell, located in northwest Wyoming.

The view wasn't as spectacular in the South Eastern South Dakota Conference, but Hawk was too busy to notice. When it wasn't football season, Hawk was helping his mentor, Pete Baker, coach basketball. The two split track and field duties down the middle.

Hawk and his wife, Jane, also began a family, and had all three of their children by the time Yankton came calling in 1965.

BUCK POWER

Hawk lost seven games in his first two seasons at Yankton, but in 1970 the Bucks went 9–0 and were mythical state champions. Hawk's reputation had solidified. He was tough, but fair. His teams were fundamentally sound, and big.

That combination has worked wonders in Yankton, which has come to expect victories at Crane-Youngworth Field like water running down the Missouri River. Hawk dishes out the discipline—freshmen are ''dumb freshmen,'' no matter how brilliant they were in middle school—and his teams grind out the wins.

Yankton enjoyed back-to-back 9–0 seasons in 1975–76. In seven autumns from '79 to '85, the Bucks went 67–8. Yankton won state playoff titles in '82 and '84.

Hawk, the national coach of the year in 1986, can be a very intimidating hurdle for a wide-eyed 14-year-old who has heard all the stories about the high school drill sergeant, but he stands by his successful philosophy.

''I know this,'' he said, ''I expect more out of kids than they expect out of themselves.''

Hawk is at his best when motivating. He said he got physical with a student in anger just once, at Scotland.

''I had a kid one time and I tore his shirt off,'' Hawk said. ''I didn't mean to, and he and I had some fierce words. I thought I might've made an enemy for life.''

That football player went on to serve in Vietnam and was wounded, Hawk said. When he got home, his first order of business was to seek out his ex-coach. He came in peace.

''He said things he learned in football might have saved his life,'' Hawk said.

HALFTIME TALKS

When any of Hawk's players get together and talk about the glory days, it doesn't take long for them to focus on that brief break between the second and third quarters.

If Yankton is behind at halftime, get ready for the volcano to erupt.

''I always measure his halftime talks on a 1-to-10 basis,'' said Duane Reaney, who signed on as Yankton's team doctor in 1980. ''When he has a 10, the roof almost comes off.

''I've seen sophomores and juniors wide-eyed at halftime, while the seniors may be twiddling their thumbs because they've heard it before.''

Miner, one of Hawk's possible successors, says the Bucks don't mind the turned-up volume.

''Our kids like to have Max give his halftime talks when he gets fired up,'' Miner said.

Mike Kujak, an All-State fullback in '82, always seemed to be in Hawk's line of fire and heard more than a few ''that's terrible'' lines.

''He coached everybody different,'' Kujak said. ''Some people he'd yell at, like me. Other guys he'd pat on the back. He made you want to work harder.

''Everybody took a piece of Max Hawk with them.''

Says Hawk: ''They say I'm tough on kids. I bite 'em in the butt, but 30 seconds later I'm on to something else.

''Kids know if they screw up they might as well come and talk to me, because I'll find them on the sidelines.''

Hawk has been known to haul off and kick anything in sight during his speeches. Twenty-five years ago in Watertown, he met his match when he picked out a bench that was bolted to the floor. Hawk kicked, and broke a toe.

''He kicked it and it never moved,'' said Doug Nelson, a 1970 All-State halfback and father of current Bucks star Jason Nelson. ''He never said anything and walked out. We made a big comeback and won, and on the way home nobody said anything.''

The road trip is still vivid in Hawk's memory.

''The damn bench was attached,'' he said. ''I remember how much it hurt, but I didn't flinch.''

Hawk can do more than talk a good game. He's been known to give his players first-hand demonstrations on the practice field.

''If there's a certain play I want done, I'll run the quarterback on the scout team,'' he said. ''I've got a terrible arm, but I can run the option play.''

He can also punt. Well, sort of.

Pat Lynch, an All-State defensive end, recalled one rainy day in '72 when Hawk took matters into his own hands.

''He was trying to find someone who could punt the football 35 yards,'' Lynch said. ''He said 'Hell, hike me the ball.' He kicked it and it went sailing. His feet went out from under him and he landed on his butt in the mud.

''Everybody wanted to laugh, but you could've heard a pin drop. He got up and kicked it again, about 45 yards, and said 'That's how you do it.' ''

There weren't a whole lot of laughs that year. Yankton went 4–5, Hawk's only losing season. Lynch, who lives in Sioux Falls, got an earful.

''I got hell at halftime several times,'' he said. ''He pointed right at me, looking for a little leadership.''

The Lynch family provided plenty of help for Hawk. Pat was one of four Lynch brothers who were All-State performers. Dan, who played at Nebraska, was a high school All-American.

GRANDPA MAX

By all accounts, Hawk has mellowed somewhat. But he can still get his point across with that trademark glare, complemented by the craggy nose and gray hair.

Yes, gray hair. Hawk, you see, is a grandpa. His daughter, Jenny Heirigs, has two sons: Colter, 3, and Stetson, 1 month.

Two years ago at a game in Brookings, Hawk stunned those close to him with a tender act.

''In the middle of the fourth quarter, in the middle of the game, he turned around and found his grandson and waved,'' recalls Hawk's daughter, Lynne Tramp. ''Everybody's mouth dropped.''

Hawk adores his grandsons, who have been regulars at Buck games.

''In his first three weeks, (Stetson) has been to two Bucks football games, which, as a grandmother I thought was a little insane,'' Jane said last week.

Lynne, who teaches at Whittier Middle School, knows all about her father's tough reputation.

''I dated different guys, but I'm sure a lot of guys were scared to death to talk to me,'' she said. ''And God forbid they call the house.''

''She seemed to have enough dates,'' Hawk said.

Hawk's days as Yankton's coach are numbered, and everyone is asking what retirement holds for a guy who's so emotionally tied to teaching football.

The old coach isn't too concerned.

''Everybody's worried about what I'm going to do except me,'' Hawk chuckles. ''I can become a full-time sports fan and get along just fine.''

But first, there's one last playoff run. And the weather makes no difference to Hawk.

''One thing that amazes me is (Hawk's) enthusiasm under adversity, those nights it's snowing and sleeting out,'' Miner said. ''Max goes up to another level and has a good time, and the kids have a good time.

''He keeps hoping for ugly weather in the playoffs. He thinks the Bucks get tougher then.''

MILESTONES

Some out-of-season highlights in Max Hawk's professional career:

1968: Named executive secretary of the South Dakota High School Coaches Association. Currently serves as executive director.

1979: Inducted into SDHSCA Hall of Fame.

1980: President, National High School Athletic coaches Association.

1984: SDHSCA presents first Max Hawk Award. Hawk's wife, Jane, won the award in '88.

1988: National High School Football Coach of the Year.

1987: Coached South to 19–12 win in first state high school All-Star Game in Aberdeen.

1983: Presented with Gatorade Coaches Care award.

One of eight South Dakota coaches in SDHSCA Hall of Excellence.

Lifetime member, board of directors, NHSACA.

HEALTH PROFESSIONS CONSOLIDATION AND REAUTHORIZATION BILL—S. 555

Mr. KENNEDY. Mr. President, access to quality health care for all should be a central goal of the American health care system. But for too often, we fail to achieve it. Lack of access is an especially serious problem for people in underserved rural and urban areas.

Health insurance coverage for all is an essential part of making good health care widely available, but it is only a part of the solution. The success of health reform also depends heavily on our ability to train an adequate number of more health professionals. No health care system can function effectively without an adequate supply of well-trained and capable physicians and other providers.

The past two decades have seen impressive increases in the total number of health care professionals. The quality of training in American medicine is generally superb. Despite these successes, however, some types of health professionals—particularly those in primary care—remain in short supply, and the distribution of health manpower leaves many parts of the country underserved, or barely served at all. The task of maintaining an adequate supply of professionals from disadvantaged backgrounds, who typically have a strong interest in serving underserved communities, remains a major challenge. Millions of Americans, especially the very young and the elderly in underserved communities, have little or no access to primary and clinical preventive health care services.

The dual purpose of our current health professions programs is to train more health professionals in occupations where the supply is too low, and to encourage them to locate and remain in underserved areas.

An important subsidiary goal is to assist disadvantaged students and institutions training these students, in order to expand the opportunities of those from disadvantaged backgrounds to enter the health professionals and to help meet the needs of underserved areas. These are programs that work. As studies have shown again and again, health providers from disadvantaged backgrounds are far more likely to practice their professions in underserved communities. That needed result is enhanced by community-based training, which also encourages health professionals to stay on in underserved and shortage areas.

Training programs under titles VII and VIII of the Public Health Service Act are the key mechanisms by which the Federal Government provides assistance to medical students and encourages the training of health professionals to meet national priorities. These programs are overdue for consolidation and better targeting, and I commend Senator KASSEBAUM on the constructive role she has played in analyzing these programs and proposing meaningful, practical reforms. I look forward to continuing to work with Senator KASSEBAUM and with the Clinton administration to achieve these goals responsibly and maintain adequate levels of resources. We must advance, rather than undercut, the central goal of these two titles of the Public Health Service Act—to train a health work force that can meet the needs of the American people.

This important legislation will enhance the quality of the Nation's health professions work force and, by doing so, it will drastically improve the health and well-being of our people. I look forward to its enactment.

MESSAGES FROM THE HOUSE

At 11:56 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 41. Concurrent resolution providing for an adjournment of the House from Thursday, March 16, 1995, to Tuesday, March 21, 1995.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 377. An Act to amend a provision of part A of title IX of the Elementary and Secondary Education Act of 1965, relating to Indian education, to provide a technical amendment, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore of the Senate (Mr. THURMOND).

At 4:00 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1) to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations; and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on March 16, 1995 she had presented to the President of the United States, the following enrolled bill:

S. 377. An act to amend a provision of part A of title IX of the Elementary and Secondary Education Act of 1965, relating to Indian education, to provide a technical amendment, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–534. A communication from the Administrator of the Panama Canal Commission, transmitting, a draft of proposed legislation entitled ''Panama Canal Amendments Act of 1995''; to the Committee on Armed Services.

EC–535. A communication from the Secretary of Defense, transmitting, pursuant to

law, the report of the Reserve Forces Policy Board for fiscal year 1994; to the Committee on Armed Services.

EC–536. A communication from the Executive Director of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the report on savings associations for calendar year 1994; to the Committee on Banking, Housing, and Urban Affairs.

EC–537. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation entitled ''The U.S. Mint Managerial Staffing Act of 1995''; to the Committee on Banking, Housing, and Urban Affairs.

EC–538. A communication from the Secretary of Housing and Urban Development's Designee to the Federal Housing Finance Board, transmitting, pursuant to law, the report of salary rates for calendar year 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC–539. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation entitled ''Maritime Security Act of 1995''; to the Committee on Commerce, Science, and Transportation.

EC–540. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to amend the guarantee fee provisions of the Federal Ship Mortgage Insurance program in the Merchant Marine Act, 1936, as amended; to the Committee on Commerce, Science, and Transportation.

EC–541. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation entitled ''The Maritime Administration Authorization Act for fiscal year 1996''; to the Committee on Commerce, Science, and Transportation.

EC–542. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report entitled ''Tanker Safety and Liability''; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 219. A bill to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes (Rept. No. 104–15).

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 464. A bill to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

S. 532. A bill to clarify the rules governing venue, and for other purposes.

S. 533. A bill to clarify the rules governing removal of cases to Federal court, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

J. Don Foster, of Alabama, to be United States Attorney for the Southern District of Alabama for the term of 4 years.

Martin James Burke, of New York, to be United States Marshal for the Southern District of New York for the term of 4 years.

Charles B. Kornmann, of South Dakota, to be United States District Judge for the District of South Dakota.

Karen Nelson Moore, of Ohio, to be United States Circuit Judge for the Sixth Circuit.

Janet Bond Arterton, of Connecticut, to be United States District Judge for the District of Connecticut.

Willis B. Hunt, Jr., of Georgia, to be United States District Judge for the Northern District of Georgia.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. COATS (for himself, Mr. GRAMS, Mr. CRAIG, Mr. LOTT, Mr. BROWN, Mr. MCCAIN, Mr. KYL, Mr. INHOFE, Mrs. HUTCHISON, and Mr. GRAMM):

S. 568. A bill to provide a tax credit for families, to provide certain tax incentives to encourage investment and increase savings, and to place limitations on the growth of spending; to the Committee on Finance.

By Mr. HARKIN:

S. 569. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to combat waste, fraud, and abuse in the medicare program, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have 30 days to report or be discharged.

By Mr. GORTON:

S. 570. A bill to authorize the Secretary of Energy to enter into privatization arrangements for activities carried out in connection with defense nuclear facilities, and for other purposes; to the Committee on Armed Services.

By Mrs. BOXER (for herself, Mr. PRYOR, Mr. GRASSLEY, Mr. KOHL, Mr. BRADLEY, Mr. DORGAN, Mr. AKAKA, Mr. HOLLINGS, Mr. ROTH, Mr. HARKIN, Mr. REID, Mr. LIEBERMAN, Mr. BAUCUS, Mr. ABRAHAM, Mr. SIMON, and Mr. ROBB):

S. 571. A bill to amend title 10, United States Code, to terminate entitlement of pay and allowances for members of the Armed Forces who are sentenced to confinement and a punitive discharge or dismissal, and for other purposes; to the Committee on Armed Services.

By Mr. COATS:

S. 572. A bill to expand the authority for the export of devices, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. PRYOR:

S. 573. A bill to reduce spending in fiscal year 1996, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions, that if one Committee reports the other Committee have thirty days to report or be discharged.

By Mr. MOYNIHAN (for himself, Mr. COCHRAN, and Mr. SIMPSON):

S. 574. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 150th anniversary of the founding of the Smithsonian Institution; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STEVENS (for himself, Mr. MURKOWSKI, Mr. JOHNSTON, and Mr. BREAUX):

S. 575. A bill to provide Outer Continental Shelf Impact Assistance to State and local governments, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FEINGOLD:

S. 576. A bill to prohibit the provision of certain trade assistance to United States subsidiaries of foreign corporations that lack effective prohibitions on bribery; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAUCUS (for himself, Mr. BURNS, Mr. DOLE, and Mr. DASCHLE:

S. Res. 88. A resolution honoring the 92d birthday of Mike Mansfield, and for other purposes; considered and agreed to.

By Mr. FEINGOLD:

S. Res. 89. A resolution regarding bribery in international business transactions and the discrimination against United States exports that results from such bribery; to the Committee on Foreign Relations.

By Mr. DOLE (for himself and Mr. DASCHLE):

S. Res. 90. A resolution to authorize testimony by a Senate employee; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COATS (for himself, Mr. GRAMS, Mr. CRAIG, Mr. LOTT, Mr. BROWN, Mr. MCCAIN, Mr. KYL, Mr. INHOFE, Mr. GRAMM, and Mrs. HUTCHISON):

S. 568. A bill to provide a tax credit for families, to provide certain tax incentives to encourage investment and increase savings, and to place limitations on the growth of spending; to the Committee on Finance.

THE FAMILY INVESTMENT RETIREMENT SAVINGS AND TAX FAIRNESS ACT

Mr. COATS. Mr. President, this morning we rise to introduce legislation to put the American family first. Mr. President, I send to the desk legislation which will do just that and will explain its content.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. COATS. Thank you, Mr. President.

Our colleagues on the other side of the Capitol already have begun to take action on many of the reforms that I have laid out in this legislation. But now it is time for the Senate to deliver on a promise and give family tax relief to hard-working, overtaxed middle Americans.

Over that past few years Americans have heard a lot of talk about tax relief

but they have yet to see Washington act on their promises. Today, Mr. President, we signal our intent to not just talk about, but to act upon tax relief for our citizens, especially our families.

This legislation is a blueprint that shows that deficit reduction and tax relief can go hand-in-hand. These goals are not mutually exclusive if Congress is willing to make the hard choices necessary to put our fiscal house in order. We clearly need to restore fiscal integrity and economic soundness to the budget process. We need the kind of change that will force Congress to act differently by rewriting the ground rules of the game. For too long we have chosen to take the easy road by putting off or ignoring the frugal spending path that over and over we have laid out but failed to adhere to.

This legislation we introduce today includes a real sequester provision so that if Congress once again cannot make the hard spending choices they will be made anyway. The Family, Investment, Retirement, Savings and Tax Fairness Act—families first—charts a different course and reorders our spending priorities.

Last year's election proves that the American people are fed up with the status quo—they want action. Action taken to eliminate the deficit and the ever growing debt that we are burdening our children with and action to relieve them of the taxes that are stifling their quality of life and leaving them with less and less in every pay check.

Families first recognizes three central principles.

First, American families are overtaxed. High taxes rob families of the resources needed to care for children.

Second, the private sector, not government creates jobs. We must reduce the cost of capital and encourage productive investment by reducing the tax on growth. We will find new jobs in a growing economy, not in a growing government.

Third, the American people want deficit reduction upfront—obviously the President did not hear that message. His fiscal year 1996 budget just keeps reinventing the same spending cuts that will take place some time in the future. Is this any kind of leadership when the Nation's debt now stands at over $4.7 trillion? That is over $18,500 for every man, woman, and child in this Nation. This is a carefully planned, meticulously documented theft from our children.

Specifically, the families first bill does the following:

First, it provides relief to American families with children through a tax credit of $500 per child;

Second, it provides incentives for businesses to create jobs, including a reduced capital gains tax rate, a neutral cost recovery plan for capital investments, and expanded IRA's;

Third, it repeals the retirement earnings test on older Americans;

Fourth, it places a 2 percent cap on the growth of Federal spending;

Fifth, it creates a commission, modeled after the Base Closure Commission, to identify the legislative changes needed to meet the cap. If Congress fails to approve the commission's plan by a date certain, the cap would be enforced by sequester, holding Social Security harmless.

The bill is not only entirely paid for by the spending cap—our plan cuts the deficit by half in 5-years, eliminating it altogether in less than 10 years.

I would like to take a moment to discuss the family tax credit component of this plan which addresses an inequity that has been developing for decades.

Families are finding it more and more difficult to bear the financial costs of raising children. According to Family Economics Review, the average American family it faces costs of between $4,000 and $5,000 per year, per child.

This is because, over the last several decades, tax burdens have been radically redistributed, not from poor to rich or rich to poor, but directly on families with children.

The facts are these. Adjusting for inflation, single people and married couples with no children pay about the same percentage of their income in taxes as they did at the end of World War II. In 1948, the typical family of four paid just 3 percent of its income to the Federal Government in direct taxes. In 1992, the equivalent family paid nearly 24.5 percent of its income to the Federal Government. This is an increase of over 717 percent. It is time to restore fairness in the Tax Code.

The reason is simple. The personal exemption—the way the Tax Code adjusts for family size—has been eroded by inflation and neglect. The exemption that once protected families with children has fallen significantly in the last six decades. Currently, the personal exemption is $2,450 if this had kept pace with inflation the personal exemption would be over $7,000.

Many households now have two working parents who spend greater amounts of time away from their children out of simple necessity. Rising healthcare and education costs in particular place the family under great financial pressure.

This tax burden translates into less time that families can spend together. Families have 40 percent less time to spend together today than they did 25 years ago. Families are clearly working harder, longer, for less.

A $500-per-child tax credit would give a family of four over $80 a month extra for groceries, school clothes for the kids, or savings for education, et cetera. Our bill will reduce the tax burden, allowing families to keep more of their hard earned dollars. It will empower families to make their own choices and rely less on government; 50 million children are eligible for this credit. In my own State of Indiana, 1.1 million children are eligible, enabling Hoosier families to keep $555 million of their hard earned money each year.

Advocating family tax relief, President Clinton said, ''$400, people say it's not very much money. I think it is a lot of money. It is enough for a mortgage payment. It is enough for clothes for the kids, and enough to have a big, short-term impact on the economy.''

No change is more urgent for average families than tax reform. Increased taxation on families with children is a tool of the bully, picking on the weak. For larger families it has meant a recession in both good times and bad, a recession that never seems to end. But for decades families have suffered quietly.

There are many programs like the earned income tax credit designed specifically to help impoverished families—as there should be. This commitment is constant and important. But we must not forget that it is middle income families who have not only been forgotten, but given extra financial burdens. It is time to target this group for relief—as we have done in the past for others. Over 85 percent of the family tax relief provided by this credit goes to Americans with family incomes of less than $75,000. This relief is not a handout. It is a matter of simple justice. It is a return to tax fairness.

This plan tackles the two great threats to the American family—the budget deficit and the ever growing tax burden. In addition, it recognizes that only a growing economy will provide jobs. It recognizes that high taxes bleed an economy of its productive power. They strip individuals of incentive and devalue their work.

For too long we have dismissed their needs to answer the calls of other interests. I hope my colleagues will join us in this fight for the American family. We must give them the tax relief they deserve.

KEY FACTS ON TAX CREDIT

Fifty million children eligible for the credit.

It eliminates the total tax burden for families making less than $23,000.

Some 4.7 million families would have their tax liability eliminated.

Mr. President, over the past few years Americans have heard a lot of campaign promises and a lot of talk about tax relief, but they have yet to see Washington act on these promises.

Today, Mr. President, in sending this legislation to the desk for consideration, we signal our intent to not just talk about tax relief but to act upon it for our citizens, and especially for our families.

I am pleased that this morning my new Senate colleague, Senator Grams from Minnesota, who joined with me in the last Congress as a Member of the House of Representatives in sponsoring this legislation, has joined us and will be joining me in advancing this legislation before this body.

Already our colleagues on the other side of the Capitol have begun to take

action on many of the reforms that are laid out in this legislation. Now it is time for the Senate to deliver on a promise made by so many to give family tax relief to the hard-working, overtaxed, middle-income Americans.

This legislation is a blueprint that shows that deficit reduction, which surely we must engage in, and tax relief can go hand in hand. These goals are not mutually exclusive, if we are willing to make the hard choices necessary to put our fiscal house in order but in doing so recognizing the impact on the average American family today and their need for substantive relief and deal with the burdens and expenses of raising children in today's society.

Our efforts are incorporated in legislation with the acronym FIRST. FIRST stands for family, investment, retirement savings, and tax fairness. It combines efforts to address a glaring deficiency in our Tax Code, a deficiency that robs middle-income Americans of hard-earned dollars to spend as they see fit and as they see the need to raise their children, to pay the mortgage, to rent the apartment, to make the car payments, to buy the clothes, to save for the education, to meet the needs, the ever-growing needs, of their ever-growing children.

It combines that relief with real, meaningful incentives for the business enterprises of America, to expand, to accumulate capital and to create the jobs which those children will be seeking as soon as they finish their education. And it adds to that relief for our senior citizens who are able and want to keep working beyond retirement age but whose income is severely eroded by the offsets that are required under the current law. We lift the earnings requirement so that those seniors that are willing and are able to continue working beyond retirement can do so without penalty.

There are incentives for contributions to an IRA, an IRA designed to help with those burdens and those expenses of providing for education and providing for the purchase of a home and other needs.

It does so with the recognition that we have to pay real attention to the ever-growing debt burden which is saddling this generation, and particularly future generations, with a debt and an interest cost that they may be unable to pay and that will surely limit their opportunities in the future.

Deficit reduction is a serious effort that must be undertaken by this Congress and not future Congresses. So we are trying to reconcile two very important goals, and we think we have done that in this first legislation, because combined with these incentives for family relief and for business growth and for help for our seniors, combined with this is an effort to rein in the costs—excessive costs—of the spending of this Congress and of this Government, by placing a cap on the overall rate of growth.

I want to stress that phrase ''rate of growth.'' Those who say that we need to drastically slash this and that, and take money away from this program or that program, are not recognizing the reality that if we simply limit the rate of growth of Government spending, we can free up money to provide significant deficit reduction, put us on a path to a balanced budget and, at the same time, reorder our priorities and direct funds into areas where they are needed the most.

Our job as elected representatives is to wisely, efficiently, and effectively spend the taxpayers' hard-earned dollars and make sure that those dollars spent at the Federal level are spent in a way that gives us the best results. We have been pointing to a whole number of programs that are marginal at best and, clearly, as we look at limiting the rate of growth of the Federal Government, we will need to look at our priorities.

There are some programs that probably are not performing the service that was intended and they ought to be flat out eliminated. They no longer are needed or are not doing the job. Other programs have marginal benefit but do not rank high in the priority list. I suggest that those programs need to be reduced in the amount of expenditures and amount of budget they are given each year. Some may be 1 or 2 years, some may be 5, 10, some 30—who knows. We need to look at the effectiveness of those programs and reduce that spending. Others ought to be frozen. They are providing an effective service, but we cannot afford to continue increasing them at the past rate, so let us freeze at the current level.

Yes, Mr. President, there are probably some programs that ought to be increased because they are meeting necessary needs for Americans. They go to important programs and they deserve an increase. With the first bill, we are saying let us put an overall cap on the rate of growth at about 2 percent, and in doing so let us back it up with a spending commission that will recommend cuts and provide the mechanism, as we have done in base closing, to ensure that Congress lives up to its promise. If we do that, as I said, we can balance the budget over a number of outyears—roughly 8 years—we can balance the budget. We can also reprioritize our spending in the areas that I have talked about—family relief, investment in new jobs, help for our seniors, and some other important programs.

The core of this program is the family relief. Families today are struggling to meet ever-rising tax demands. American families are overtaxed, and they rob our families of the resources needed to care for children.

In 1948, a typical family of four paid just 3 percent of its income to the Federal Government in direct taxes. In 1992, the equivalent family paid nearly 24½ percent of its income to the Federal Government—an increase of over 717 percent. At times, special-interest deductions have been granted to all types of special interests in our country under our Tax Code. But the most special of all special interests—the family—has been shorted. These other deductions have been at the families' expense. They are struggling to keep up.

Personal exemption has not kept pace. Today, it is $2,450 per dependent. If it had kept pace with inflation, it would be well over $7,000. Today, families have 40 percent less time to spend with their children, partly because they are out working trying to make ends meet. They are clearly working harder, longer, for less.

The $500 per child tax credit for children under 18 will provide real relief for families struggling to meet the needs of their family and to pay the bills. It is the central part of the package that we are introducing. Over 85 percent of this family tax relief provided by this credit will go to American families with incomes of less than $75,000. The relief is not a handout. It is a matter of simple fairness and simple justice. It is a return to tax fairness under the code.

Surely, Mr. President, as we look at how we spend the taxpayers' dollars, as we look at how we reprioritize our spending—and that is the exercise we are going through here in this Congress—surely there will be room, or there should be room, for families. Surely, we can find a way to direct our expenditure of Federal dollars to help struggling families. And we are not giving them the money back. We are saying we are going to allow you to keep more of your hard-earned dollars; you are going to be able to send less of your paycheck to Washington, and you are going to be able to make the decisions which are in the best interests of your children and your family. Surely, in all of our debate as to where we spend the taxpayers' dollars and how we spend the taxpayers' dollars, we can make room for the family.

Mr. President, I am pleased that Senator GRAMS and I are joined by a number of our colleagues as original cosponsors. I ask unanimous consent that Senators GRAMS, CRAIG, LOTT, BROWN, MCCAIN, KYL, and INHOFE be added as original cosponsors.

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

Mr. COATS. I also note, Mr. President, that last year, as part of the Republican alternative budget, every Republican Senator voted for that Republican alternative budget which, unfortunately, failed. We did not have enough votes to gain a majority. But the core of that alternative Republican budget was this first bill and the family tax relief, which is the heart of that.

So I anticipate that most of our colleagues, if not all, will join Senator GRAMS and I. I am so pleased to have him join us in the U.S. Senate. He will

be carrying the ball with all of us, advancing what I think is an extraordinarily important concept and idea.

We have terrific support in the House of Representatives. Just 2 days ago, the Ways and Means Committee reported out a bill with many of these features, the central part of that bill. So it is now time for the Senate, Mr. President, to act on its promises, to fulfill its commitment, and to put families at the centerpiece of the actions that we take this year.

With that, Mr. President, I yield my time and yield whatever time the Senator from Minnesota wishes to consume.

How much time remains?

The PRESIDING OFFICER. We have 20 minutes remaining.

Mr. COATS. I yield to the Senator from Minnesota.

Mr. GRAMS. Mr. President, I am pleased to join the distinguished Senators from Indiana and Idaho this morning, and a number of the other Senators who will be joining us later this morning, to talk about this very important issue—tax cuts—and to help continue the leadership on this most important issue.

I am proud to be a coauthor of this very important legislation, families first.

Mr. President, today we begin a debate that has been too long in coming. The American people are in desperate need of relief from their own Government, a Government that thinks it can spend our money better than we can spend our money. It has spent the last four decades just trying to prove that point.

In 1947, Americans paid just 22 percent of their personal income in the form of taxes—all taxes—to Federal, State, and local governments, including property taxes and the like.

Today, 40 years and hundreds of tax increases later, nearly 50 cents of every dollar earned by middle-class Americans goes to the Government to feed Government priorities. ''We will solve all of our problems,'' says Washington, ''if you will just send us more of your money.'' So we do, year after year. We have reached the point now where most families pay more tax dollars to the Federal Government than they spend for food, clothing, transportation, insurance, and recreation combined.

The 1993 Clinton tax bill did not help, either. As the largest tax increase in American history, it hit middle-class Americans right where it hurts the most—in their wallets.

Mr. President, the bottom line is taxes are just too high. The tax burden falls too heavily on the middle class. And, Mr. President, the result is that more and more Americans are being forced out of the working class and being forced into the welfare class.

But with their ballots last November, Americans called for tax relief. With the change in leadership in Washington, Congress is now finally in a position to deliver on that request.

Mr. President, we are taking the first step today with the introduction of the families first act—legislation calling for a $500 per child tax credit.

The $500 per child tax credit is relief for middle-class America.

And I would just like to show one of the few charts that we have out here this morning and talk about what this means.

In my home State of Minnesota, families first, if enacted, would provide nearly $500 million every year in tax relief to families across the State of Minnesota—$500 million into the pockets of families and individuals who will decide best on how to spend on those important needs such as food, clothing, shelter, education, or health care. They will make those decisions rather than some bureaucrat 1,100 miles away from Minnesota in Washington.

If you look at the home State of Senator DAN COATS in Indiana and what this would mean, it would mean for Indiana residents over $550 million a year in tax relief—$550 million every year. You add this total, and for all States it would be a $25 billion-a-year tax cut that would go into the pockets of families to decide how to spend. It would take that decisionmaking process out of Washington and put it down where it really belongs, and that is with the individuals who know best how to handle the problems that their families are facing.

As this chart clearly shows, our plan would return, as I said, $25 billion every year to families nationwide. And that includes from $418 million in Alabama every year to $61 million for the State of Wyoming residents. Again, $500 million a year would be dedicated to families in my home State of Minnesota.

Fully more than 90 percent of the tax relief would go to working Americans making annual salaries of $60,000 or less. So this is a plan that is targeted. More than 90 percent of the tax relief goes right to the individuals that have felt the burden the most over the last 30 years, and that is families making $60,000 or less.

Most importantly, our $500 per child tax credit would let 53 million working families keep more of their own hard-earned tax dollars. And $500 per child adds up to a lot more than just some pocket change.

I think, if you pick up the phone and ask many of the constituents in your districts if $500 or $1,000 for two children or $1,500 for three children would not make a big difference in their finances every year, for middle-income taxpayers, it may mean health insurance for their families where there was not any before, or maybe a better education for their children when before there were no other options. To lower income Americans, it may mean not having to pay any taxes at all.

Mr. President, there is widespread support also for the $500 per child tax credit among Americans in every income range, in every age bracket, among those with children and those without. These are the people who feel the pain every April 15 when they pay their taxes and who think it is time for the Government to feel a little bit of that pain instead.

But how can a government grappling with a $4.8 trillion national debt afford tax relief of any kind?

Well, the families first bill, which became the centerpiece of the budget plans offered last year by both Senate and House Republicans, pays for the tax credit by cutting Government spending. Every single dollar in tax relief is offset by another dollar in spending cuts.

I just want to refer again to the charts for the support that we have nationwide for a tax cut proposal. If you look at this one chart and you look at the different age groups, 18 to 25, 76 percent would approve of a tax cut. In the age group 26 to 40, 77 percent said, yes, let us have a tax cut. From 41 to 55, over 56 percent, and so on; 62 percent for 55 to 65; and, 65 and older, 58 percent said, yes, they would favor tax relief.

And if you look at income levels, people below $20,000, said, yes, they would like to have some more tax relief. And in all income groups it is either in the 60 or 70 percent range that say yes. So this is overwhelming support nationwide by every age group, every income group that really believes we are being taxed too much.

And by putting the Federal Government on a strict diet by capping the growth of Federal spending at 2 percent, we can balance the budget by the year 2002, including the tax cuts. Our bill proves that we can afford tax relief at the same time that we begin to restore some fiscal sanity to Washington.

During the debate ahead, we will hear calls to water down the $500 per child tax credit. We will be asked to means test it or to even lower the dollar amount. Some will want to limit the ages of the children eligible, or duck out on real relief by substituting an increase in the personal deduction. Some may oppose tax relief completely.

But that is not what the Americans were promised last year, or what the voters mandated in November. If we backtrack now, we will have to face an American public that is tired of being led on by politicians who promise one thing and then never deliver.

We have to hold firm on behalf of every American taxpayer and deliver the tax relief that we promised.

I want to commend our colleagues on the House Ways and Means Committee, who this week kept the covenant they made with the voters in the Contract With America and passed the $500 per-child tax credit. This was a victory for the taxpayers and a clear signal to the American people that they have not been forgotten by this Congress.

Mr. President, I am proud that Senator COATS and our Senate colleagues—

what we call the 500 club—will be following up on the House's good work and fighting for the promises made in November: the promises of lower taxes, smaller government, stronger families.

Those are the principles embodied by the $500 tax credit—the principles that will once again put families first.

I would like to now yield some time to my good friend and colleague from Arizona.

Mr. KYL. I thank the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, I am pleased to be an original cosponsor of the families first legislation that our colleague, Senator ROD GRAMS, is introducing today. This important legislation would provide badly needed tax relief for American families. It would repeal the Social Security earnings limitation. It would cut capital gains taxes and provide other pro-growth economic incentives, while still putting the budget on track to balance by the year 2002. It does so by cutting spending.

Balancing the budget does not mean that taxes have to be increased. Nor does it preclude consideration of tax cuts. The problem is not that the Federal Government is collecting too little in tax revenue. The Government is simply spending too much.

As a result of the tax increase Congress approved in 1990, Americans paid over $20 billion in new taxes. They paid another $35 billion as a result of President Clinton's tax increase in 1993. Taxes increased, but so did Federal spending. It climbed from $1.2 trillion in 1990 to about $1.5 trillion this year, and it will rise to $1.6 trillion next year. That is a 33 percent increase in spending in just 6 years. Taxes—which are already too high—will never be high enough to satisfy Congress' appetite for spending.

Since 1948, the average American family with children has seen its Federal tax bill rise from about 3 percent of income to about 24.5 percent today. Combined with State and local taxes, that burden rises to a staggering 37.6 percent.

Senior citizens have been hit hard by tax increases as well. The earnings limitation is bad enough, but combined with the 1993 Clinton tax increase on Social Security benefits, the marginal rate now experienced by some seniors amounts to 88 percent, twice the rate paid by millionaires. That is not taxation. It is confiscation.

Mr. President, the American people know what it means to balance a budget—to struggle to make ends meet—and they know better than the Government how to provide for themselves and their children. Parents just want a chance to keep more of what they earn to put food on the table, a roof over their heads, and their kids through school. The $500 per child tax credit in the families first bill is no panacea, but it is an important step in the right direction.

In fact, about 35 million families across the nation would be eligible for the bill's $500 per child tax credit. Among those who would benefit the most are 4.7 million low-income families who would see their entire Federal tax burden eliminated—4.7 million families.

As pointed out in a Heritage Foundation report last year, ''a $500 per child tax credit would give a family of four earning $18,000 per year a 33-percent tax cut, and a family earning $40,000 per year a 10-percent tax cut, while giving a family earning $200,000 per year a cut of only 1.5 percent.''

So the families first credit is fair. It targets relief to those who need it most—low- and middle-income families across the Nation. The bill also repeals the Social Security earnings limitation which is inherently unfair to people who need and deserve their full Social Security benefits and who also want to work. Not only should the earnings test be repealed, the Clinton tax increase on Social Security should be repealed as well.

I know there are those who will say that deficit reduction is more important than tax relief, and they may oppose the bill. I disagree. I have never understood how taking more money out of the pockets of the American people can make them better off. Taxing people too much makes them worse off, and it slows down the economy. If the goal is to maximize tax revenues, as opposed to tax rates, then tax relief is not inconsistent with the goal of deficit reduction. It is integral to the goal of reducing the deficit.

As my colleagues have heard me point out on a number of occasions, revenues to the Treasury have fluctuated around a relatively narrow band of 18 to 20 percent of gross national product for the last 40 years. That is despite tax increases and tax cuts, recessions and expansions, and economic policies pursued by Presidents of both parties.

Since revenue as a share of the gross domestic product is virtually constant, the only way to raise revenue is to enact policies that foster economic growth and opportunity. In other words, 18 to 20 percent of a larger GDP represents more revenue to the Treasury than 18 to 20 percent of a smaller GDP.

That is the basis for these Federal spending limits that I proposed in other legislation. It is the reason the tax cuts in the families first bill make good economic sense. Empower American families and they can do more for themselves and depend less on Government. Cut taxes and stimulate the economy and more people can go to work. There will actually be more economic activity to tax, more revenue to the Treasury, despite the lower tax rates.

Last fall, the American people sent a loud and clear message to Congress: It is time to end business as usual. They want less Government, not more. They want tax relief and lower Government spending. Let Congress help President Clinton keep the promise he made in putting people first, to grant additional tax relief to families and children. Let Congress pass the families first bill.

Mr. COATS. Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. There are 6 minutes remaining.

Mr. COATS. I yield 5 minutes to the Senator from Texas and reserve the last minute for the Senator from Minnesota.

Mrs. HUTCHISON. Thank you, Mr. President. I want to thank my colleague, Senator COATS, who sponsored this bill last year. I was a willing and hopefully helpful cosponsor. Now we have Senator GRAMS, a new freshman, who did sponsor it on the House side last year and has come in to cosponsor it this year.

This is a very important step that we must take. In 1930, we saw the beginning of the change in course in our country, the beginning of more Government, bigger Government, more spending, which also brought more encroachment on everyone's lives.

I think in 1994, the people of America said, ''No, stop. Stop the big Government growth. Stop the encroachment on our lives. Stop the arrogance in Washington, DC. Enough is enough.'' They said, ''We want to go back to self-help and self-reliance. We want to go back to the basics, and we want the American family to be the strength that it has been, the fabric of society that it has been, that has brought us to this strong and great America that we have.''

We have dissipated so much of the strength of our family through the dependence of Government. I remember the story of a woman who was in the grocery store line who said, ''I saw someone using food stamps, buying items of food that I had passed up because I was trying to save to buy something for my children, that I had to do as a little bit of an extra.''

It was that frustration that I think people felt when they went to the polls in 1994 and said, ''We do not think that's right.'' The people who are pulling the wagon, the people who are saying, ''We are saving our money to raise our families, and we are having a hard time doing it,'' wanted a change.

The families first legislation will bring about that change, and I have to say that I do admire the Ways and Means Committee and the chairman, BILL ARCHER, who did report a bill out that has many of the things in the families first bill that we are introducing today. Perhaps they will pass those in the House first.

I will be proud, then, to come in and take some of those items from our families first legislation that we are reintroducing today. The $500 per child tax credit is something that will help those families make ends meet, the ones who are having a hard time. After

all, it is their money. It is their money that they have worked so hard to earn. Why should they not be able to keep it? Why should they not decide what is best for them, rather than having someone from Big Brother Government deciding what is best for them.

I think if the American people believe that they can manage their own resources better than the Federal Government, that we should humor them and let them keep their money. That is what the families first legislation will do.

I have been a proponent of increasing IRA's, because I think if we help people retire with security that that will be good for our country. It is self-help. It is allowing people to have that security in their old-age years by encouraging savings, which encourages investments, which encourages new jobs in this country, too.

I have introduced a bill to give homemakers IRA's, and if we can get this families first bill to the floor, I know that Senator COATS and Senator GRAMS are going to support my amendment to have homemakers added to IRA's because that is a very important issue. It is important to say that the work done inside the home is every bit as important, if not more important, than the work done outside the home, because that is what keeps this country strong—the families, where the families are together. If the homemaker is staying home and raising children, I think we should reward her efforts, just as much as anyone who is working outside the home.

I have seen my colleague, Senator COVERDELL, come in, and I want to make sure everyone has a chance to weigh in on this legislation. I will just say, Mr. President, that this is families first.

It is time to go back to basics, to appreciate how important the family unit is, that balancing the budget is for the future of our children and grandchildren. That is a commitment that I have, and all who are cosponsoring this legislation will work to try to make sure that we give to our children and grandchildren the same kind of strong America that we were able to grow up in and love. Thank you.

Mr. COATS. Mr. President, I ask unanimous consent to add Senator HUTCHISON as an original cosponsor of this legislation.

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

Mr. COATS. Mr. President, I yield the remaining time to Senator GRAMS.

Mr. GRAMS. Mr. President, I ask unanimous consent to have printed in the RECORD copies of the tables we have presented here.

There being no objection, the tables were ordered to be printed in the RECORD.

[Chart 1]

$500 PER-CHILD TAX CREDIT RETURNS MONEY TO THE TAXPAYER

State	Number of children eligible	Amount State could receive annually
Alabama	836,486	$418,243,000
Alaska	134,962	67,481,000
Arizona	744,524	372,262,000
Arkansas	524,241	262,120,500
California	6,625,012	3,312,506,000
Colorado	737,544	368,772,000
Connecticut	723,674	361,837,000
Delaware	172,017	86,008,500
District of Columbia	81,195	40,597,500
Florida	2,233,271	1,116,635,000
Georgia	1,226,073	613,036,500
Hawaii	295,346	147,673,000
Idaho	263,945	131,972,500
Illinois	2,501,462	1,250,731,000
Indiana	1,110,887	555,443,500
Iowa	641,094	320,547,000
Kansas	651,174	325,587,000
Kentucky	648,121	324,060,500
Louisiana	868,702	434,351,000
Maine	223,255	111,627,500
Maryland	1,038,365	519,182,500
Massachusetts	1,110,453	555,226,500
Michigan	1,866,891	933,445,500
Minnesota	946,639	473,319,500
Mississippi	540,359	270,179,500
Missouri	981,008	490,504,000
Montana	197,938	98,969,000
Nebraska	427,724	213,862,000
Nevada	247,958	123,979,000
New Hampshire	246,361	123,180,500
New Jersey	1,522,756	761,378,000
New Mexico	321,854	160,927,000
New York	3,575,251	1,787,625,500
North Carolina	1,359,138	679,569,000
North Dakota	146,786	73,393,000
Ohio	2,392,172	1,196,086,000
Oklahoma	644,733	322,366,500
Oregon	607,615	303,807,500
Pennsylvania	2,507,260	1,253,630,000
Rhode Island	159,461	79,730,500
South Carolina	777,909	388,954,500
South Dakota	158,309	79,154,500
Tennessee	829,778	414,889,000
Texas	3,628,180	1,814,090,000
Utah	473,448	236,724,000
Vermont	116,058	58,029,000
Virginia	1,286,275	643,137,500
Washington	1,141,341	570,670,500
West Virginia	346,642	173,321,000
Wisconsin	1,175,695	587,847,500
Wyoming	122,668	61,334,000

DOLLARS RETURNED TO EACH STATE BY A $500 PER-CHILD TAX CREDIT

[Source: US Census, 1992 Current Population Survey]

State	Number of families in each State	Number of families with children in each State	Number of children eligible for a $500 tax credit	Amount each State could receive annually from $500 per-child tax credit
Alabama	984,846	607,775	836,486	$418,243,000
Alaska	131,801	83,770	134,962	67,481,000
Arizona	901,059	472,805	744,524	372,262,000
Arkansas	572,309	366,520	524,241	262,120,500
California	6,864,996	4,444,459	6,625,012	3,312,506,000
Colorado	832,055	493,148	737,544	368,772,000
Connecticut	835,801	466,951	723,674	361,837,000
Delaware	181,252	105,034	172,017	86,008,500
District of Columbia	101,346	63,940	81,195	40,597,500
Florida	3,410,974	1,698,710	2,233,271	1,116,635,500
Georgia	1,555,254	909,966	1,226,073	613,036,500
Hawaii	293,296	167,417	295,346	147,673,000
Idaho	251,430	151,431	263,945	131,972,500
Illinois	2,873,440	1,622,908	2,501,462	1,250,731,000
Indiana	1,454,936	851,840	1,110,887	555,443,500
Iowa	683,268	383,031	641,094	320,547,000
Kansas	637,247	393,479	651,174	325,587,000
Kentucky	901,634	536,468	648,121	324,060,500
Louisiana	996,911	646,684	868,702	434,351,000
Maine	298,512	156,799	223,255	111,627,500
Maryland	1,194,734	675,067	1,038,365	519,182,500
Massachusetts	1,437,080	750,685	1,110,453	555,226,500
Michigan	2,254,735	1,273,610	1,866,891	933,445,500
Minnesota	1,043,603	570,424	946,639	473,319,500
Mississippi	572,963	425,312	540,359	270,179,500
Missouri	1,256,963	697,847	981,008	490,504,000
Montana	205,770	124,551	197,938	98,969,000
Nebraska	414,899	237,460	427,724	213,862,000
Nevada	313,332	168,220	247,958	123,979,000
New Hampshire	307,359	158,319	246,361	123,180,500
New Jersey	1,893,615	1,006,496	1,522,756	761,378,000
New Mexico	365,776	239,867	321,854	160,927,000
New York	4,138,706	2,494,133	3,575,251	1,787,625,500
North Carolina	1,663,710	940,231	1,359,138	679,569,000
North Dakota	146,146	87,390	146,786	73,393,000
Ohio	2,650,194	1,577,405	2,392,172	1,196,086,000
Oklahoma	782,007	456,751	644,733	322,366,500
Oregon	745,406	422,519	607,615	303,807,500
Pennsylvania	3,057,172	1,568,632	2,507,260	1,253,630,000

DOLLARS RETURNED TO EACH STATE BY A $500 PER-CHILD TAX CREDIT—Continued

[Source: US Census, 1992 Current Population Survey]

State	Number of families in each State	Number of families with children in each State	Number of children eligible for a $500 tax credit	Amount each State could receive annually from $500 per-child tax credit
Rhode Island	240,767	111,470	159,461	79,730,500
South Carolina	891,157	569,749	777,909	388,954,500
South Dakota	173,385	96,221	158,309	79,154,500
Tennessee	1,242,636	637,780	829,778	414,889,000
Texas	3,964,267	2,582,258	3,626,180	1,814,090,000
Utah	390,211	249,945	473,448	236,724,000
Vermont	142,093	81,163	116,058	58,029,000
Virginia	1,528,524	859,620	1,286,275	643,137,500
Washington	1,252,277	737,136	1,141,341	570,670,500
West Virginia	452,953	266,844	346,642	173,321,000
Wisconsin	1,252,892	722,639	1,175,695	587,847,500
Wyoming	117,117	69,514	122,668	61,334,000

Mr. GRAMS. Mr. President, these charts show strong support from every age and income group across the country, their support for a tax cut, and also for some information, how much it would mean to each.

I say to the good Senator from Texas who just spoke, for families in Texas alone, it would be over $1.8 billion a year in tax relief.

Mr. President, I am pleased to join the distinguished Senators from Indiana and Idaho, who I thank for their early and continued leadership on this most important issue.

I thank my distinguished colleague from Indiana, and I am proud to be a coauthor of this important legislation to put families first.

Mr. President, today we begin a debate that has been too long in coming.

The American people are in desperate need of relief from their own Government—a Government that thinks it can spend our money better than we can, and has spent the last four decades trying to prove it.

In 1947, Americans paid just 22 percent of their personal income in the form of taxes.

Today, 40 years and hundreds of tax increases later, nearly 50 cents of every dollar earned by middle-class Americans goes to the Government, to feed the Government's priorities.

''We'll solve all your problems,'' says Washington, ''if you'll just send us more money.''

So we do; year after year.

We've now reached the point where most families pay more tax dollars to the Federal Government than they spend for food, clothing, transportation, insurance, and recreation combined.

The 1993 Clinton tax bill didn't help, either. As the largest tax increase in American history, it hit middle-class Americans right where it hurt the most—their wallets.

Mr. President, taxes are too high.

The tax burden falls too heavily on the middle class.

And, Mr. President, the result is that more and more Americans are being forced out of the working class and into the welfare class.

But with their ballots in November, Americans called for tax relief. With

the change in leadership in Washington, Congress is finally in a position to deliver.

Mr. President, we are taking the first step today with the introduction of the families first act—legislation calling for a $500 per-child tax credit.

The $500 per-child tax credit is relief for middle-class America.

As this chart clearly shows, our plan would return $25 billion every year to families nationwide, from $418 million in Alabama to $61 million in Wyoming.

$500 million would be dedicated to families in my home State of Minnesota.

Fully 90 percent of the tax relief goes to working Americans making annual salaries of $60,000 or less.

Most importantly, our $500 per-child tax credit would let 53 million working families keep more of their own hard-earned tax dollars. And $500 per child adds up to a lot more than just pocket change.

For middle-income taxpayers, it may mean health insurance for their families, where there wasn't any before, or a better education for their children, when before there were no options.

For lower income Americans, it may mean not having to pay any taxes at all.

Mr. President, there is widespread support for the $500 per-child tax credit among Americans in every income range and every age bracket—among those with children and those without.

These are the people who feel the pain every April 15 when they pay their taxes and who think it's time for the government to feel a little of the pain instead.

But how can a government grappling with a $4.8 trillion national debt afford tax relief of any kind?

The families first bill, which became the centerpiece of the budget plans offered last year by both Senate and House Republicans, pays for the tax credit by cutting government spending.

Every single dollar in tax relief is offset by another dollar in spending cuts.

And by putting the Federal Government on a strict diet by capping the growth of Federal spending at 2 percent, we'll balance the budget by the year 2002.

Our bill proves that we can afford tax relief at the same time we're restoring fiscal sanity in Washington.

During the debate ahead, we'll hear calls to water down the $500 per-child tax credit.

We'll be asked to means test it or lower the dollar amount.

Some will want to limit the ages of the children eligible or duck out on real relief by substituting an increase in the personal deduction.

Some may oppose tax relief completely.

That's not what Americans were promised last year, or what the voters mandated in November.

If we backtrack now, we'll have to face an American public that is tired of being led on by politicians who promise one thing and never deliver.

We have to hold firm on behalf of every American taxpayer and deliver the tax relief we promised.

I want to commend our colleagues on the House Ways and Means Committee, who this week kept the covenant they made with the voters in the Contract With America and passed the $500 per-child tax credit.

This was a victory for the taxpayers and a clear signal to the American people that they have not been forgotten by this Congress.

Mr. President, I'm proud that Senator COATS and our Senate colleagues—what we call the 500 Club—will be following up on the House's good work and fighting for the promises made in November: the promises of lower taxes, smaller government, stronger families.

Those are the principles embodied by the $500 tax credit, the principles that will once again put families first.

I would like to close by saying how important I feel about tax cuts for Americans, and American families specifically. We promised, we campaigned, we talked about tax relief for American families across the country during the 1994 elections, and the Americans spoke loud and clear at the polls in November that they agreed, because they know how hard it hits them in the wallet every year.

My good friend from Wisconsin, the Senator from Wisconsin, is among those leading the charge on the Senate floor every day, talking about how we do not need tax cuts, how Government in Washington should continue to expect to receive these tax dollars, and that these Chambers can better make the decision on how to spend your money than you can spend it yourself.

In Wisconsin, that means about $590 million a year in tax relief, something the Senator from Wisconsin does not think is important to the residents of Wisconsin. I ask him to call some of his residents to see how important they feel any form of tax relief would be in 1995 for them.

I just wanted to wrap up again by thanking the Senator from Indiana and the other Senators who have spoken this morning on behalf of American taxpayers. I hope that we can rely on their support and the public support in making their calls and rallying behind this very, very, important issue of tax cuts and tax relief.

We are to a point now where we assume that every dollar that Americans make belongs to Government in some form and that we will decide through tax cuts or tax credits or tax breaks how much they are going to keep and how much Washington is going to get. I think, as the Senator from Indiana pointed out very succinctly, it is their money and this will allow them to keep more of their hard-earned tax money in their pockets.

So I wanted to thank the other Senators for helping this morning. I yield back my time.

By Mr. HARKIN:

S. 569. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to combat waste, fraud, and abuse in the Medicare Program, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days to report or be discharged.

THE MEDICARE PROTECTION ACT OF 1995

● Mr. HARKIN. Mr. President, today I am introducing legislation, the Medicare Protection Act of 1995, which would save taxpayers and senior citizens over $16 billion by the end of the decade by curbing waste, fraud, and abuse in the Medicare Program. I hope that the Senate will consider this important legislation as we work to reduce the Federal budget deficit and to improve Medicare.

For 6 years, as chairman and now ranking Democrat of the Appropriations Subcommittee on Labor, Health and Human Services and Education, I have targeted fraud, waste, and abuse in the programs under our jurisdiction. I have given particular attention to exposing and eliminating waste and abuse in Medicare. In hearing after hearing, our subcommittee has uncovered examples of lost Medicare funds due to fraud and poor program oversight. While some of the problems we have uncovered are due to weaknesses in Medicare law, billions of dollars are lost every year due to inadequate audits and other program safeguard activities. At least $2 billion of unallowable and sometimes fraudulent medical charges will be improperly paid by Medicare this year alone.

The General Accounting Office [GAO], Office of Inspector General of the Department of Health and Human Services [HHSIG], and the Health Care Financing Administration [HCFA] have each documented the savings to the Medicare Program achieved through investments in program safeguard activities. They have testified that for every dollar spent on program safeguards, $13 to $16 are saved by stopping inappropriate Medicare payments. This is not some pie-in-the-sky-hoped-for return on investment, it is documented, and proven that this saves us significant sums. For the coming fiscal year, the administration estimates that the projected program safeguard investment will result in $6.16 billion in Medicare savings, a return on investment of 16 to 1.

Yet funding for these cost saving activities is inadequate. While Medicare is an uncapped entitlement program, the funds to effectively administer Medicare are funded through discretionary outlays. They must compete with other important programs like Head Start, job training, childhood immunizations, and college loans. Because we have a cap on overall discretionary spending, at a time when the number and size of Medicare claims is

growing steadily, funding for audits and claims review have not kept up. This despite the fact that we know that for every dollar invested, Medicare saves from $13 to $16.

For several years now I have been working to correct this shortsighted budget policy. Based on recommendations by the GAO, I have pushed legislation like that I am introducing today. The Medicare Protection Act would allow us to adequately fund critical Medicare antifraud and abuse activities without cutting other critical programs. This legislation allows for a 10-percent increase in support for these activities annually through fiscal year 2000 without violating the discretionary spending ceilings. The 10-percent increase is pegged to the rate of growth in Medicare claims in recent years.

Mr. President, even assuming the most conservative estimates of savings—a 13-to-1 return on investment—the Medicare Protection Act would save taxpayers and Medicare beneficiaries $2 billion this year and over $16 billion through the end of the decade. At a time when some in Congress are proposing major reductions in Medicare that could directly impact senior citizens and critical health providers, this legislation is just common sense. I am certain that my colleagues would agree that we need to cut the fat before the bone. Let's make war on waste, not our senior citizens.

Mr. President, I will work with my colleagues on both sides of the aisle to try to gain approval of this common sense deficit reducing proposal. It is one change that we should be able—for which we should be able to achieve strong bipartisan support. So I commend this bill to my colleagues and urge that it be included in any package we consider to further reduce the Federal deficit.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Medicare Protection Act of 1995''.

SEC. 2. ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.

(a) ADJUSTMENTS.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) MEDICARE ADMINISTRATIVE COSTS.—To the extent that appropriations are enacted that provide additional new budget authority (as compared with a base level of $1,609,671,000 for new budget authority) for the administration of the medicare program by sections 1816 and 1842(a) of title XVIII of the Social Security Act, the adjustment for that year shall be that amount, but shall not exceed—

''(i) for fiscal year 1995, $161,000,000 in new budget authority and $161,000,000 in outlays;

''(ii) for fiscal year 1996, $177,000,000 in new budget authority and $177,000,000 in outlays;

''(iii) for fiscal year 1997, $195,000,000 in new budget authority and $195,000,000 in outlays;

''(iv) for fiscal year 1998, $214,000,000 in new budget authority and $214,000,000 in outlays;

''(v) for fiscal year 1999, $236,000,000 in new budget authority and $236,000,000 in outlays;

''(vi) for fiscal year 2000, $259,000,000 in new budget authority and $259,000,000 in outlays; and

the prior-year outlays resulting from these appropriations of budget authority and additional adjustments equal to the sum of the maximum adjustments that could have been made in preceding fiscal years under this subparagraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 603(a) of the Congressional Budget Act of 1974 (2 U.S.C. 655b(a)) is amended by striking ''section 251(b)(2)(E)(i)'' and inserting ''section 251(b)(2)(F)(i)''.

(2) Section 606(d) of the Congressional Budget Act of 1974 (2 U.S.C. 665e(d)) is amended—

(A) in paragraph (1)(A) by striking ''section 251(b)(2)(E)(i)'' and inserting ''section 251(b)(2)(F)(i)''; and

(B) in paragraph (2), by inserting ''251(b)(2)(E),'' after ''251(b)(2)(D),''.●

By Mr. GORTON:

S. 570. A bill to authorize the Secretary of Energy to enter into privatization arrangements for activities carried out in connection with defense nuclear facilities, and for other purposes; to the Committee on Armed Services.

THE DEPARTMENT OF ENERGY PRIVATIZATION ACT OF 1995

● Mr. GORTON. Mr. President, today I am introducing a bill that dramatically changes how we clean nuclear waste sites across the Nation. Clearly we have a window to address these profound national problems. My bill does just that.

Mr. President, this legislation is designed to change how DOE manages the cleanup of its defense nuclear sites. This bill applies to all DOE nuclear defense sites, because the cleanup problems we are addressing are national concerns—not parochial.

The bill's strengths rest in addressing how DOE compensates performance. Today we are cornered into agreements based on cost plus scenarios. The taxpayer reimburses the contractor for all costs related to overhead, salaries and other out-of-pocket expenses. On top of that sum comes a bonus which is a percentage of those direct costs. That means that higher overheads mean bigger bonuses. My bill dictates the opposite: You don't do the job, you don't get paid. Period.

Mr. President, this bill makes good sense. I know that the American people are anxious for cleanup to happen at our nuclear defense sites. The people of Washington State are anxious too. This bill takes the DOE out of the managerial role and puts it into the role of client and consumer. It puts the burden of capital risk on investors eager to join the cleanup process, yet does not hold them responsible for a mess that is not theirs.

Under this bill, the Secretary of Energy will have the authority to enter into long-term contracting arrangements—30 years plus two 10-year renewals—for the treatment, management and disposition of nuclear waste and nuclear waste by-products.

The contractor's facility must be within a 25-mile radius of the DOE site. Community development and site-worker preference are key to this bill. The Secretary is instructed to give preference to those contractors who intend to reinvest in the communities where their work is conducted. The Secretary must also give preference to contractors whose bids include employment for local workers, or workers with previous site experience.

Indemnification and other legal protection is included to inoculate contractors from preexisting conditions that were not caused by the contractor. This bill places strict limits on contractor liability during cleanup, except in cases of negligence. This ensures that a contractor is not responsible for waste not created on their watch.

Through commercialization, the bill will encourage innovation in cleanup. By permitting the contractor to use technologies developed at the site for commercial use and resale even while cleanup is taking place, the legislation rewards success instead of stifling it. In the past, DOE has frowned on similar allowances, primarily because of the Government's desire to keep new technology ''in house.'' Instead, the bill grants contractors immediate patent rights to new technologies developed in the cleanup process.

Another important provision protects the contractor from subsequent rule changes by the Department of Energy or Congress that directly affect cleanup efforts. Language states that if the Department of Energy mandates new environmental regulations or laws which will adversely affect the cleanup schedule and performance, the contractor is entitled to renegotiate the contract without penalty. Likewise, if regulations are eased, the contractor is given the option of abiding by the rules in place, or opening discussions again to adjust for the less stringent requirements.

This legislation also allows the Secretary to lease federally owned land to contractors at a negotiable rate. By leasing the land, the Government permits the contractor to undertake non-DOE site related activities. For example, a contractor may retain a non-DOE client who wants to vitrify waste at the DOE site. With this legislation the contractor could open its facility to such an endeavor.

I urge that all of my colleagues, particularly those with similar interests in their States, support this bill and join as cosponsors.

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

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

S. 570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRIVATIZATION OF WASTE CLEANUP AND MODERNIZATION ACTIVITIES OF DEFENSE NUCLEAR FACILITIES.

(a) CONTRACT AUTHORITY.—Notwithstanding any other law, the Secretary of Energy may enter into 1 or more long-term contracts for the procurement, from a facility located within 25 miles of a current or former Department of Energy defense nuclear facility, of products and services that are determined by the Secretary to be necessary to support waste cleanup and modernization activities at such facilities, including the following services and related products:

(1) Waste remediation and environmental restoration, including treatment, storage, and disposal.

(2) Technical services.

(3) Energy production.

(4) Utility services.

(5) Effluent treatment.

(6) General storage.

(7) Fabrication and maintenance.

(8) Research and testing.

(b) CONTRACT PROVISIONS.—A contract under subsection (a)—

(1) shall be for a term of not more than 30 years;

(2) shall include options for 2 10-year extensions of the contract;

(3) when nuclear or hazardous material is involved, shall include an agreement to—

(A) provide indemnification pursuant to section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d));

(B) indemnify, protect, and hold harmless the contractor from and against all liability, including liability for legal costs, relating to any preexisting conditions at any part of the defense nuclear facility managed under the contract;

(C) indemnify, protect, and hold harmless the contractor from and against all liability to third parties, including liability for legal costs, relating to claims for personal injury, illness, property damage, and consequential damages; and

(D) provide for indemnification of subcontractors as described in subparagraphs (A), (B), and (C);

(4) shall permit the contractor (in accordance with Federal law) to obtain a patent for and use for commercial purposes a technology developed by the contractor in the performance of the contract;

(5) shall not provide for payment to the contractor of cost plus a percentage of cost or cost plus a fixed fee; and

(6) shall include such other terms and conditions as the Secretary of Energy considers appropriate to protect the interests of the United States.

(c) PREFERENCE FOR LOCAL RESIDENTS.—In entering into contracts under subsection (a), the Secretary of Energy shall give preference, consistent with Federal, State, and local law, to entities that plan to hire, to the maximum extent practicable, residents of the vicinity of the Department of Energy defense nuclear facility concerned and to persons who have previously been employed by the Department of Energy or its private contractor at the facility.

(d) SUBSEQUENTLY ENACTED REQUIREMENTS.—

(1) DEFINITION.—In this subsection, the term ''applicable requirement'' means a requirement in an Act of Congress or regulation that applies specifically to activities described in subsection (a).

(2) INCREASED COSTS.—

(A) IN GENERAL.—A contractor under a contract under subsection (a) shall be exempt from an applicable requirement that would increase the cost of performing the contract that is—

(i) imposed by regulation by a Federal, State, or local governmental agency after the date on which the contract is entered into unless the regulation is issued under an Act of Congress described in the exception stated in clause (ii); or

(ii) imposed by an Act of Congress enacted after the date of enactment of this Act, except an Act of Congress that refers to this paragraph and explicitly states that it is the intent of Congress to subject such a contractor to the requirement.

(B) AMENDMENT OF CONTRACT.—In the case of enactment of an Act of Congress described in the exception stated in subparagraph (A)(ii), the Secretary of Energy and the contractor shall negotiate an amendment to a contract under subsection (a) providing full compensation to the contractor for the increased cost incurred in order to comply with any additional requirement of law.

(3) REDUCED COSTS.—

(A) IN GENERAL.—A contractor under a contract under subsection (a) may elect to be governed by a change in a requirement that would reduce the cost of performing the contract that is—

(i) adopted by regulation by a Federal, State, or local governmental agency after the date on which the contract is entered into, unless the change is made pursuant to an Act of Congress that refers to this paragraph and explicitly states that it is the intent of Congress to continue to subject such a contractor to that requirement, as in effect prior to the date of enactment of that Act of Congress; or

(ii) enacted by an Act of Congress enacted after the date of enactment of this Act, except an Act of Congress that refers to this paragraph and explicitly states that it is the intent of Congress to continue to subject such a contractor to that requirement, as in effect prior to the date of enactment of that Act of Congress.

(B) AMENDMENT OF CONTRACT.—In the case of a change in a requirement that is to be applied to a contractor that will reduce the cost of performing the contract, the Secretary of Energy and the contractor shall negotiate an amendment to a contract under subsection (a) providing for a reduction in the amount of compensation to be paid to the contractor commensurate with the amount of any reduction in costs resulting from the change.

(e) PAYMENT OF BALANCE OF UNAMORTIZED COSTS.—

(1) DEFINITION.—In this subsection, the term ''special facility'' means land, a depreciable building, structure, or utility, or depreciable machinery, equipment, or material that is not supplied to a contractor by the Department of Energy.

(2) CONTRACT TERM.—A contract under subsection (a) may provide that if the contract is terminated for the convenience of the Government, the Secretary of Energy shall pay the unamortized balance of the cost of any special facility acquired or constructed by the contractor for performance of the contract.

(3) SOURCE OF FUNDS.—The Secretary of Energy may make a payment under a contract term described in paragraph (2) and pay any other costs assumed by the Secretary as a result of the termination out of any appropriations that are available to the Department of Energy for operating expenses for the fiscal year in which the termination occurs or for any subsequent fiscal year.

(f) LEASE OF FEDERALLY OWNED LAND.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Energy may lease federally owned land at a current or former Department of Energy defense nuclear facility to a contractor in order to provide for or to facilitate the construction of a facility in connection with a contract under subsection (a).

(2) TERM.—The term of a lease under this paragraph shall be the lesser of—

(A) the expected useful life of the facility to be constructed; or

(B) the term of the contract.

(3) TERMS AND CONDITIONS.—A lease under paragraph (1) shall—

(A) require the contractor to pay rent in amounts that the Secretary of Energy considers to be appropriate; and

(B) include such other terms and conditions as the Secretary of Energy considers to be appropriate.

(g) NUCLEAR STANDARDS.—The Secretary of Energy shall, whenever practicable, consider applying commercial nuclear standards to a facility used in the performance of a contract under subsection (a).

(h) LIMITATION ON LIABILITY.—

(1) DEFINITIONS.—In this subsection, the terms ''hazardous substance'', ''pollutant or contaminant'', ''release'', and ''response'' have the meanings stated in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

(2) IN GENERAL.—A contractor under a contract under subsection (a) or a subcontractor of the contractor shall not be liable under Federal, State, or local law for any injury, cost, damage, expense, or other relief on a claim by any person for death, personal injury, illness, loss of or damage to property, or economic loss caused by a release or threatened release of a hazardous substance or pollutant or contaminant during performance of the contract unless the release or threatened release is caused by conduct of the contractor or subcontractor that is negligent or that constitutes intentional misconduct.

(3) REPOSE.—No action (including an action for contribution or indemnity) to recover for damage to real or personal property, economic loss, personal injury, illness, death, or other expense or cost arising out of the performance under this section of a response action under a contract under subsection (a) may be brought against the contractor (or subcontractor of the contractor) under Federal, State, or local law after the date that is 6 years after the date of substantial completion of the response action.

SEC. 2. PREFERENCE AND ECONOMIC DIVERSIFICATION FOR COMMUNITIES AND LOCAL RESIDENTS.

(a) DEFINITION.—In this section, the term ''qualifying Department of Energy site'' means a site that contains at least 1 current or former Department of Energy defense nuclear facility for which the Secretary of Energy is required by section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h) to develop a plan for restructuring the work force.

(b) PREFERENCE.—In entering into a contract with a private entity for products to be acquired or services to be performed at a qualifying Department of Energy site, the Secretary of Energy and contractors under the Secretary's supervision shall, to the maximum extent practicable, give preference to an entity that is otherwise qualified and within the competitive range (as determined under section 15.609 of title 48, Code of Federal Regulations, or a successor regulation,

as in effect on the date of the determination) that plans to—

(1) provide products and services originating from communities within 25 miles of the site;

(2) hire residents living in the vicinity of the site, especially dislocated site workers, to perform the contract; and

(3) invest in value-added activities in the vicinity of the site to mitigate adverse economic development impacts resulting from closure or restructuring of the site.

(c) APPLICABILITY.—Preference shall be given under subsection (b) only with respect to a contract for an environmental management and restoration activity that is entered into after the date of enactment of this Act.

(d) TERMINATION.—This section shall expire on September 30, 1999.●

By Mrs. BOXER (for herself, Mr. PRYOR, Mr. GRASSLEY, Mr. KOHL, Mr. BRADLEY, Mr. DORGAN, Mr. AKAKA, Mr. HOLLINGS, Mr. ROTH, Mr. HARKIN, Mr. REID, Mr. LIEBERMAN, Mr. BAUCUS, Mr. ABRAHAM, Mr. SIMON, and Mr. ROBB):

S. 571. A bill to amend title 10, United States Code, to terminate entitlement of pay and allowances for members of the Armed Forces who are sentenced to confinement and a punitive discharge or dismissal, and for other purposes; to the Committee on Armed Services.

VIOLENT CRIMINALS LEGISLATION

Mrs. BOXER. Mr. President, today I am introducing legislation that will put an end to an outrageous waste of tax dollars and immediately stop a taxpayer-funded cash reward for violent criminals.

Believe it or not, each month, the Pentagon pays the salaries of military personnel convicted of the most heinous crimes while their cases are appealed through the military court system—a process than often takes years. During that time, these violent criminals sit back in prison, read the Wall Street Journal, invest the money they get from the military, and watch their taxpayer-funded nest eggs grow.

According to data provided by the Defense Finance Accounting Service and first published in the Dayton Daily News, the Department of Defense spent more than $1 million on the salaries of 680 convicts in the month of June 1994, alone. In that month, the Pentagon paid the salaries of 58 rapists, 164 child molesters, and 7 murderers, among others.

Just this morning, the Pentagon confirmed to me that at least 633 military convicts remained on the payroll in December 1994, costing the Government more than $900,000.

I can't think of a more reprehensible way to spend taxpayer dollars. No explanation could ever make me understand how the military could reward rapists, murderers, and child molesters—the lowest of the low—with the hard earned tax dollars of law-abiding citizens. This policy thumbs its nose at taxpayers, slaps the faces of crime victims, and is one of the worst examples of Government waste I have seen in my 20 years of public service.

Congress must act now to end this practice.

The individual stories of military criminals receiving full pay are shocking. In California, a marine lance corporal who beat his 13-month-old daughter to death almost 2 years ago still receives $1,105 each month—about $25,000 since his conviction. He spends his days in the brig at Camp Pendleton and does not pay a dime of child support. This criminal has been paid $25,000 since his conviction.

I spoke with the murdered child's grandmother who now has custody of a surviving 4-year-old grandson. She is a resident of northern California. She was outraged to learn that the murderer of her grandchild still receives full pay. She was understandably outraged to learn that the murderer of her daughter still receives a Government paycheck.

Another Air Force sergeant who tried to kill his wife with a kitchen knife continues to receive full pay while serving time at Fort Leavenworth. He told the Dayton Daily News, ''I follow the stock market * * * I buy Double E bonds.''

And believe it or not, Francisco Duran, who was arrested last October after firing 27 shots at the White House was paid by the military while in prison. According to DOD records, Duran was paid $17,537 after his conviction for deliberately driving his car into a crowd of people outside a Hawaii bowling alley in 1990. Some of that money may well have paid for the weapon he used to shoot at the White House.

Since I began working on this issue, I have received letters of support from concerned citizens around the country. Recently, a woman from North Carolina wrote me. This woman's sister was murdered by her husband, a Navy chief stationed in South Carolina. He is now serving a 24-year sentence at Fort Leavenworth. He receives full pay.

This courageous woman is now raising her sisters' three children. The children's father, who murdered this woman's sister, agreed to send back his paychecks for child support, but he kept threatening to stop. Desperate, she asked the staff at Fort Leavenworth how she could ensure that his paychecks would continue to be sent to her. Finally, when she asked the staff of the Fort Leavenworth military prison for guidance, she was told that the only way she could receive guaranteed child support payments was to, ''kiss his butt'' and hope for the best.

Imagine that. The only way to ensure that she will have the means to support her murdered sister's children is to ''kiss the butt'' of her murderer.

This policy is crazy, and it has got to stop.

In January, I introduced legislation, S. 205, which would terminate pay to members of the Armed Forces under confinement pending dishonorable discharge. This bill generated significant bipartisan support and was cosponsored by 10 Senators.

Following the introduction of S. 205, several Senators, the DOD's Office of Legal Counsel, and the Undersecretary for Personnel and Readiness, offered suggestions for improvements. Many of these suggestions have been incorporated into the bill I am introducing today.

I am very proud that this bill has 15 cosponsors. It has the support of Democrats and Republicans; liberals and conservatives. This is truly an issue that transcends political and ideological boundaries.

In summary, this bill would terminate pay to any member of the Armed Forces sentenced by a court martial to confinement and dishonorable discharge, bad-conduct discharge, or dismissal. Pay would terminate immediately upon sentencing. If at any point in the appeals process the conviction were reversed or the sentence were otherwise set aside, full back pay would be awarded.

This bill also authorizes the Secretary of Defense to establish a program to pay transitional compensation to the spouses and dependents of military personnel who lose their pay as a result of this pay termination. This compensation could be paid for a maximum of 1 year at a level not to exceed the amount that the member of the Armed Forces would have received had he been in pay status.

The Department of Defense strongly supports changing the current policy. Shortly after I first wrote Secretary Perry about this issue late last year, a working group was established to study the issue and report to the Secretary no later than February 28. That date has passed, but we have still received no word from the Department.

It has now been nearly 3 months since I first brought this issue to light. I believe strongly that we must act immediately to fix this problem. Each month that goes by, about $1 million is wasted. That money could be used to improve the quality of life for our military personnel. It could be used to enhance the readiness of our forces. It could even be used to reduce the budget deficit. But instead, the Pentagon is paying $1 million each month to vile, violent criminals.

We do not have a moment to waste. Let us pass this important legislation quickly.

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

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

S. 571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAY AND ALLOWANCES OF MEMBERS SENTENCED BY A COURT-MARTIAL TO CONFINEMENT AND PUNITIVE DISCHARGE OR DISMISSAL.

(a) TERMINATION OF ENTITLEMENT.—(1) Chapter 47 of title 10, United States Code

(the Uniform Code of Military Justice), is amended by adding at the end of subchapter VIII the following new section:

"§ 858b. Art. 58b. Sentences to confinement and punitive discharge or dismissal: termination of pay and allowances

''(a) TERMINATION OF ENTITLEMENT.—A member of the armed forces sentenced by a court-martial to confinement and to a punishment named in subsection (c) is not entitled to pay and allowances for any period after the sentence is adjudged by the court-martial.

''(b) RESTORATION OF ENTITLEMENT.—If, in the case of a member sentenced as described in subsection (a), none of the punishments named in subsection (c) are included in the sentence as finally approved, or the sentence to such a punishment is set aside or disapproved, then, effective upon such final approval or upon the setting aside or disapproval of such punishment, as the case may be, the termination of entitlement of the member to pay and allowances under subsection (a) by reason of the sentence adjudged in such case ceases to apply to the member and the member is entitled to the pay and allowances that, under subsection (a), were not paid to the member by reason of that termination of entitlement.

''(c) COVERED PUNISHMENTS.—The punishments referred to in subsections (a) and (b) are as follows:

''(A) Dishonorable discharge.

''(B) Bad-conduct discharge.

''(C) Dismissal.''.

(2) The table of sections at the beginning of subchapter VIII of chapter 47 of such title is amended by inserting after the item relating to section 858a (article 58a) the following:

''858b. 58b. Sentences to confinement and punitive discharge or dismissal: termination of pay and allowances.''.

(b) CONFORMING AMENDMENTS.—(1) Section 857 of title 10, United States Code (article 57 of the Uniform Code of Military Justice), is amended by striking out ''(a) No'' and inserting in lieu thereof ''(a) Except as provided in section 858b of this title (article 58b), no''.

(2)(A) Section 804 of title 37, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 15 of such title is amended by striking out the item relating to section 804.

SEC. 2. TRANSITIONAL COMPENSATION FOR SPOUSES, DEPENDENT CHILDREN, AND FORMER SPOUSES OF MEMBERS SENTENCED TO CONFINEMENT AND PUNITIVE DISCHARGE OR DISMISSAL.

(a) AUTHORITY TO PAY COMPENSATION.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1059 the following new section:

"§ 1059a. Members sentenced to confinement and punitive discharge or dismissal: transitional compensation for spouses, dependent children, and former spouses

''(a) AUTHORITY TO PAY COMPENSATION.—The Secretary of the executive department concerned may establish a program to pay transitional compensation in accordance with this section to any spouse, dependent child, or former spouse of a member of the armed forces during any period in which the member's entitlement to pay and allowances is terminated under section 858b of this title (article 58b of the Uniform Code of Military Justice).

''(b) NEED REQUIRED.—(1) A person may be paid transitional compensation under this section only if the person demonstrates a need to receive such compensation, as determined under regulations prescribed pursuant to subsection (f).

''(2) Section 1059(g)(1) of this title shall apply to eligibility for transitional compensation under this section.

''(c) AMOUNT OF COMPENSATION.—(1) The amount of the transitional compensation payable to a person under a program established pursuant to this section shall be determined under regulations prescribed pursuant to subsection (f).

''(2) The total amount of the transitional compensation paid under this section in the case of a member may not exceed the total amount of the pay and allowances which, except for section 858b of this title (article 58b of the Uniform Code of Military Justice), such member would be entitled to receive during the one-year period beginning on the date of the termination of such member's entitlement to pay and allowances under such section.

''(d) RECIPIENTS OF PAYMENTS.—Transitional compensation payable to a person under this section shall be paid directly to that person or to the legal guardian of the person, if any.

''(e) COORDINATION OF BENEFITS.—Transitional compensation in the case of a member of the armed forces may not be paid under this section to a person who is entitled to transitional compensation under section 1059 or 1408(h) of this title by reason of being a spouse, dependent child, or former spouse of such member.

''(f) EMERGENCY TRANSITIONAL ASSISTANCE.—Under a program established pursuant to this section, the Secretary of the executive department concerned may pay emergency transitional assistance to a person referred to in subsection (a) for not more than 45 days while the person's application for transitional assistance under the program is pending approval. Subsections (b) and (d) do not apply to payment of emergency transitional assistance.

''(g) REGULATIONS.—The Secretary of the executive department concerned shall prescribe regulations for carrying out any program established by the Secretary under this section.

''(h) DEFINITIONS.—In this section:

''(1) The term 'Secretary of the executive department concerned' means—

''(A) the Secretary of Defense, with respect to the armed forces, other than the Coast Guard when it is not operating as a service in the Navy; and

''(B) the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy.

''(2) The term 'dependent child' has the meaning given that term in section 1059(l) of this title.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by inserting after the item relating to section 1059 the following:

''1059a. Members sentenced to confinement and punitive discharge or dismissal: transitional compensation for spouses, dependent children, and former spouses.''.

SEC. 3. EFFECTIVE DATE AND APPLICABILITY.

(a) PROSPECTIVE APPLICABILITY.—Subject to subsection (b), the amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply with respect to pay and allowances for periods after such date.

(b) SAVINGS PROVISION.—(1) If it is held unconstitutional to apply section 858b of title 10, United States Code (article 58b of the Uniform Code of Military Justice), as added by section 1(a), with respect to an act punishable under the Uniform Code of Military Justice that was committed before the date of the enactment of this Act, then—

(A) with respect to acts punishable under the Uniform Code of Military Justice that were committed before that date, the amendments made by this Act shall be deemed not to have been made; and

(B) the amendments made by this Act shall apply with respect to acts punishable under the Uniform Code of Military Justice that are committed on or after the date of the enactment of this Act.

(2) For purposes of paragraph (1), the term ''Uniform Code of Military Justice'' means the provisions of chapter 47 of title 10, United States Code.

● Mr. BRADLEY. Mr. President, I am pleased to be an original cosponsor of this bill to take violent criminals off the Pentagon's payroll. I was an original cosponsor of S. 205, the first bill to address this problem. I congratulate Senator BOXER on introducing this improved version that introduces an element of compassion for the families of those taken off the payroll.

I was shocked to learn that our Government spends more than $1 million per month on salaries and benefits for military personnel who have been convicted of violent crimes. This is morally wrong. This is an insult to the brave men and women of our Armed Forces. And this is bad fiscal policy.

Mr. President, it is morally wrong to pay salaries to murderers, rapists, child molesters, and other violent criminals. Imagine, the families of victims and, indeed, even victims themselves pay tax dollars that end up in the pockets and savings accounts of the very people who victimized them. In some cases, these violent criminals even continue to receive pay after they are released from prison.

This situation is also an insult to the brave men and women who serve in our Armed Forces. They work hard and make many sacrifices to give us the best military in the world. Their efforts are degraded when we pay the same salaries to convicted felons that we pay to them.

Finally, it is bad fiscal policy to waste taxpayer money in this way. How can we justify paying $1 million a month to convicted criminals when we are at the same time cutting back on payments to needy children? We just spent 5 weeks trying to one-up each other on our commitment to balance the Federal budget. How can we ever hope to do so if we squander millions of dollars not on incarcerating criminals, but rewarding them?

As the Dallas Morning News stated in a February 5, 1995, editorial, ''this change is a no-brainer. Congress should act quickly to end this travesty.'' I could not agree more.●

By Mr. COATS:

S. 572. A bill to expand the authority for the export of devices, and for other purposes; to the Committee on Labor and Human Resources.

THE MEDICAL DEVICE EXPORTATION ACT OF 1995

● Mr. COATS. Mr. President, today I am introducing the Medical Device Exportation Act of 1995. This bill will allow American companies to export

approved medical devices without forcing those companies to endure costly and unnecessary delays in the FDA approval process.

Under current law, a company that seeks to export its drug overseas to Japan or Europe where that drug is already approved for marketing, must get the approval of the FDA before it may be exported. Approval is granted only after the FDA determines that exportation would not jeopardize public health and safety and that the country has approved the drug.

Unfortunately, the FDA takes several weeks or even months to approve the exportation of devices that Japan or other advanced nations in Europe have already approved for marketing.

This delay in approving the exportation of a device that is already approved for marketing by some of the most sophisticated device-approval systems in the world can cost Americans millions in lost revenue and thousands of jobs. A recent survey of device company CEO's confirms the cost of this unnecessary delay. Forty percent of CEO's said that their companies had reduced the size of their work force as a result of regulatory delays. Twenty-two percent had already moved jobs offshore due to the delays.

This bill is narrowly targeted to the problem. It simply eliminates one bureaucratic step that serves no public health function in light of other extensive controls. This bill changes the current law that requires the FDA to make an independent determination of safety and approval and simply directs that the FDA rely on approval by the sophisticated device approval systems in Japan or the European Community.

Of course, any device that is banned in the United States would remain prohibited for export. And any country that would prohibit importation of the device retains that sovereign right.

I am confident that this legislation is not controversial. In the House, Congressman KIM has introduced a virtually identical measure, H.R. 485, with 17 cosponsors. Moreover, the Department of Commerce has proposed a similar administrative fix.

I urge all my colleagues to cosponsor this important legislation that will help keep America competitive, retain American jobs and revenues, and serve the public health needs of nations worldwide.●

By Mr. PRYOR:

S. 573. A bill to reduce spending in fiscal year 1996, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions, that if one Committee reports the other Committee have 30 days to report or be discharged.

THE SPENDING REDUCTIONS ACT OF 1995

MR. PRYOR. Mr. President, I wish to address the Senate on the question of where to cut Government spending and to offer some suggestions, if I might, on where we might cut spending due to the very intensive debate we have had over the last several weeks in this body.

This issue has risen again and again during the debate over the balanced budget amendment. As we argue now over how to reach the desired goal of reducing the deficit to zero, I thought it might be a good time to come forward with a specific list, not major, but a specific list of spending cuts that I hope all of my colleagues will support and consider. In fact, if the speeches that have been made in the Chamber of the Senate are any indication or to be believed, then I think these proposals should receive widespread support. These spending reductions are contained in the Spending Reductions Act of 1995. This bill which I am introducing at this time will contain five sections that consist of areas I think can either be reduced or eliminated to provide the taxpayers with some long overdue relief. Mr. President, $5.6 billion in total savings would result from this bill for 1 year alone. If we continued basically down this track, we could save approximately $30 billion over the next 5 years.

The first section of my bill involves a very modest reduction in Government spending for private contractors who do the work for the Federal Government. We have seen since 1980 alone the cost of Government contractors rise from $47.6 billion to 1994's high of $105 billion.

Today, I am not proposing to address all of the problems involved in the Federal Government's extensive reliance on outside workers. I simply want to address the concern expressed by the taxpayers and the voters in both the 1992 and 1994 elections giving us the mandate to shrink the size of Government.

Congress has already partially responded to this mandate by voting to cut the number of civil servants by nearly 12 percent. However, the Congress has failed to order a corresponding reduction in the Federal Government's exploding contractor work force. If we cut civil servants and do nothing about the tremendous rise in the cost of outside contractors that the Government then employs, we are going to see basically no savings whatsoever.

Mr. President, my proposal is so simple I am almost embarrassed to introduce it. It would reduce by $5 billion the 1996 budget the amount spent to hire Federal contractors. It is simple, it is clean, it is $5 billion in savings.

This modest reduction will still permit agencies to get their work done, but it will also reduce some of the waste that results when too much money is spent without adequate oversight.

At my request, the Inspector General at the Pentagon has been looking at some of these contracts awarded by the Star Wars program. Listen to the problems that the IG said existed.

First, cost overruns on the contracts totaled several million dollars.

Second, the contractor awarded prohibited subcontracts worth several million dollars. These are contracts awarded to subcontractors in violation of Federal regulations but still cost millions of dollars of taxpayers' money. The contractor charged the Government for 588 hours of work that it actually did not perform. Again, this is from the report of the Inspector General at DOD to me.

I hope a reduction in the spending on service contracts will force agencies to spend their money more wisely, and to eliminate some of the waste which has resulted.

The second section of my bill will reduce the spending on federally funded research and development centers. These are called FFRDC's at the Department of Defense. That is pretty bureaucratic sounding. But these FFRDC's like Mitre, Rand, the Center for Naval Analysis, are actually private contractors who work solely for the Federal Government. They receive all of their contracts on a sole-source basis. There is no bidding procedure. The contractor simply states what they will charge to perform a particular service and then they find themselves being written a check. There is no competition whatsoever.

These entities may provide a valuable service to the Federal Government, but again, in this time of concern over reducing the budget deficit, I think it is appropriate to question every item of spending. Since I am proposing a reduction in spending on outside workers, I say that we should also cut back a reasonable amount on these in-house consulting companies which have no competition for the taxpayers' dollars.

Our taxpayers should not continue being billed at the very high salaries and overhead being charged by these Government-run consulting firms. For example, the head of Aerospace Corp., a FFRDC, or federally funded research and development center—was paid in 1991 $230,000 in salaries and who knows what else in expenses. We paid him, in 1992, $265,000 as a salary and no one knows how much for expenses. And, in both of these years this person, who is president of the Aerospace Corp., funded by the American taxpayer, made more money than the President of the United States.

My proposal would reduce the spending on FFRDC's by $250 million in 1996. This would leave over $10 billion to be spent on these organizations and I think that would be more than sufficient.

The third item where I would cut spending is an issue I have worked on for a number of years with many of my colleagues. This is the exporting of arms to countries all over the world. I am not very proud of the fact that the United States is the leading exporter of arms in the world today. However, this proposal is not targeted, once again, at reforming this arms trade. That is a battle for another day. My proposal is

simply aimed at reducing the budget deficit. We are spending, today, $3.2 billion on financing arms sales to foreign governments. I think, as we contemplate reduction in Medicare and school lunches, we should also look at this area as well. I propose we reduce this spending by $200 million in 1996. It is a modest cut. It is a cut that makes common sense.

I have a fourth proposal. That fourth proposal to cut spending would cut the United States funding to the International Development Association and the International Finance Corporation, two of the institutions which make up the World Bank Group, by approximately 15 percent in cuts. This would save the American taxpayer some $200 million. As my colleagues know, the World Bank has come under serious Congressional scrutiny in the past few years, due to administrative waste and flawed development policies.

For example, salaries at the World Bank average today $123,000 — all tax free. In recent years the Bank has spent approximately $30 million on first-class travel for its executives. As for the operational record of the World Bank, internal audits have estimated that nearly 40 percent of the bank's loans and projects are failures.

Unfortunately, although the World Bank admits to these problems, reform has been slow or nonexistent. In 1993 I called for the establishment of an inspector general function at the World Bank. Despite receiving support from both the Clinton administration and our colleagues in the Senate, the World Bank has, today, failed to establish an adequate internal oversight function.

It is time once again for the Senate to address the issue of World Bank mismanagement. The funding cut which I propose is, once again, modest. But I think it will send a signal to the executives of the World Bank while at the same time saving taxpayers' dollars from further misuse.

The final cut I am proposing, while it may be the smallest, in many ways provides the clearest example of our overall spending problem. In 1995 we gave the Department of Defense $65 million for humanitarian assistance programs. That sounds reasonable enough until one stops to question the rationale of the Department of Defense's having a humanitarian assistance budget in the first place.

Humanitarian programs are not the primary part of DOD's mission. The United States already has an agency solely dedicated to humanitarian and development programs, the Agency for International Development. In addition, we appropriate millions of dollars to multilateral institutions for humanitarian purposes.

I believe the Department of Defense neither wants nor needs a growing humanitarian mission. I base this statement on the careless way in which humanitarian programs are run by the Department of Defense. In 1993, the General Accounting Office took a close look at DOD's humanitarian and civic assistance projects, and GAO concluded that these projects—and I quote from the GAO report—". . . were not designed to contribute to U.S. foreign policy objectives, did not appear to enhance U.S. military training, and either lacked the support of the host country or were not being used."

Let me highlight one example provided by the General Accounting Office on this program. A few years ago, some very well-meaning U.S. National Guard soldiers were asked to build a school in Honduras. Unfortunately, once completed this three-building complex was never used. That is because the Honduran Government had already built and was operating a school of this nature only a few hundred yards away.

Unfortunately, it is probable that poorly coordinated projects like the Honduran school are continuing today. In a recent meeting with our staff, GAO analysts reported that the Department of Defense had done little or nothing to address the defects in its humanitarian programs. By cutting this program by 50 percent, saving $25 million in 1996, the Congress will force the agency to define its mission and concentrate where the military can play a useful role in overseas humanitarian programs.

Mr. President, in conclusion, I hope my colleagues will join me in supporting these very reasonable, very modest cuts that will save us $5.6 billion this year. Each spending reduction is designed to promote economy and efficiency in the operation of the Federal Government, and will save an enormous amount in dollars.

I believe that this is what the American people certainly want, and that my constituents and our constituents are not as concerned with the Contract With America as they are concerned with our priorities. With or without a balanced budget amendment, Senators on both sides of the aisle were sent here with the mandate to make tough decisions. It is with that mandate in mind that I bring this legislation before the Senate today.

Mr. President, I yield the floor.

By Mr. MOYNIHAN (for himself, Mr. COCHRAN, and Mr. SIMPSON):

S. 574. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 150th anniversary of the founding of the Smithsonian Institution; to the Committee on Banking, Housing, and Urban Affairs.

THE SMITHSONIAN INSTITUTION COMMEMORATIVE COIN ACT

● Mr. MOYNIHAN. Mr. President, I introduce the Smithsonian Institution Commemorative Coin Act of 1996. I introduce this legislation on behalf of my distinguished colleagues, Senators COCHRAN and SIMPSON, with whom I have the privilege to serve on the Smithsonian Institution's Board of Regents.

August 10, 1996, will mark the 150th anniversary of the founding of the Smithsonian Institution, one of the Nation's finest examples of successful public-private partnership. This legislation provides for the minting of coins to commemorate this momentous occasion.

Created as a Federal trusteeship by Congress in 1846, the Smithsonian Institution is today the largest research and museum complex on Earth. Its various museums were visited more than 26 million times last year, and unlike so many other museums, the Smithsonian remains free of charge to the public. In addition, thousands of Americans and foreign scholars have used the Institution's vast repository of knowledge and artifacts to assist in a variety of research activities.

The Smithsonian's sesquicentennial commemoration provides us the opportunity to celebrate both the Institution's great accomplishments and its future role and mission. The central goal of the commemoration, however, will be to increase the sense of ownership of, and participation in, the Smithsonian by the American people.

Throughout its 150th year, the Smithsonian will undertake a series of programs and stage a number of events to commemorate its founding and to explore new ways in which it can serve the public. These activities, while extensions of the existing framework of Smithsonian programs, will require significant financial resources.

In light of the existing budget constraints under which the Federal Government must operate, the Smithsonian's Board of Regents concluded it would not seek any additional appropriated funds to support sesquicentennial programming. Rather, the Smithsonian will concentrate its efforts to raise support for the anniversary programming from non-Federal sources. The commemorative coins would be one such effort.

The coins would be issued on August 10, 1996, exactly 150 years from the actual date of the act of Congress which established the Smithsonian Institution. The issuance of Smithsonian sesquicentennial commemorative coins will provide an opportunity for the American public to obtain a valued memento and support the Institution's mandate to preserve our Nation's cultural and historical heritage. In addition, the fund derived from the sale of these commemorative coins will not only enable the Smithsonian to showcase its 150-year service to the Nation, but will also transfer the financial responsibility for the sesquicentennial activities from the American taxpayer to voluntary contributions.

Further, the legislation provides that 15 percent of the total proceeds remitted to the Institution would be designated to support the numismatic collection at the National Museum of American History. This component of the legislation is strongly supported by the numismatic community and in a very tangible way demonstrates our appreciation for their support of all

congressionally authorized commemorative coin programs.

Without exception, every Senator has constituents who visit, communicate with, and otherwise benefit from the Smithsonian. From eager first-graders to learned scholars and researchers, the public is consistently served by the vast resources and expertise of the Smithsonian and its staff. Enactment of this legislation will give the American people the opportunity to celebrate the Smithsonian's unique contributions to American culture and learning over the last 150 years.

Mr. President, I urge all my colleagues to join me in sponsoring this bill to celebrate and honor the 150th anniversary of the Smithsonian Institution.

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

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

S. 574

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 ''Smithsonian Institution Sesquicentennial Commemorative Coin Act''.

SEC. 2. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—The Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue the following coins:

(1) $5 GOLD COINS.—Not more than 100,000 $5 coins, which shall—

(A) weigh 8.359 grams;

(B) have a diameter of 0.850 inches; and

(C) contain 90 percent gold and 10 percent alloy.

(2) $1 SILVER COINS.—Not more than 800,000 $1 coins, which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

SEC. 3. SOURCES OF BULLION.

(a) GOLD.—The Secretary shall obtain gold for minting coins under this Act pursuant to the authority of the Secretary under other provisions of law.

(b) SILVER.—The Secretary shall obtain silver for minting coins under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the scientific, educational, and cultural significance and importance of the Smithsonian Institution and shall include the following words from the original bequest of James Smithson: ''for the increase and diffusion of knowledge''.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year ''1996''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum''.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary after consultation with the Smithsonian Institution and the Commission of Fine Arts; and

(2) reviewed by the Citizens Commemorative Coin Advisory Committee.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular combination of denomination and quality of the coins minted under this Act.

(c) PERIOD FOR ISSUANCE.—The Secretary may issue coins minted under this Act only during the period beginning on August 10, 1996, and ending on August 9, 1997.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in subsection (d) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SURCHARGES.—All sales shall include a surcharge of—

(1) $35 per coin for the $5 coin; and

(2) $10 per coin for the $1 coin.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—Except as provided in subsection (b), all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Smithsonian Institution for the purpose of supporting programming related to the 150th anniversary and general activities of the Smithsonian Institution.

(b) NATIONAL NUMISMATIC COLLECTION.—Not less than 15 percent of the total amount paid to the Smithsonian Institution under subsection (a) shall be dedicated to supporting the operation and activities of the National Numismatic Collection at the National Museum of American History.

(c) AUDITS.—The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of the Smithsonian Institution as may be related to the expenditures of amounts paid under subsection (a).

SEC. 9. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the United States Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this Act unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.●

By Mr. STEVENS (for himself, Mr. MURKOWSKI, Mr. JOHNSTON, and Mr. BREAUX):

S. 575. A bill to provide Outer Continental Shelf Impact Assistance to State and local governments, and for other purposes; to the Committee on Energy and Natural Resources.

OCS IMPACT ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

Mr. STEVENS. Mr. President, Senator MURKOWSKI and I are introducing a bill today which we believe to be of importance to the Nation's domestic energy supply and our precious coastal resources. We are pleased to have Senators JOHNSTON and BREAUX as cosponsors.

The Outer Continental Shelf [OCS] impact assistance legislation is similar to legislation we introduced in the 102d Congress and have worked on for the past two decades. It is intended to stimulate oil and gas exploration on the Outer Continental Shelf and provide funds from revenues generated by oil and gas production on the OCS to coastal States and communities which share the burdens of exploration and production off their coastlines.

OCS impact assistance is an avenue for States and communities to be in full partnership with the Federal Government in the development of OCS energy by investing a small portion of new OCS revenue back into the coastal States.

This legislation establishes a fund for impact assistance from leased tracts for distribution to coastal States within 200 miles of such tracts. The funds will benefit States and local governments directly and indirectly impacted by OCS leasing activities. The bill would allocate 27 percent of new revenues generated from oil and natural gas development into the trust. These funds would be shared on a 50–50 basis among States and the eligible counties and coastal jurisdictions.

The impact assistance provided under this legislation will be distributed to counties, and in Alaska, borough governments, located no more than 60 miles from a State's coastline. The premise of sharing revenues derived from the development of resources in a specific locale with those that are primarily affected is a wise objective.

The funds would be used to assist coastal regions in projects and activities that OCS activities may impact, such as air and water quality, fish and wildlife, wetlands, or other coastal resources. In addition, the receiving governments could use their funds for much-needed public health and safety services, infrastructure construction, cultural activities, and other government services.

The Commerce Department recently reported that our national security is at risk because we now import more than 50 percent of our domestic petroleum requirements. OCS development has played an important role in offsetting even greater dependence on foreign energy. The OCS accounts for 23 percent of our Nation's natural gas production and 14 percent of its oil production. We need to ensure that the OCS plays an important role in meeting our future domestic energy needs.

The States and communities that bear the responsibilities should now share the benefits of the program.

The Senate in the past has passed my legislation to provide OCS impact assistance but we have not been successful in getting this enacted into law. I hope the administration will support this bill, which shows a State and Federal cooperation and partnership consistent with some past programs that exist in mineral, grazing, and forest resource revenue sharing. I look forward to working with my colleagues to provide our coastal States and communities the funds they need and deserve.

I want to thank Mike Poling and Greg Renkes of the Energy and Natural Resources Committee, who were invaluable in drafting this legislation. And I am also grateful to my assistant, Anne McInerney, for her work on this legislation.

I state again that the revenue sharing will be only from new production under this bill.

I also want to express my gratitude to my colleague from Alaska, Senator MURKOWSKI, for his leadership as chairman of the Energy and Natural Resources Committee and for his personal efforts on this legislation.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 575

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. DEFINITIONS.

For purposes of this Act only, the term—

(1) ''coastline'' has the same meaning that it has in the Submerged Lands Act (43 U.S.C. 1301 et seq.);

(2) ''county'' means a unit of general government constituting the local jurisdiction immediately below the level of State government. This term includes, but is not limited to, counties, parishes, villages and tribal governments which function in lieu of and are not within a county, and in Alaska, borough governments. If State law recognizes an entity of general government that functions in lieu of and is not within a county, the Secretary may recognize such other entities of general government as counties;

(3) ''coastal State'' means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the Gulf of Mexico;

(4) ''distance'' means minimum great circle distance, measured in statute miles;

(5) ''leased tract'' means a tract, leased under section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) for the purpose of drilling for, developing and producing oil or natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted in an Outer Continental Shelf Official Protraction Diagram;

(6) ''new revenues'' means monies received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353)), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only from leased tracts from which such revenues are first received by the United States after the date of enactment of this Act;

(7) ''Outer Continental Shelf'' means all submerged lands lying seaward and outside of an area of ''lands beneath navigable waters'' as defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control; and

(8) ''Secretary means the Secretary of the Interior or the Secretary's designee.

SEC. 2. IMPACT ASSISTANCE FORMULA AND PAYMENTS.

(a) There is established a fund in the Treasury of the United States, which shall be known as the ''Outer Continental Shelf Impact Assistance Fund'' (hereinafter referred to in this Act as ''the Fund''). Allocable new revenues determined under subsection (c) shall be deposited in the Fund.

(b) The Secretary of the Treasury shall invest excess monies in the Fund, at the written request of the Secretary, in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(c) Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), amounts in the Fund, together with interest earned from investment thereof, shall be paid at the direction of the Secretary as follows:

(1) The Secretary shall determine the new revenues from any leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)), or lying within such zone but to which section 8(g) does not apply, the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State (hereinafter referred to as an ''eligible coastal State'').

(2) The Secretary shall determine the allocable share of new revenues determined under paragraph (1) by multiplying such revenues by 27 percent.

(3) The Secretary shall determine the portion of the allocable share of new revenues attributable to each eligible coastal State (hereinafter referred to as the ''eligible coastal State's attributable share'') based on a fraction which is inversely proportional to the distance between the nearest point on the coastline of the eligible coastal State and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of an eligible State's attributable share to any other eligible State's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible coastal States. The sum of the eligible coastal States' attributable shares shall be equal to the allocable share of new revenues determined under paragraph (2).

(4) The Secretary shall pay from the Fund 50 percent of each eligible coastal State's attributable share, together with the portion of interest earned from investment of the funds which corresponds to that amount, to that State.

(5) Within 60 days of enactment of this Act, the governor of each eligible coastal State shall provide the Secretary with a list of all counties, as defined herein, that are to be considered for eligibility to receive impact assistance payments. This list must include all counties with borders along the State's coastline and may also include counties which are at the closest point no more than 60 miles from the State's coastline and which are certified by the Governor to have significant impacts from Outer Continental Shelf-related activities. For any such county that does not have a border along the coastline, the Governor shall designate the coastline of the nearest county that does have a border along the coastline to serve as the former county's coastline for the purposes of this section. The governor of any eligible coastal State may modify this list whenever significant changes in Outer Continental Shelf activities require a change, but no more frequently than once each year.

(6) The Secretary shall determine, for each county within the eligible coastal State identified by the Governor according to paragraph (5) for which any part of the county's coastline lies within a distance of 200 miles of the geographic center of the leased tract or portion of the leased tract (hereinafter referred to as in ''eligible county'') 50 percent of the eligible coastal State's attributable share which is attributable to such county (hereinafter referred to as the ''eligible county's attributable share'') based on a fraction which is inversely proportional to the distance between the nearest point on the coastline of the eligible county and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of any eligible county's attributable share to any other eligible county's attributable share shall be equal to the inverse of the ratio of the distance between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible counties. The sum of the eligible counties' attributable shares for all eligible counties within each State shall be equal to 50 percent of the eligible coastal State's attributable share determined under paragraph (3).

(7) The Secretary shall pay from the Fund the eligible county's attributable share, together with the portion of interest earned from investment of the Fund which corresponds to that mount, to that county.

(8) Payments to eligible coastal States and eligible counties under this section shall be made not later than December 31 of each year from new revenues received and interest earned thereon during the immediately preceding fiscal year, but not earlier than one year following the date of enactment of this Act.

(9) The remainder of new revenues and interest earned in the Fund not paid to an eligible State or an eligible county under this

section shall be disposed of according to the law otherwise applicable to receipts from leases on the Outer Continental Shelf.

SEC. 3. USES OF FUNDS.

Funds receive pursuant to this Act shall be used by the eligible coastal States and eligible counties for—

(a) projects and activities related to all impacts of Outer Continental Shelf-related activities including but not limited to—

(1) air quality, water quality, fish and wildlife, wetlands, or other coastal resources;

(2) other activities of such State or county, authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the provisions of subtitle B of title IV of the Oil Pollution Act of 1990 (104 Stat. 523), or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(3) administrative costs of complying with the provisions of this subtitle.

SEC. 4. OBLIGATIONS OF ELIGIBLE COUNTIES AND STATES.

(a) PROJECT SUBMISSION.—Prior to the receipt of funds pursuant to this Act for any fiscal year, an eligible county must submit to the Governor of the State in which it is located a plan setting forth the projects and activities for which the eligible county proposes to expend such funds. Such plan shall state the amounts proposed to be expended for each project or activity during the upcoming fiscal year.

(b) PROJECT APPROVAL.—Prior to the payment of funds pursuant to this Act to any eligible county for any fiscal year, the Governor must approve the plan submitted by the eligible county pursuant to subsection (a) and notify the Secretary of such approval. State approval of any such plan shall be consistent with all applicable State and federal law. In the event the Governor disapproves any such plan, the funds that would otherwise be paid to the eligible county shall be placed in escrow by the Secretary pending modification and approval of such plan, at which time such funds together with interest thereon shall be paid to the eligible county.

(c) CERTIFICATION.—No later than 60 days after the end of the fiscal year, any eligible county receiving funds under this Act must certify to the Governor: (1) the amount of such funds expended by the county during the previous fiscal year; (2) the amounts expended on each project or activity; and (3) the status of each project or activity.

SEC. 5. ANNUAL REPORT, REFUNDS.

(a) On June 15 of each fiscal year, the Governor of each State receiving monies from the Fund shall account for all monies so received for the previous fiscal year in a written report to Congress.

(b) In those instances where through judicial decision, administrative review, arbitration or other means there are royalty refunds owed to entities generating new revenues under this Act, repayment of such refunds in the same proportion as monies were received under section 2 shall be the responsibility of the governmental entities receiving distributions under the Fund.

Mr. MURKOWSKI. Mr. President, I rise today to co-sponsor legislation to provide Outer Continental Shelf [OCS] impact assistance to State and local governments. I am pleased to be joining my colleague from Alaska, Senator STEVENS, the ranking minority member of the Energy and Natural Resources Committee, Senator JOHNSTON, and Senator BREAUX in the introduction of this important legislation.

Mr. President, there are two important aspects of the legislation we offer today. First, it is intended to stimulate oil and gas exploration and production on the Outer Continental Shelf, create jobs, protect our national energy security, and reduce our trade deficit. Second, it is intended to provide funds from revenues generated by oil and gas production on the OCS to States and eligible counties who shoulder the responsibility for energy development activity off their coastlines.

A recent report by the Commerce Department suggests that our national security is at risk because we now import more than 50 percent of our domestic petroleum requirements. The Clinton administration's response to that report seems to be to not respond. I am aware of no specific proposals offered by the Clinton Administration to increase domestic production and reduce foreign imports of crude oil. As chairman of the Committee on Energy and Natural Resources and a member of the Finance Committee, I intend to hold hearings on this legislation and other measures to stimulate oil and gas production, create jobs in the energy and support industries, and generate badly needed revenues. Over the last 10 years there have been 500,000 jobs lost in the oil and gas industry, and billions of dollars in investment capital are fleeing the country because domestic energy companies are not being given access to public lands to drill for new oil and gas reserves, are being frustrated by government rules and regulations, and are being hounded by activists who do not want the public lands utilized for natural resource development.

I don't think that is right, and I intend to do something about it. The bill we are introducing today is a small step, but a step in the right direction. Over the coming months I will hold hearings and introduce legislation to provide additional stimulus to our energy industry and our economy.

On the matter of impact assistance, Mr. President, our bill recognizes that there are burdens associated with offshore oil and gas activities—from environmental planning and analysis, to public safety and health considerations, to new infrastructure requirements. This legislation would, for the first time, share the benefits of economic revenues generated by OCS oil and gas activities with those governmental entities who assume those burdens.

Under this legislation, Mr. President, counties, parishes and boroughs—the local governmental entities most directly affected—and State governments will share in revenues derived from OCS oil and gas production. A total of 27 percent of all new revenues resulting from production royalties from leases lying seaward of the so-called 8(g) zone, the area 3 to 6 miles offshore and extending out to 200 miles, would be shared on a 50–50 basis by States and counties. In other words, States would get half of the 27 percent share and the coastal counties would get the other half.

The impact assistance provided under this legislation would be distributed to counties located no more than 60 miles from a State's coastline, based on a fraction that is inversely proportional to the distance between the nearest point on the eligible county's coastline and the geographic center of a leased tract. The legislation provides a formula for sharing with affected States as well.

Recognizing that local governmental entities differ from State to State, the legislation defines county as including parishes, villages, and, in Alaska, borough governments.

Impact assistance payments must be used for mitigation of effects relating to OCS-related activities, such as air and water quality, fish and wildlife, wetlands, or other coastal resources. In addition, such funds could be used for public safety and health activities, zoning, infrastructure construction, or other similar measures. To ensure that impact assistance monies are properly used, the bill requires counties to submit a description of the purposes for which such funds will be disbursed, and governors to submit an annual report accounting for the use of impact monies during the prior year.

To ensure that the funds are used for the purposes intended by this legislation, coastal counties are required to submit a list of proposed projects for approval of the Governor of the State in which the county is located. Counties must certify each year the amount of funds spent on particular projects or activities and the status of each. The bill also requires the Governor of each State receiving funds to account for monies received each year in a report to Congress.

Finally, Mr. President, the legislation allows for refunds where, because of litigation, an arbitration award, or administrative review, there has been an overpayment. In such cases, the responsible State and county governments would be required to refund monies overpaid in direct proportion to the amount that they shared such funds.

Mr. President, this legislation is long overdue. It has been passed twice on previous occasions only to be opposed by the Executive Branch. This legislation is needed to ensure that State and local governments have the funds necessary to address onshore activities and effects relating to production occurring off their shorelines, activities which generate jobs and taxes, as well as the very funds from which OCS impact assistance will be paid.

Historically, oil and gas leasing on the Outer Continental Shelf has generated more than $100 billion in Federal revenues. The OCS accounts for 23 percent of our Nation's natural gas and 14 percent of the country's oil production. We need to assure that the OCS continues to play an important role in contributing to our domestic energy needs, and to take steps to facilitate exploration and production activities

on the OCS. It also is time to spread the benefits of the program among those who share the burdens. I urge my colleagues to move swiftly in enacting this legislation.

By Mr. FEINGOLD:

S. 576. A bill to prohibit the provision of certain trade assistance to United States subsidiaries of foreign corporations that lack effective prohibitions on bribery.

ANTIBRIBERY LEGISLATION

● Mr. FEINGOLD. Mr. President, as we in Congress continue to define our role in helping promote United States exports in this fiercely competitive international environment, I rise today to introduce two measures dealing with a more surreptitious aspect of foreign trade which is hurting U.S. companies: bribery and corruption by our foreign competitors.

This is a subject I became interested in last session when I learned of a rather outrageous practice in the world of offsets which involved a kickback from one U.S. company to another to facilitate the purchase of foreign goods. In that case, a U.S. defense corporation offered an American civilian contractor a sizable amount of money if that company would choose a foreign bidder over an American bidder so that the defense contractor could earn credit against its offset agreement for a weapons sale a few years earlier. After researching the law on this, I learned that cash payments between domestic concerns—or what many called outright bribes—were not outlawed in offset deals. I authored legislation, which was enacted in Public Law 103–236, to close the loophole in the law, and to outlaw kickback payments in the conduct of offsets.

My legislation today picks up on the same theme. As we seek to expand and develop markets for U.S. exports; as we work to protect every opportunity for fair competition for our companies; as we try to strengthen our small and medium-sized companies, we must address the rampant, global problem of corruption and bribery—both as a good governance issue in our development strategies, and as a competitive issue with industrialized nations who permit bribery of foreign officials.

As a member of the Senate Foreign Relations Committee, I expect to work on this problem as we look at foreign aid reform and our trade export promotion programs. As ranking member of the Subcommittee on African Affairs, I want to work with our African partners to begin to clean up corruption, and remove this barrier to sound development. In the State of Wisconsin, I have already raised the issue with a State trade promotion commission, the Lucey Commission, as a barrier to free and fair trade for our companies. The commission released its report in January 1995. Indeed, this is an unfair trading practice that must be addressed as U.S. companies gear up for more fervent international export activity.

Bribery and corruption in the international arena are subjects which we have not focused on recently, but they have seriously skewed international markets and destabilized the trading environment throughout the world. It is a multifaceted problem, found at many layers of government, throughout the international corporate hierarchy, and in many components of an international business transaction. It infects and distorts the global business environment by inflating costs which must factor in payoffs, and offers prices which, in reflecting the bribe, are in excess of value. It also undermines structural development in transitioning countries, and when it comes to foreign assistance, it can diminish the amount of actual aid delivered as bribes are siphoned off from aid packages.

Bribery allows the dishonest to prosper, while the honest pay the price. What's more, it only feeds on itself because a bribed person never stays bribed; he or she will always sell themself to the highest bidder. Most importantly, though, it is an inappropriate way to do business—not only because it is unethical and morally unacceptable, but also because it is inefficient.

This was in large part why Congress passed the Foreign Corrupt Practices Act of 1977, which, I am proud to say, was sponsored by one of Wisconsin's most respected elected officials, Senator William Proxmire. The FCPA was introduced when policymakers became concerned by discoveries that some American businesses maintained secret slush funds for making questionable or illegal payments to foreign government officials for enhanced business opportunities that would adversely affect U.S. foreign policy, harm the image of American democracy abroad, and undermine public confidence in the integrity of U.S. businesses.

By establishing extensive bookkeeping requirements to ensure transparency, and by criminalizing the bribery of foreign officials to obtain or retain business, the FCPA has succeeded at curbing corporate bribery by U.S. firms. These two very important principles do not simply define an American sense of morality in business. They also strengthen America's trade policy, foster faith in American democracy, and protect our interests in requiring an open environment for U.S. investment.

Certainly, these are principles and guidelines in everyone's best interest, and as such, are worth promoting worldwide.

Though at the time of passage, there was some criticism of the FCPA, it is generally welcomed by the business community today for exactly those reasons. The biggest objection to it is that in some instances it does disadvantage our businesses. Our trade competitors, the other industrialized countries, are allowed—and are usually willing—to pay bribes, and thus have been able to gain an unfair and harmful edge over U.S. businesses. In some countries, like Germany, a bribe in a foreign country is even eligible for a tax write-off. As the international trade market continues to expand, it is time to get this problem under control.

Although some talk of amending or repealing the FCPA to help American business in their competitive race, it makes far better business sense to raise the international standards against bribery, and work for universal acceptance of the principles of the FCPA. This would help level the playing field for U.S. businesses and exports, and it is a sound economic move.

One of the most effective ways to do that is to work with other governments to implement the same strict regulations and penalties against bribery in international business by which U.S. entities have to live.

The Clinton administration has done a laudable job in advancing this agenda as part of its aggressive export strategy. They have consistently raised this issue with other governments, both in public and private. They have pursued it in places such as the Organization on Economic Cooperation and Development, and President Clinton raised it at the Summit of the Americas in Miami last year. I know the Ambassador to India, Ambassador Frank Wisner, has identified it as a major issue, and, as India develops its codes for international investment, he has pledged to help ensure a level playing field for United States companies. The administration has also dedicated itself to promoting anticorruption as a basic principle of ''good governance'' within our assistance programs.

We took a good first step when the Organization on Economic Cooperation and Development passed a strong resolution in May 1994 recommending that member countries, which includes most of Europe, Australia, Canada, Japan, and New Zealand, ''take effective measures to deter, prevent, and combat bribery of foreign public officials.'' This was a very helpful measure in that all the OECD countries recognized bribery as a destabilizing factor in international trade, and pledged to cooperate on revisions of domestic laws and creation of international agreements. This recommendation has served as a launching pad for international efforts against bribery, and has inspired some other successes in the first year since it was passed.

For example, in Ecuador, where the Government has tendered a contract for a $170 million refinery project, bidders are required to sign a no-bribery pledge, and agreed that all third-party commissions would be disclosed in the final contract. In Ukraine, top officials in the Ministry of International Economic Affairs are going to trial for accepting bribes from foreign and Ukranian corporations in exchange for assistance in export licenses.

Domestically, several Governments have been rocked by corruption scandals in recent months that have put the issue of bribery on the front pages in France, Italy, and the United Kingdom. NATO is investigating its Secretary General for possibly accepting a kickback payment on a helicopter sale when he was Belgium's Economics Minister. In Taiwan, there is an elaborate investigation into a murder of a military officer who may have known of payoff in an arms deal. Even China recently passed a law to restrict undue influence on judges, prosecutors, and police.

Bribery and corruption are finally emerging as a topic for public discussion, and, I believe, that as more sunshine is cast on such practices, governments will be under domestic pressure to pass anti-corruption legislation and reform. I am also confident that these movements will lead to scrutiny of how business is conducted overseas. In the meantime, we need to do all we can to ensure that American companies are playing on a level field.

Today many small and medium-sized companies depend upon the assistance of our trade promotion agencies. These agencies offer different kinds of financing, but all serve to promote American products for export, and balance out government subsidized programs offered by our trade competitors for their companies.

The legislation I am introducing today would guarantee that U.S. export financing would benefit only those companies which do not have the unfair advantage of bribery by prohibiting the Trade and Development Agency, Overseas Private Investment Corporation, Export-Import Bank, and the Agency for International Development from providing support for U.S. subsidiaries of foreign corporations which have not adopted and enforced an anti-bribery code.

While U.S. subsidiaries are subject to the FCPA, their foreign parent companies are not, which may offer them an unfair advantage over wholly U.S.-owned firms. I do not think that U.S. taxpayer funds should be used to support further a corporation which may have the benefit of bribery—particularly if it hurts a wholly-owned American company. My legislation is also intended to give a further incentive to foreign corporations to adopt, on their own, restrictions against bribery. My bill is intended to support the work of both U.S. exporters and U.S. trade promotion agencies in combating this terrible inequity.

I am also introducing a resolution that would express the sense of the Senate that bribery is indeed a morally unacceptable business practice, and has destabilizing consequences for the international trade environment. It commends the Clinton administration for their solid efforts; encourages the administration to work toward universal acceptance of the principles set forth in the FCPA; and says the U.S. Government should enter into negotiations in order to establish regulations for international financial institutions and international organizations that prohibit bribery of foreign public officials and impose sanctions for such bribery.

By no means can we resolve this issue in 1 year, or simply with a couple of laws. Rather, we need to promote meaningful change in the business culture worldwide, and we need to do that on a multilateral, if not global, basis. Large companies can afford to wait as the problem begins to improve, but our small and medium-sized businesses—the backbone of the U.S. economy—are, in some cases, being fatally wounded now by competitors' bribery.

Bribery is nobody's preferred way to do business, yet it is standard play in many parts of the world. We need to begin to address it seriously as a global problem. As recent events have shown, citizens of many other countries—in both the industrialized and developing worlds—feel the same way. I hope my proposals will contribute to the debate.

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

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

S. 576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. PROHIBITION ON TRADE ASSISTANCE.

(a) PROHIBITION.—Notwithstanding any other provision of law, an agency referred to in subsection (b) may not provide economic support (including export assistance, subsidization, financing, financial assistance, or trade advocacy) to or for any foreign corporation or any United States subsidiary of a foreign corporation unless the head of such agency certifies to Congress that the foreign corporation has adopted and enforces a corporate-wide policy that prohibits the bribery of foreign public officials in connection with international business transactions of the corporations and its subsidiaries.

(b) COVERED AGENCIES.—Subsection (a) applies to assistance provided by the following agencies:

(1) The Trade and Development Agency.

(2) The Overseas Private Investment Corporation.

(3) The Export-Import Bank.

(4) The Agency for International Development.

(c) DEFINITIONS.—In this section:

(1) The term ''bribery'', in the case of a corporation, means the direct or indirect offer or provision by the corporation of any undue pecuniary or other advantage to or for an individual in order to procure business and business contracts for the corporation or its subsidiaries.

(2) The term ''foreign corporation'' means any corporation created or organized under the laws of a foreign country.

(3) The term ''United States subsidiary'' means any subsidiary of a foreign corporation which subsidiary has its principal place of business in the United States or which is organized under the laws of a State.●

ADDITIONAL COSPONSORS

S. 131

At the request of Mr. LIEBERMAN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 131, a bill to specifically exclude certain programs from provisions of the Electronic Funds Transfer Act.

S. 277

At the request of Mr. D'AMATO, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 277, a bill to impose comprehensive economic sanctions against Iran.

S. 285

At the request of Mr. MCCAIN, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 285, a bill to grant authority to provide social services block grants directly to Indian tribes, and for other purposes.

S. 295

At the request of Mrs. KASSEBAUM, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 295, a bill to permit labor management cooperative efforts that improve America's economic competitiveness to continue to thrive, and for other purposes.

S. 323

At the request of Mrs. KASSEBAUM, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 323, a bill to amend the Goals 2000: Educate America Act to eliminate the National Education Standards and Improvement Council, and for other purposes.

S. 343

At the request of Mr. DOLE, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 343, a bill to reform the regulatory process, and for other purposes.

S. 388

At the request of Ms. SNOWE, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 388, a bill to amend title 23, United States Code, to eliminate the penalties for noncompliance by States with a program requiring the use of motorcycle helmets, and for other purposes.

S. 397

At the request of Mr. MCCAIN, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 397, a bill to benefit crime victims by improving enforcement of sentences, imposing fines and special assessments, and for other purposes.

S. 447

At the request of Mr. INHOFE, the names of the Senator from Texas [Mrs.

HUTCHISON] and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 447, a bill to provide tax incentives to encourage production of oil and gas within the United States, and for other purposes.

S. 508

At the request of Mr. MURKOWSKI, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 508, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

SENATE JOINT RESOLUTION 19

At the request of Mr. BROWN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Joint Resolution 19, a joint resolution proposing an amendment to the Constitution of the United States relative to limiting congressional terms.

SENATE RESOLUTION 79

At the request of Mr. SPECTER, the names of the Senator from Nevada [Mr. BRYAN], the Senator from West Virginia [Mr. BYRD], the Senator from Ohio [Mr. GLENN], the Senator from Michigan [Mr. LEVIN], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Resolution 79, a resolution designating March 25, 1995, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

SENATE RESOLUTION 88—HONORING THE 92D BIRTHDAY OF MIKE MANSFIELD

Mr. BAUCUS (for himself, Mr. BURNS, Mr. DOLE, and DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 88

Whereas Mike Mansfield brought honor to the State of Montana as a professor, Congressman, and Senator during a period that spanned more than 40 years;

Whereas Mike Mansfield claims the distinction of being the youngest World War I veteran in the United States, and of having served as an enlisted man in the Navy, Army, and Marines, all before the age of 20;

Whereas Mike Mansfield served as Senate Majority Leader for a record 16 years;

Whereas Mike Mansfield was instrumental in passing the 26th Amendment to the Constitution, giving people age 18 to 20 the right to vote;

Whereas as a freshman Congressman, Mike Mansfield served as an East Asian adviser to President Franklin Delano Roosevelt during World War II, and later served as the United States Ambassador to Japan for over 11 years;

Whereas Mike Mansfield performed all of the above tasks to the highest possible standards, and is a shining example of integrity and public service to Montana and the United States; and

Whereas Mike Mansfield will celebrate his 92d birthday on Thursday, March 16, 1995: Now, therefore, be it

Resolved, That the Senate congratulates and sends the warmest birthday wishes to Mike Mansfield, a beloved former colleague of the United States Senate, on the grand occasion of his 92d birthday on Thursday, March 16, 1995.

SENATE RESOLUTION 89—RELATIVE TO BRIBERY

Mr. FEINGOLD submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 89

Whereas a stable and predictable international business environment is necessary to advance economic development worldwide;

Whereas corrupt practices such as bribery and illicit payments distort the international business environment and sabotage fairness and competitiveness in international export markets, particularly for small- and medium-sized businesses;

Whereas corrupt practices weaken foreign assistance programs and other transactions for the benefit of the general population by increasing the risk of the improper use of funds from such assistance and increasing the cost of providing such assistance;

Whereas bribery in international business, investment, and trade is ethically and politically unacceptable;

Whereas United States nationals and companies, and their foreign subsidiaries, are prohibited from bribing foreign officials under the Foreign Corrupt Practices Act of 1977 (Public Law 95–213);

Whereas United States trade competitors and nationals of other industrialized countries are not prohibited by law from utilizing bribes in retaining or obtaining foreign procurement contracts;

Whereas some countries permit a deduction for income tax purposes for bribes paid to secure foreign business;

Whereas ineffective enforcement or absence of anti-bribery laws in many countries serves to discriminate against United States nationals and businesses in competition for procurement contracts abroad since the payment of bribes by foreign companies is often the decisive factor in the award of such contracts;

Whereas nations that engage in international trade have the responsibility of combating bribery and corruption, even if their own citizens may be subject to penalties therefor;

Whereas the failure of any nation to punish bribery undermines efforts in the international market to combat corrupt practices;

Whereas effective anticorruption statutes include criminal, commercial, civil, and administrative laws prohibiting bribery of foreign public officials, tax laws which make bribery unprofitable, transparent business accounting requirements that ensure proper recording of relevant payments and appropriate inspection of such records, prohibitions on licenses, government procurement contracts, and public subsidies, and substantial monetary fines for bribery;

Whereas an improvement in international activities to combat bribery would result from cooperation between countries in investigations into bribery, including the sharing of information, the expediting of requests for extradition, and the entry into mutual agreements and arrangements to combat bribery;

Whereas the implementation of regulations to combat bribery and corruption by international organizations and international financial institutions would enhance efforts to combat bribery;

Whereas the United Nations Commission of Transnational Corporations concluded in 1991 that international action is needed to combat the problem of bribes and other illicit payments in international business transactions;

Whereas the Organization for Economic Cooperation and Development passed a resolution on May 27, 1994, recommending that OECD Member states ''deter, prevent, and combat the bribery of foreign public officials in connection with international business transactions'';

Whereas the Clinton administration has actively pursued antibribery initiatives in the interest of free and fair international trade; and

Whereas these initiatives will help strengthen vibrant international trade and export markets and ensure fair competitive conditions for United States exporters: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Clinton administration is commended for its efforts in encouraging integrity in international business transactions among our trading partners and competitors, and the United States Trade Representative, the Secretary of Commerce, and the Secretary of State should continue to raise the need for such integrity with other industrialized nations at every possible venue;

(2) the United States should strongly urge universal adoption of the principles set forth in the Foreign Corrupt Practices Act of 1977 (Public Law 95–213) in order that adopting countries implement effective means, in accordance with the legal and jurisdictional principles of such countries, of combating bribery of foreign public officials, including the imposition administrative, civil, and criminal sanctions for such bribery; and

(3) the United States Government should enter into negotiations in order to establish regulations for international financial institutions and international organizations that prohibit bribery of foreign public officials and impose sanctions for such bribery.

SENATE RESOLUTION 90—AUTHORIZING THE TESTIMONY OF A SENATE EMPLOYEE

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 90

Whereas, in the case of *United States v. Francisco M. Duran*, Cr. No. 94–447, pending in the United States District Court for the District of Columbia, a subpoena for testimony has been issued to Laura DiBiase, an employee of the Senate on the Staff of Senator Campbell;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved That Laura DiBiase is authorized to produce records and to testify in the case of *United States v. Francisco M. Duran*, Cr. No. 94–447 (D.D.C.), except concerning matters for which a privilege should be asserted.

AMENDMENTS SUBMITTED

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE DEPARTMENT OF DEFENSE TO PRESERVE AND ENHANCE MILITARY READINESS ACT OF 1995

BOND (AND OTHERS) AMENDMENT NO. 332

Mr. BOND (for himself, Mrs. FEINSTEIN, Ms. MIKULSKI, and Mrs. HUTCHISON) proposed an amendment to amendment No. 330 proposed by Mr. BUMPERS to the bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes; as follows:

In lieu of the matter proposed to be added, add the following:

SEC. . (a) Notwithstanding any other provision of law, no funds appropriated by this Act, or otherwise appropriated or made available by any other Act, may be utilized for purposes of entering into the agreement described in subsection (b) until the President certifies to Congress that—

(1) Russia has agreed not to sell nuclear reactor components to Iran; or

(2) the issue of the sale by Russia of such components to Iran has been resolved in a manner that is consistent with—

(A) the national security objectives of the United States; and

(B) the concerns of the United States with respect to nonproliferation in the Middle East.

(b) The agreement referred to in subsection (a) is an agreement known as the Agreement on the Exchange of Equipment, Technology, and Materials between the United States Government and the Government of the Russian Federation, or any department or agency of that government (including the Russian Ministry of Atomic Energy), that the United States Government proposes to enter into under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153).

BUMPERS AMENDMENT NO. 333

Mr. BUMPERS proposed an amendment to the bill H.R. 889 supra; as follows:

At the appropriate place in Chapter VII of Title II of the bill add the following:

''INDEPENDENT AGENCIES

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION NATIONAL AERONAUTICAL FACILITIES

(RESCISSION)

Of the funds made available under this heading in Public Law 103–327, for construction of wind tunnels, $400,000,000 are rescinded.''

BOXER (AND OTHERS) AMENDMENT NO. 334

Mrs. BOXER (for herself, Mr. DODD, Mr. BRADLEY, and Mr. DORGAN), proposed an amendment to the bill H.R. 889, supra; as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. It is the sense of the Senate that—

(1) Congress should enact legislation that terminates the entitlement to pay and allowances for each member of the Armed Forces who is sentenced by a court-martial to confinement and either a dishonorable discharge, bad-conduct discharge, or dismissal;

(2) the legislation should provide for restoration of the entitlement if the sentence to confinement and punitive discharge or dismissal, as the case may be, is disapproved or set aside; and

(3) the legislation should include authority for the establishment of a program that provides transitional benefits for spouses and other dependents of a member of the Armed Forces receiving such a sentence.

MCCAIN (AND BRADLEY) AMENDMENT NO. 335

Mr. MCCAIN (for himself and Mr. BRADLEY) proposed an amendment to the bill H.R. 889, supra; as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. RESCISSION OF FUNDS FOR CERTAIN MILITARY CONSTRUCTION PROJECTS.

(a) CONDITIONAL RESCISSION OF FUNDS FOR CERTAIN MILITARY PROJECTS.—(1)(A) Notwithstanding any other provision of law and subject to paragraphs (2) and (3), of the funds provided in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1659), the following funds are hereby rescinded from the following accounts in the specified amounts:

Military Construction, Army, $11,554,000.

Military Construction, Air Force, $6,500,000.

Military Construction, Army National Guard, $1,800,000.

(B) Rescissions under this paragraph are for projects at military installations that were recommended for closure by the Secretary of Defense in the recommendations submitted by the Secretary to the Defense Base Closure and Realignment Commission on March 1, 1995, under the base closure Act.

(2) A rescission of funds under paragraph (1) shall not occur with respect to a project covered by that paragraph if the Secretary certifies to Congress that—

(A) the military installation at which the project is proposed will not be subject to closure or realignment as a result of the 1995 round of the base closure process; or

(B) if the installation will be subject to realignment under that round of the process, the project is for a function or activity that will not be transferred from the installation as a result of the realignment.

(3) A certification under paragraph (2) shall be effective only if—

(A) the Secretary submits the certification together with the approval and recommendations transmitted to Congress by the President in 1995 under paragraph (2) or (4) section 2903(e) of the base closure Act; or

(B) the base closure process in 1995 is terminated pursuant to paragraph (5) of that section.

(b) ADDITIONAL RESCISSIONS RELATING TO BASE CLOSURE PROCESS.—Notwithstanding any other provision of law, funds provided in the Military Construction Appropriations Act, 1995 for a military construction project are hereby rescinded if—

(1) the project is located at an installation that the President recommends for closure in 1995 under section 2903(e) of the base closure Act; or

(2) the project is located at an installation that the President recommends for realignment in 1995 under such section and the function or activity with which the project is associated will be transferred from the installation as a result of the realignment.

(c) DEFINITION.—In the section, the term ''base closure Act'' means the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

HUTCHISON (AND OTHERS) AMENDMENT NO. 336

Mrs. HUTCHISON (for herself, Mr. GORTON, Mr. DOMENICI, Mr. GRAMM, and Mr. PRESSLER) proposed an amendment to the bill H.R. 889, supra; as follows:

On page 28, between lines 14 and 15, insert the following:

DEPARTMENT OF THE INTERIOR

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

(RESCISSION)

Of the funds made available under this heading in Public Law 103–332—

(1) $1,500,000 are rescinded from the amounts available for making determinations whether a species is a threatened or endangered species and whether habitat is critical habitat under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(2) none of the remaining funds appropriated under that heading may be made available for making a final determination that a species is threatened or endangered or that habitat constitutes critical habitat (except a final determination that a species previously determined to be endangered is no longer endangered but continues to be threatened).

To the extent that the Endangered Species Act of 1973 has been interpreted or applied in any court order (including an order approving a settlement between the parties to a civil action) to require the making of a determination respecting any number of species or habitats by a date certain, that Act shall not be applied to require that the determination be made by that date if the making of the determination is made impracticable by the rescission made by the preceding sentence.

LEAHY (AND JEFFORDS) AMENDMENT NO. 337

Mr. LEAHY (for himself and Mr. JEFFORDS) proposed an amendment to the bill H.R. 889, supra; as follows:

At the appropriate place, insert the following new title:

TITLE —MISCELLANEOUS

SEC. 01.—Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel L.R. BEATTIE, United States official number 904161.

ROTH (AND OTHERS) AMENDMENT NO. 338

Mr. ROTH (for himself, Mr. GLENN, Mr. HELMS, Mr. LEVIN, Mr. MCCAIN, Mr. NUNN, Mr. DORGAN, and Mr. PELL) proposed an amendment to the bill, H.R. 889, supra; as follows:

At the appropriate point, insert the following:

The Senate finds that the Treaty on the Non-Proliferation of Nuclear Weapons, hereinafter referred to as the NPT, is the cornerstone of the global nuclear non-proliferation regime;

That, with more than 170 parties, the NPT enjoys the widest adherence of any arms control agreement in history;

That the NPT sets the fundamental legal and political framework for prohibiting all forms of nuclear nonproliferation;

That the NPT provides the fundamental legal and political foundation for the efforts through which the nuclear arms race was brought to an end and the world's nuclear arsenals are being reduced as quickly, safely and securely as possible.

That the NPT spells out only three extension options: indefinite extension, extension for a fixed period, or extension for fixed periods;

That any temporary or conditional extension of the NPT would require a dangerously slow and unpredictable process of re-ratification that would cripple the NPT.

That it is the policy of the President of the United States to seek indefinite and unconditional extension of the NPT;

Now, therefore, it is the sense of the Senate that:

(1) indefinite and unconditional extension of the NPT would strengthen the global nuclear non-proliferation regime;

(2) indefinite and unconditional extension of the NPT is in the interest of the United States because it would enhance international peace and security;

(3) the President of the United States has the full support of the Senate in seeking the indefinite and unconditional extension of the NPT;

(4) all parties to the NPT should vote to extend the NPT unconditionally and indefinitely; and

(5) parties opposing indefinite and unconditional extension of the NPT are acting against their own interest, the interest of the United States and the interest of all the peoples of the world by placing the nuclear non-proliferation regime and global security at risk.

BAUCUS (AND OTHERS) AMENDMENT NO. 339

Mr. BAUCUS (for himself, Mr. BYRD, Mr. MCCONNELL, Mr. LEAHY, Mr. GRASSLEY, Mr. KERREY, Mr. PRESSLER, Mr. BURNS, Mr. HARKIN, Mr. SANTORUM, Mr. SIMPSON, Mr. LUGAR, Mr. PRYOR, and Mr. CONRAD) proposed an amendment to the bill H.R. 889, supra; as follows:

On page 25, between lines 4 and 5, insert the following:

SEC. 110. SENSE OF SENATE ON SOUTH KOREA TRADE BARRIERS TO UNITED STATES BEEF AND PORK.

(a) FINDINGS.—The Senate makes the following findings:

(1) The United States has approximately 37,000 military personnel stationed in South Korea and spent over $2,000,000,000 last year to preserve peace on the Korean peninsula.

(2) The United States Trade Representative has initiated a section 301 investigation against South Korea for its nontariff trade barriers on United States beef and pork.

(3) The barriers cited in the section 301 petition include government-mandated shelf-life requirements, lengthy inspection and customs procedures, and arbitrary testing requirements that effectively close the South Korean market to such beef and pork.

(4) United States trade and agriculture officials are in the process of negotiating with South Korea to open South Korea's market to United States beef and pork.

(5) The United States meat industry estimates that South Korea's nontariff trade barriers on United States beef and pork cost United States businesses more than $240,000,000 in lost revenue last year and could account for more than $1,000,000,000 in lost revenue to such business by 1999 if South Korea's trade practices on such beef and pork are left unchanged.

(6) The United States beef and pork industries are a vital part of the United States economy, with operations in each of the 50 States.

(7) Per capita consumption of beef and pork in South Korea is currently twice that of such consumption in Japan. Given that the Japanese are currently the leading importers of United States beef and pork, South Korea holds the potential of becoming an unparalleled market for United States beef and pork.

(b) It is the sense of the Senate that—

(1) the security relationship between the United States and South Korea is essential to the security of the United States, South Korea, the Asia-Pacific region and the rest of the world;

(2) the efforts of the United States Trade Representative to open South Korea's market to United States beef and pork deserve support and commendation; and

(3) the United States Trade Representative should continue to insist upon the removal of South Korea's nontariff barriers to United States beef and pork.

BROWN (AND OTHERS) AMENDMENT NO. 340

Mr. BROWN (and Mr. GREGG, Mr. D'AMATO, Mr. MACK, and Mr. NICKLES) proposed an amendment to the bill, H.R. 889, supra; as follows:

At the end of the bill, add the following new title:

TITLE ____—MEXICAN DEBT DISCLOSURE ACT OF 1995

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Mexican Debt Disclosure Act of 1995''.

SEC. ___02. FINDINGS.

The Congress finds that—

(1) Mexico is an important neighbor and trading partner of the United States;

(2) on January 31, 1995, the President approved a program of assistance to Mexico, in the form of swap facilities and securities guarantees in the amount of $20,000,000,000, using the Exchange Stabilization Fund;

(3) the program of assistance involves the participation of the Federal Reserve System, the International Monetary Fund, the Bank of International Settlements, the World Bank, the Inter-American Development Bank, the Bank of Canada, and several Latin American countries;

(4) the involvement of the Exchange Stabilization Fund and the Federal Reserve System means that United States taxpayer funds will be used in the assistance effort to Mexico;

(5) assistance provided by the International Monetary Fund, the World Bank, and the Inter-American Development Bank may require additional United States contributions of taxpayer funds to those entities;

(6) the immediate use of taxpayer funds and the potential requirement for additional future United States contributions of taxpayer funds necessitates congressional oversight of the disbursement of funds; and

(7) the efficacy of the assistance to Mexico is contingent on the pursuit of sound economic policy by the Government of Mexico.

SEC. ___03. REPORTS REQUIRED.

(a) REPORTS.—Not later than April 1, 1995, and every month thereafter, the President shall transmit a report to the appropriate congressional committees concerning all United States Government loans, credits, and guarantees to, and short-term and long-term currency swaps with, Mexico.

(b) CONTENTS OF REPORTS.—The report described in subsection (a) shall include the following:

(1) A description of the current condition of the Mexican economy.

(2) Information regarding the implementation and the extent of wage, price, and credit controls in the Mexican economy.

(3) A complete documentation of Mexican taxation policy and any proposed changes to such policy.

(4) A description of specific actions taken by the Government of Mexico during the preceding month to further privatize the economy of Mexico.

(5) A list of planned or pending Mexican Government regulations affecting the Mexican private sector.

(6) A summary of consultations held between the Government of Mexico and the Department of the Treasury, the International Monetary Fund, or the Bank of International Settlements.

(7) A full description of the activities of the Mexican Central Bank, including the reserve positions of the Mexican Central Bank and data relating to the functioning of Mexican monetary policy.

(8) The amount of any funds disbursed from the Exchange Stabilization Fund pursuant to the approval of the President issued on January 31, 1995.

(9) A full disclosure of all financial transactions, both inside and outside of Mexico, made during the preceding month involving funds disbursed from the Exchange Stabilization Fund and the International Monetary Fund, including transactions between—

(A) individuals;

(B) partnerships;

(C) joint ventures; and

(D) corporations.

(10) An accounting of all outstanding United States Government loans, credits, and guarantees provided to the Government of Mexico, set forth by category of financing.

(11) A detailed list of all Federal Reserve currency swaps designed to support indebtedness of the Government of Mexico, and the cost or benefit to the United States Treasury from each such transaction.

(12) A description of any payments made during the preceding month by creditors of Mexican petroleum companies into the petroleum finance facility established to ensure repayment of United States loans or guarantees.

(13) A description of any disbursement during the preceding month by the United States Government from the petroleum finance facility.

(14) Once payments have been diverted from PEMEX to the United States Treasury through the petroleum finance facility, a description of the status of petroleum deliveries to those customers whose payments were diverted.

(15) A description of the current risk factors used in calculations concerning Mexican repayment of indebtedness.

(16) A statement of the progress the Government of Mexico has made in reforming its currency and establishing an independent central bank or currency board.

SEC. ___04. PRESIDENTIAL CERTIFICATION.

Notwithstanding any other provision of law, before extending any loan, credit, guarantee, or arrangement for a swap of currencies to Mexico through any United States Government monetary facility, the President shall certify to the appropriate congressional committees that—

(1) there is no projected cost to the United States from the proposed loan, credit, guarantee, or currency swap;

(2) all loans, credits, guarantees, and currency swaps are adequately collateralized to ensure that United States funds will be repaid;

(3) the Government of Mexico has undertaken effective efforts to establish an independent central bank or an independent currency control mechanism; and

(4) Mexico has in effect a significant economic reform effort.

SEC. ___05. DEFINITION.

As used in this title, the term ''appropriate congressional committees'' means the Committees on Banking and Financial Services and International Relations of the House of Representatives and the Committees on Foreign Relations, and Banking, Housing, and Urban Affairs of the Senate.

D'AMATO AMENDMENT NO. 341

Mr. D'AMATO proposed an amendment to amendment No. 340 proposed by Mr. BROWN to the bill H.R. 889, supra; as follows:

Add at the end of the proposed amendment the following new section:

SEC. . REPORT ON ILLEGAL DRUG TRAFFICKING IN MEXICO.

The President shall transmit to the appropriate congressional committees no later than June 1, 1995 detailing the illegal drug trafficking to the United States from Mexico:

(1) A description of drug trafficking activities directed toward the United States;

(2) a description of allegations of corruption involving current or former officials of the Mexican government or ruling party, including the relatives and close associates of such officials; and

(3) the participation of United States financial institutions or foreign financial institutions operating in the United States in the movement of narcotics-related funds from Mexico.

MCCONNELL AMENDMENT NO. 342

Mr. INOUYE (for Mr. MCCONNELL, for himself, Mr. LEAHY, Mr. DOLE, Mr. DASCHLE, Mr. SPECTER, Mr. INOUYE, Mr. JEFFORDS, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. NUNN, and Mrs. FEINSTEIN) proposed an amendment to the bill, H.R. 889, supra; as follows:

On page 16, between lines 18 and 19, insert the following:

CHAPTER I

On page 25, between lines 4 and 5, insert the following:

CHAPTER II

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

DEBT RESTRUCTURING

DEBT RELIEF FOR JORDAN

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans to Jordan issued by the Export-Import Bank or by the Agency for International Development or by the Department of Defense, or for the cost of modifying: (1) concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, and (2) credits owed by Jordan to the Commodity Credit Corporation, as a result of the Corporation's status as a guarantor of credits in connection with export sales to Jordan; as authorized under subsection (a) under the heading, ''Debt Relief for Jordan'', in title VI of Public Law 103–306, $275,000,000, to remain available until September 30, 1996: *Provided,* That not more than $50,000,000 of the funds appropriated by this paragraph may be obligated prior to October 1, 1995.

MCCONNELL AMENDMENT NO. 343

Mr. INOUYE (for Mr. MCCONNELL) proposed an amendment to the bill, H.R. 889, supra; as follows:

On page 26, at the end of line 23, add the following:

Of the funds appropriated in Public Law 103–316, $3,000,000 is hereby authorized for appropriation to the Corps of Engineers to initiate and complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky.

PRESSLER (AND OTHERS) AMENDMENT NO. 344

Mr. INOUYE (for Mr. PRESSLER for himself, Mr. HARKIN, Mr. CONRAD, and Mr. DASCHLE) proposed an amendment to the bill, H.R. 889, supra; as follows:

On page 30, line 8, strike the dollar figure ''$120,000,000''and insert in lieu thereof the dollar figure ''$126,608,000''.

On page 30, strike line 14 through line 18.

BROWN AMENDMENT NO. 345

Mr. INOUYE (for Mr. BROWN) proposed an amendment to the bill, H.R. 889, supra; as follows:

At the appropriate place in the bill, add the following new section—

''SEC. . NATIONAL TEST FACILITY.

It is the sense of the Senate that the National Test Facility provides important support to strategic and theater missile defense in the following areas:

(a) United States-United Kingdom defense planning;

(b) the PATRIOT and THAAD programs;

(c) computer support for the Advanced Research Center; and

(d) technical assistance to theater missile defense;

and fiscal year 1995 funding should be maintained to ensure retention of these priority functions.

FEINSTEIN AMENDMENT NO. 346

Mr. INOUYE (for Mrs. FEINSTEIN) proposed an amendment to the bill, H.R. 889, supra; as follows:

On page 25, between lines 4 and 5, insert the following new section:

SEC. 110. (a) In determining the amount of funds available for obligation from the Environmental Restoration, Defense, account in fiscal year 1995 for environmental restoration at the military installations described in subsection (b), the Secretary of Defense shall not take into account the rescission from the account set forth in section 106.

(b) Subsection (a) applies to military installations that the Secretary recommends for closure or realignment in 1995 under section 29023(c) of the Defense Base Closure and Realignment Act of 1990 (subtitle A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, March 16, at 9:30 a.m., in SR–332, to discuss taxpayers' stake in Federal farm policy.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 16, 1995, to conduct a hearing on the Iran Sanctions Act, S. 277.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet for a classified briefing during the session of the Senate on Thursday, March 16, 1995, at 2 p.m.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session on Thursday, March 16, 1995, at 9:30 a.m., to hold an oversight hearing on the Architect of the Capitol.

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

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. BURNS. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the Courts of the Committee of the Judiciary, be authorized to hold a business meeting during the session of the Senate on Thursday, March 16, 1995, at 10 a.m., to consider S. 343, regulatory reform.

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

SUBCOMMITTEE ON PERSONNEL

Mr. BURNS. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet at 2 p.m. on Thursday, March 16, 1995, in open session, to receive testimony regarding the Department of Defense Manpower, Personnel, and Compensation Programs in review of the defense authorization request for fiscal year 1996 and the Future Years Defense Program.

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

ADDITIONAL STATEMENTS

IRAN

● Mr. D'AMATO. Mr. President, I rise today to discuss a topic of great concern to this country, as well as the world: Iran.

In January, I introduced a bill, entitled ''The Comprehensive Iran Sanctions Act of 1995.'' The recent press regarding the aborted Conoco deal with the national Iranian oil company, has further brought the problem of the purchase of Iranian oil by overseas subsidiaries of American companies to light. These purchases help Iran fund their terrorism and keep their economy afloat. We can no longer subsidize Iran's violence and terrorism.

For this reason, it is of paramount important that this bill becomes law. In regard to this, I ask that the following answers to a series of questions on Iran's economic status that I posed to Manouchehr Ganji, Secretary General of the Organization for Human Rights and Fundamental Freedoms for Iran, who is based in Paris, be printed in the RECORD. His answers are enlightening and provide the view of someone who knows with intimate detail, the threat that Iran poses to the world.

The material follows:

ORGANIZATION FOR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS FOR IRAN,

Paris, France, March 14, 1995.

Senator Alfonse D'Amato,
Chairman, U.S. Senate, Committee on Banking, Housing and Urban Affairs.

DEAR SENATOR D'AMATO, In response to your letter of March 9, 1995, I herewith enclose my reflections to the questions posed. As you will note I have added a sixth question and provided my responses to it as well. I will be available for any further questions or clarifications.

Please accept Sir, the assurances of my highest considerations.

Sincerely,

MANOUCHEHR GANJI,
Secretary-General.

INTRODUCTION

Under today's deteriorating economic, social and political conditions in Iran, a total U.S. trade embargo on Iran is the single most important policy initiative that needs to be taken if the overwhelming majority of Iranians, inside and outside the country, are to be given the incentive to play their full part in bringing about a change of government—to allow power to be transferred to civilized, progressive and democratic forces; an outcome which would, among other things, remove the threat to the region and the world that the present regime in Iran represents. It is my considered opinion that a total U.S. trade embargo will ultimately be effective, if (a) it is part of a coordinated strategy which enjoys the actual as well as the declared support of other governments and their agencies; and if (b) U.S. and other policy-makers and their agencies are fully coordinated with those civilized, progressive and democratic Iranian forces on the ground, inside and outside Iran, which will take the lead in bringing about a change of power. However, if such a policy is not coordinated and well organized, it will not necessarily bring about the desired results, and could even be counter-productive. It is also my view that your list of five questions should be extended to include one more. I am therefore responding hereunder to six questions.

Question 1. We are aware of the severe problems that the Iranian economy is facing. The government cannot serve all of its short and long term debts, and basically is teetering on total collapse. What benefits does Iran derive from its trade with the United States, and how much importance does Iran place on this trade?

Answer. The deterioration of the economic and financial situation of Iran has been accelerating during the past several months at an unprecedented rate. The situation can be summarized as follows:

(1) The incapability of the country to service its short and long term debts. This is in spite of the regime's efforts to reschedule its debts of around $37 billion dollars, which does not even include the debts to former communist countries. Presently, the debt service and foreign exchange policies are out of control and the regime is incapable of taking concrete steps to redress the situation.[1]

(2) From 1979 to 1995, the value of the Rial to the Dollar had lost 30 times its value in the free market, whereas during the last two months the value of the Rial has fallen by an additional 50%,[2] and no end is seen to the collapse of the Rial. Most banks in the world are presently refusing letters of credit from Iran.

(3) The shortage of foreign exchange has limited the import of even essential goods such as pharmaceutical products, raw materials, and spare parts. Domestic production is falling rapidly—industrial production is running at 17%–20% of its capacity.[3] Agricultural production is also in trouble due to the shortage of seeds, fertilizers and pesticides.

(4) To a large extent, Iran has also become ''a Dollar economy'', in the sense that local prices are related to the Dollar exchange rate. Consequently, the fall in the value of the Rial, and the decreasing supply of goods (due to shrinking imports and falling production) have been causing price increases during the last two months of between 50% and 100%. This inflation is taking place in a country that is not used to—contrary to some other countries—the psychology of inflation, and lacks the experience and the mechanisms to adapt to daily price increases.

It is in such exceptional context that we have to evaluate the importance of trade between the United States and Iran. Since the 1979 revolution, more than anytime before, oil revenues play the central role in Iran's economy. In 1994 Iran's oil revenues amounted to $11.9 billion.[4] In 1994, oil purchases of U.S. oil companies from Iran amounted to $2.567 billion, or 25% of total oil revenues.[5] The direct U.S. exports to Iran were around $800 million in 1994. Not only are these imports essential and substantial for the regime, but, in addition, they allow it to cover certain technological needs as well as other goods that Iran must purchase from the U.S. due to its close economic and industrial ties prior to the 1979 revolution.

Consequently, an embargo by the U.S. under the present circumstances would substantially affect a crucial factor for the regime which is its foreign exchange earnings from oil. Even if one argues that the regime will find other buyers and suppliers, this substitution shall take some time, whereas the various effects of the embargo would be felt much quicker. More importantly, the psychological impact of such an embargo by the U.S. would be greater than the effect on the actual flow of revenues and goods.

Question 2. Owing to its severe economic condition, what effect (socially, politically and perhaps even psychologically) would a total U.S. trade embargo have on Iran?

Answer. Generally speaking, the ruling mullahs have been talking about the U.S. trade embargo on Iran since the seizure of the U.S. Embassy in 1979, and they have told so many lies and boasted on their ability to survive the embargo that the term ''embargo'' does not carry much weight unless the U.S. clearly indicates that it means business and that the ''embargo'' is much more than mere political rhetoric. Thus, the embargo must be effective and must be seen as effective; which means it must affect the regime's finances, deprive the regime from buying the goods it needs— including instruments needed for its security forces—and finally, financially pressure the regime to scale down its budget, especially the allocation to its radical constituency and forces of repression.

The most important effect of a total U.S. trade embargo would actually be the psychological one—from two quite different points of view. In so far as the present regime can be said to have any confidence in its ability to survive, that confidence is based on its ability to demonstrate that it is continuing to enjoy at least a measure of U.S. support. A critical factor in this light is the fact that U.S. companies, oil companies in particular, are being allowed to continue to purchase large amounts of oil from Iran. The present regime is thus able to say to itself ''Powerful U.S. vested interests need us as much as we need them. We're okay. We can ride this storm out.'' In effect, the U.S. oil companies, in order to protect their own short-term vested interests as they see them, are sending the signal that gives the present regime its hope for survival. A total U.S. trade embargo would therefore undermine and probably destroy whatever remaining confidence the present regime has of its survival chance.

On the other hand, the psychological impact on the overwhelming majority of the Iranian people—who will pay any price necessary to rid themselves of the present regime, provided only they believe that further hardship, suffering and sacrifice will lead to the removal of the present regime—will be in my opinion enormous and positive. For most of the past sixteen years the main cause of despair in the hearts of the largely silent, frightened and anti-regime majority in Iran has been the perception that, to one degree or another, the U.S. and other major powers were supportive of the regime. The peoples of nations are no fools? They have learned that when the U.S. in particular, and other major powers in general, are supporting repressive regimes, there is little or no point in those being repressed risking everything in an effort to remove the source of repression.

Orinary Iranians do not believe that the ruling mullahs have stayed in power simply on the strength of their own resources and wits. They truly believe that the mullahs have the hidden support of the big powers, including the oil companies and international financial institutions, and that is why they have survived despite their obvious inefficiency and ignorance of the ways of the modern world.

The psychology of the Iranian society, which for historical reasons at times overestimates the role and influence of foreign powers, particularly the United States, would view a total U.S. trade embargo as a clear signal that the United States has finally taken a definitive position against the ruling mullahs. At the same time, the regime's supporters will also lose confidence and morale for the same reason. Furthermore taking into account the general state

Footnotes at end of report.

of dissatisfaction and opposition to the regime which prevails in Iran today[6], the positive interpretation of a total U.S. trade embargo would be manifold greater than the immediate adverse financial effects of it. It can be assumed that large economic interests mainly in the bazaar and close to the regime would then be more inclined to distance themselves from the regime, and establish contacts with the dissatisfied middle classes and lower income classes whose living standard have been completely disrupted by inflation and unemployment.

A total U.S. trade embargo would therefore be the signal for which the overwhelming majority of Iranians have been waiting for. Meaning that the U.S. does no longer support, in any shape or form, the present regime and that the commitment to the final struggle to remove it is for Iranians to make. In effect, the positive psychological impact on the overwhelming majority of Iranians will lead, by definition, to a positive political impact. One may ask, what of the social impact? It can be said that the hardship and suffering of most Iranians could hardly be worse than it already is. But as indicated above, most Iranians are willing to make the further sacrifices required of them provided they feel that it could result in the collapse of the present regime and the opening of the door to a worthwhile and democratic future. This indirect support of the opposition forces at this crucial stage when a power struggle within the regime is also taking new dimensions would be well received inside and outside of Iran.

Therefore, an embargo in the case of the Islamic Republic is not only a trade issue and should not be looked upon only as a balance sheet of what U.S. companies will be losing and what will be the financial loss to the regime. Such a policy will be suffocating to the ruling mullahs and will be taken as a signal of support for those struggling for the freedom of Iran. It will also act as a very strong signal to other countries that the time for ''the party to which terrorists are invited'' is over!

However, the sine qua non for the success of the administration's policy to isolate the Islamic Republic of Iran internationally is for the U.S. to do as it preaches and to effectively take the lead in this regard thus making itself a model by strictly adhering to such a policy. How can the U.S. persuade other countries to restrain from relations with the Islamic Republic when the U.S. is in fact itself a major trading partner of that renegade regime? There is no doubt that a total U.S. trade embargo would strengthen the U.S. position in its efforts to isolate the Tehran regime. Terrorism and extremism are like drugs, they have to be fought internationally. Oil money in the hand of the Tehran mullahs—the symbol of state terrorism and dark ages in today's world—is like cleaned drug money in the hands of drug smugglers. It is oil money combined with foreign aid and assistance that has prolonged the life of the extremist regime in Iran, enabling it to continue to disregard all rights and freedoms of the Iranian people to carry out acts of terrorism abroad, and to destabilize the moderate pro-western Moslem countries.

Question 3. In its present form, does the Clinton Administration's policy of ''dual containment'' of Iran and Iraq work?

Answer. An evaluation of this policy has to be made separately with regard to each country.

Iraq: After Iraq's invasion of Kuwait a radical change of U.S. policy towards Iraq took place. The former policy of support for Iraq against the regime in Tehran turned into a policy of isolation. Destruction of Iraq's war power and of its chemical and nuclear facilities became paramount. Since the war between Iran and Iraq had ended, there was no longer the need for military support of Iraq against the Islamic Republic of Iran. Although Saddam Hussein is still in power in Baghdad and continues his repressive policies. Iraq's aggressive designs have been checked and neutralized. The integrity of Iraq has been preserved, which is most important, taking into account the possibility of a fundamentalist Shiite state in the south and the possibility of the Kurdish secession in the north. Although some volume of trade has been going on between Iran and Iraq, taking into account the historical issues and quarrels between the two countries, no united front against the U.S. has been formed. One can safely say that on the whole the policy of containment has been successful concerning Iraq.

Iran: Taking into account the nature of the Islamic Republic, the implication of this policy must be viewed separately. Today, the Islamic Republic is the center of support for the extremist fundamentalist movements such as the Hamas, Jihad and Hizballah in their efforts to fight and derail the Middle East peace process. The ruling mullahs in Iran believe that if these extremist movements success in destroying the peace process, they would also succeed in destabilizing the moderate pro-western countries in the region with Tehran's help and leadership. In spite of the dual containment policy declaration and the U.S. government's efforts to isolate the Islamic Republic, trade relations between the two countries have remained the same or have even risen. Oil purchases by U.S. oil companies and direct or indirect trade between the two countries have continued at even a higher level than before. The Tehran regime still continues to pursue arms and weapons of mass destruction, support international terrorism, subvert the Arab-Israeli peace process, abuse human rights at home, assassinate political opponents abroad and promote militant Islamic fundamentalist movements in other Muslim countries in the Middle East and in North Africa.

Under these circumstances, the regime in Tehran has concluded that the United States is not serious and has no real policy against it. In fact, they may be right as they compare the U.S. policy towards themselves with the U.S. policy toward Iraq, both of which are within the context of the dual containment policy. Therefore, the dual containment policy would be more successful if tougher criteria would also be applied vis-a-vis the regime in Tehran. The embargo is certainly a first and a right step in that direction. It is imperative however, that the stated target and aim of the sanctions be the regime and not the people of Iran.

Question 4. What response would you have to the charge by U.S. companies (oil companies in particular) that an embargo only hurts U.S. companies and will not hurt Iran?

Answer. By definition a total U.S. embargo will result in short term losses for U.S. companies, oil companies in particular. In their position I would insist that my government does everything in its power to see that the embargo is global. In their position I would also have good cause for grievance if other governments allowed their companies to make short term gains at my expense. In other words, there is a case for saying that a total U.S. trade embargo could hurt U.S. companies more than it would hurt the regime in Iran if the U.S. was unable to persuade all other major powers to make common cause with it.

But there is another more important argument which U.S. companies (oil companies in particular) would be well advised to consider even if other governments did allow their companies to go on trading with the Islamic Republic of the Iran. If U.S. companies continue to be seen by a growing number of Iranians as the agencies which are doing most to prop up the present discredited and despised regime in Iran, there will come a time when the present regime is replaced, when U.S. companies will have much and perhaps everything to lose. What U.S. companies would be well advised to weigh carefully is what they might gain in the short term against what they could lose in the longer term. If they give the matter the consideration it deserves, U.S. companies should not have that much difficulty in concluding that it is in their best longer term interest to support a total embargo, particularly under the current intense economic and political conditions in Iran.

If other governments did then allow their companies to make short term gains at the expense of their American counterparts, U.S. companies would end up being the longer term beneficiaries—because they would be seen by the overwhelming majority of Iranians in a new Iran to have played a part in bringing an end to the present discredited and despised regime.

Question 5. If the United States were to impose an embargo cited in Senator D'Amato's bill, in your opinion, would the industrialized countries follow?

Answer. Since the Iranian regime is a real threat to international peace and stability, and in view of the fact that its declared policy is to harm U.S. interests, it seems that the United States has a perfect moral and legal case in seeking to internationalize its embargo in the same way it mobilized the international community against the Iraqi regime.

The argument that isolating the Iranian regime would only make it more intransigent is wrong. So is the argument that by bringing the mullahs into the international fold one can tame them. Today, this argument is presumably put forward by the Germans and the Japanese more than others. The fact is that the Iranian mullahs, being extremely cynical, receive the wrong signal from appeasement and accommodation. They interpret such overtures as a sign of weakness which indicates that the West is not serious about their unruly behavior and lacks resolve and political will to confront them. However, experience has shown that the ruling mullahs, being bullies, lose their morale quickly as soon as they are convinced that their adversary is strong, determined and means business.

My guess is that some major powers would be mightily tempted to seek to make short term gain at America's expense—it least until it is clear that the present regime in Iran is close to being toppled. Then they would try to change horses. I am therefore of the opinion that U.S. policy-makers would be well advised to every effort to bring other major power on board. Much could depend on the extent to which other major powers are consulted by the U.S. before any announcement, (if there is to be one) of a total trade embargo. If the British, French, Germans and others are able to say, ''we were not consulted'', they consider that they have enough scope to play games. If the United States clearly indicates that it means business and that the embargo is more than more political rhetoric, other industrialized nations will think twice about doing business with the present regime in Iran under the prevailing economic and political conditions.

Question 6. If the United States were to impose an embargo cited in Senator D'Amato's bill, what in your opinion would be the likelihood of the present regime in Iran, or elements within it, deciding to mount a terror campaign against U.S. interests for the purpose of weakening American resolve and, by

intimidation, driving a wedge between the U.S. and other major powers, the Europeans especially? And if you think the present regime in Iran (or elements within it) might consider such a strategy, how do you assess the ability to perform?

Answer. The clerical regime has been in power in Iran for sixteen years and it still claims it does not condone, much less support, terrorism. By now, however, so much evidence to the contrary has accumulated in so many countries that Tehran clerics professions of innocence are seen as little more than self-serving lies. There are no signs that the clerical regime has any intention to mending its way. Reports from throughout the Middle East and North Africa reflect the Tehran regime's determination to use terrorist violence to achieve its expansionist aims. One of the regime's latest weapons in its war on the world is Hamas, a radical fundamentalist Palestinian group on which the Islamic Republic has lavished millions of Dollars as well as weapons and guerrilla training.

As I know to my cost, the present regime has the ability to carry out single-hit assassinations in virtually any place of its choice. But the evidence of Lockerbie would seem to suggest that for more complex terror operations the Tehran regime requires (or prefers) the organizational assistance of international extremist forces such as the Hizballah, Jihad and Hamas. If the need to contain the possibility of terror strikes by the present regime in Iran arises due to the imposition of trade sanctions, history dictates that the proper course of action is the policy of combating terrorism at its source, and making it clear to the proponents of terrorism that they have much to lose as a consequence of their actions.

CONCLUSION

A relatively effective trade embargo on Iran will place noticeable constraints on the regime's finances. This will deprive the regime from access to funds which it can use to finance oppressive operations at home and mischievous activities abroad. However, in order to maximize the effects of a total trade embargo, there must be a coordinated and well organized political action to further isolate the Tehran regime at home and abroad. Such a political action should embody measures to deny the regime the prestige and respectability associated with a government in charge of a State on the one hand, while it strengthens popular opposition to the regime both at home and abroad on the other hand. Most importantly, it is imperative that the stated target and aim of the sanctions be the regime in Tehran as opposed to the Iranian people. This distinction is extremely crucial.

Action by the United States alone in imposing a total trade embargo on the Islamic Republic will be effective economically, politically and psychologically. However, there is no reason why the U.S. should not seek to enlarge the embargo by trying to internationalize it, particularly since a coordinated strategy which enjoys the declared support of other governments would unquestionably yield a much greater success in isolating the Tehran regime. The policies of the present regime in Iran are no less repulsive than those of the apartheid regime in South Africa. It would be worth reviewing the type of actions which were undertaken against the apartheid regime of South Africa in the 1970's and 1980's which were ultimately successful in promoting freedom and democracy.

The United States Senate can initiate a campaign of moral opposition to the regime in Iran by giving international dimensions to its opposition to the clerical regime's renegade behavior and inhuman policies. Unlike the ambiguous policies of the past, a total U.S. trade embargo as proposed by Senator D'Amato would not only send the right signal to the ruling mullahs, but it would also solidify the leadership position of the U.S. and enable it to successfully convince its allies to comply and adhere to such a policy, and thereby enhance the probability of success.

FOOTNOTES

[1] In the Fiscal Year April 1994–1995, 56 billion have been rescheduled up to now and will ultimately need to be repaid. this amount would represent about 60% of expected oil revenues for that Fiscal Year.

[2] In 1979, 1 Dollar was equivalent to 78 Rials; in January 1995, 1 Dollar was equivalent to 2000–2200 Rials, and in March 1995, 1 Dollar was equivalent to 4000–4500 Rials.

[3] Imports of $2.5 billion are required if the industry works at 25% of its capacity. Another $4.5 billion are needed for projected subsidies.

[4] An additional $800 million non-oil exports revenues sold to the Central Bank (out of total non-oil exports of $3.8 billion) has to be added to this figure.

[5] To show the importance of this figure, it should be noted that in Fiscal Year 1995–1996 the Islamic Republic has allocated $3 billion (arms purchases excluded) in foreign exchange as current expenditures for military and security matters.

[6] See interview with the late Prime Minister Mehdi Bazargan in Frankfurter Rundschau of 12 December 1994. Mr. Bazargan was the first prime minister of the Islamic Republic in 1979.●

AMBASSADOR MADELEINE K. ALBRIGHT'S ELOQUENT REMARKS

● Mr. DODD. Mr. President, I rise today to share with my colleagues an eloquent speech given by United Nations Ambassador Madeline K. Albright at the annual dinner of the national Democratic Institute for International Affairs [NDI] on March 1.

At this dinner, Ambassador Albright and South African First Deputy President Thabo Mbeki received W. Averall Harriman Democracy Awards for their work promoting democracy and freedom.

Ambassador Albright spoke persuasively about the need for the United States to remain engaged in world affairs. She warned against again listening to the ''siren song of isolationism,'' which fooled us during the 1920's and 1930's into believing that we could retreat from the world around us. As World War II demonstrated, a doctrine that promised to put ''America First'' in reality did great damage to our national interests.

I hope my colleagues will find Ambassador Albright's words as insightful as I did, and I ask that they be printed in the RECORD.

The speech follows:

Thank you, Senator Dodd. And thank you, Mr. Vice-President, Mr. Deputy President, members of the diplomatic corps, friends and supporters of NDI. This is a great honor, coming as it does from an institution whose birth I witnessed and of which I am very, very proud.

As Vice Chair of the board in years past, I helped to choose candidates, select recipients and recruit presenters for this award. Last year, I presented it, myself. So I've seen this event from every side, and I can tell you: it may be more blessed to give; but it is definitely more fun to receive.

The accomplishments of NDI continue to expand. Wherever I have traveled the last two years, it has seemed that NDI either had been there, was there, or was due on the next plane. I have seen its representatives at work in Europe, Africa and Latin America. They have a well-earned reputation for competence, honesty and pragmatism.

Thanks should go to the leadership and staff here in Washington, from Ken Wollack and Jean Dunn on down, and to the presence of people in the field who are flat out terrific at what they do.

I am grateful to all of you, and I am doubly pleased to share this night with Deputy President Mbeki. Last year, he became the first representative of a democratic South Africa to address the Security Council. After he spoke, I sat there, as Ambassadors are wont to do, applauding silently.

What I would like to have done is stand on my chair and shout ''Hallelujah''. For decades at the UN, the very name ''South Africa'' had summoned forth only sanctions and shame. Mr. Mbeki's statement marked its transformation into a symbol of inspiration and hope.

The new South Africa gives freedom fighters everywhere cause to persist; it reminds all of us that international solidarity does matter: and it provides fresh evidence that human beings, when imbued with courage and sustained by faith, can achieve almost anything.

We know from history, however, that few victories are permanent. The last day of one struggle is the first day of the next.

That is true for those from Central America to Central Asia who are trying to make new democracies succeed.

And it is true for those who believe, as do I, that although the Cold War has ended, America's commitment to freedom around the world must live on.

Unfortunately, as after other great struggles in our nation's history, some feel that our security has been assured, and urge that we move now from the center stage of international life to a seat somwehere in the mezzanine.

The new isolationists find their echo in the narrow-visioned naysayers of the 1920's and 30's, who rejected the League of Nations, embraced protectionism, downplayed the rise of Hitler, opposed help to the victims of aggression and ultimately endangered our own security—claiming all the while that all they were doing was ''putting America first.''

Today their battle cry is ''Retreat.'' Their bumper sticker is ''Kill the UN.'' And their philosophy is—''Let the people of the Balkans and other troubled lands slaughter each other, for their anguish is God's problem, not our own.''

The isolationists were wrong in the 1930's; they are wrong now. They prevailed then; they must fail now. Their view of our national interest is too narrow; their view of history too short; and their sense of public opinion just plain wrong.

Most Americans understand that what happens in the world affects almost every aspect of our lives. We live in a nation that is democratic, trade-oriented, respectful of the law and possessed of a powerful military whose men and women are precious to us. We will do better and feel safer in an environment where our values are widely shared, markets are open, military clashes are constrained and those who run roughshod over the rights of others are brought to heel.

Isolationism will do nothing to create such an environment; helping new and emerging democracies will.

There is no question that the National Endowment for Democracy was one of Ronald Reagan's better ideas. But it was conceived primarily to counter a single virulent ideology. Today, that is no longer sufficient. We build now, not out of fear, but on hope. It is our responsibility, and our opportunity, to lock in the gains yielded by past sacrifice.

As NDI recognizes, building democracy requires more than distributing copies of the Constitution, or even the entire reading list of the Speaker of the House. Elections are but one vote in the democratic symphony. Democracy requires legal structures that works; political parties that offer a choice; markets that are free; police that serve the people, instead of terrorizing them; and—the O.J. Simpson trial notwithstanding—a press makes its own choices about what is news.

The leaders of new democracies face challenges that dictators often do not. First, they are accountable; they must respond to public expectations. They must transform economies distorted by decades of centralized planning or graft. They must practice austerity in a setting where long-suppressed hopes have been unleashed. They may face overwhelming social, environmental and criminal challenges.

And they must teach factions that have for years killed each year the satisfaction of out-thinking, out-debating and out-polling each other.

NDI is part of a global network that is working to help these new leaders succeed. I know from my own experience that this can be exhilarating, but humbling work. For on every continent, there are individuals who know better than most of us the price of repression; those who have risked not job titles and office space by standing up for what they believe, but prison sentences, brutal beatings, torture and death.

NDI's efforts in support of democracy are reinforced by those of other NGO's, human rights monitors, church groups, regional organizations and increasingly, I am pleased to say, by the United Nations.

But America belongs at the head of this movement. For freedom is perhaps the clearest expression of national purpose and policy ever adopted—and it is our purpose. Like other profound human aspirations, it can never fully be achieved. It is not a possession; it is a pursuit. It is the star by which America has navigated since before we were a country, and still an idea.

So, I am proud that this Administration had the guts, the wisdom and the conviction to restore to the people of Haiti the democracy that had been stolen from them; and I am waiting for the day when those who nitpicked and bellyached about that decision will admit they were wrong and the President was right.

I am proud, also, of our steadfast support for reform and reformers in Central Europe and the former Soviet Union. There, the success or failure of the democratic experiment will do much to determine the kind of world in which our children will live.

I am committed, as I think all who believe in democracy should be, to the survival in Bosnia of a viable, multi-ethnic state.

And I want the War Crimes Tribunals for Rwanda and former Yugoslavia to establish the truth before the perpetrators of genocide obscure it. These tribunals serve the cause not only of justice, but of peace. For true reconciliation will not be possible in these societies until the perception of collective guilt has been erased, and individual culpability assigned.

Democratic principles are the best answer there is to the ethnic clashes that have arisen so often and so tragically in recent years.

As our own history attests, and as the presence of Representative John Lewis here tonight reminds us, a government that allocates the privileges of citizenship according to ethnicity or race invites weakness and risks civil war.

Nationhood alone is no grounds for pride; nations must be instruments of law, justice, liberty and tolerance. They must be inclusionary, not exclusionary. That is what democracy is: and that is the difference between a true nation, such as South Africa today; and the pariah South Africa of decades past.

This is a year of anniversaries. The era in which most of us have lived most of our lives began 50 years ago. In recent months, we have been reminded of how much we owe the ''guys named Joe'' who landed on the beaches of Normandy, won the Battle of the Bulge and raised the flag at Iwo Jima.

Let us never forget the lesson behind those memories. Let us never forget why that war began, how that war was won or what that war was about.

Aggressors must be resisted. Fascism must never again arise. Intolerance can never again be allowed to hide behind the mask of nationalist pride. And the siren song of isolationism must never again distract us from the responsibilities of leadership.

History did not end when the Nazis surrendered, or when the Berlin Wall fell or when Boris Yeltsin climbed onto that tank or when Arafat and Rabin shook hands or when Nelson Mandela took the oath of office.

Each generation is tested. Each must choose: engagement or indifference; tolerance or intolerance; the rule of law or no law at all.

We have a responsibility in our time, as others have had in theirs, not to be prisoners of history, but to shape it; to build a world not *without* conflict, but in which conflict is effectively contained; a world, not *without* repression, but in which the sway of freedom is enlarged; a world not *without* lawless behavior, but in which the law-abiding are progressively more secure.

That is our shared task in this new era.

Thank you very much.●

TRIBUTE TO THE MEXICO BULLDOGS

● Mr. BOND. Mr. President, I rise today to pay tribute to Missouri's 3A State High School basketball champions, the Mexico Bulldogs.

The team members, Aaron Angel, Chris Azdell, Cookie Belcher, Jason Brookins, Joey Dubbert, Jay Frazer, Kyle Henage, Doug Hoer, Tony Miller, Lance Parker, Scott Pitts, Matt Qualls, Jerrod Thompson, Dimos Tzavaris, and Brennen VanMatre; Head Coach Keith Miller and Assistant Coach Todd Berck; the student body; and the community of Mexico are all to be commended on their teamwork and commitment to do their best. Last year, the Mexico ball club finished second; this year they were determined to go all the way. That determination paid off, as they displayed teamwork and commitment in reaching their goal—that had never before been reached in the school's history.

Teamwork in basketball is essential; individual effort is also essential. The Mexico Bulldogs were lead by team members such as Cookie Belcher, who hit a jump shot to tie the score at 68–68 with only 4 minutes left in the game; Jerrod Thompson who matched Belcher's 30-point contribution; reserve player Brennan Van Matre who hit the rebound basket that put the Bulldog team ahead to stay; Jason Brookins who delivered the final points with a fantastic alley-oop dunk with only 86 seconds left to play. Individual contributions by all the team members helped to make the game one for the history books.

Individual and team efforts on behalf of the Mexico fans also played an important part in the Bulldogs' win. Mexico has long been a community dedicated to improving its way of life. Families, business owners, and employees strive to enhance opportunities for all and are to be commended on their efforts. This dedication truly came to light when the Bulldogs were fighting their way to the top to achieve their goal.

The Mexico Bulldogs, Missouri's State 3A Basketball Champs deserve to be recognized for their work, and I am proud to be a fellow Mexicoan.●

RULES OF THE COMMITTEE ON INDIAN AFFAIRS

● Mr. MCCAIN. Mr. President, Senate Standing Rule XXVI requires each committee to adopt rules to govern the procedures of the committee and to publish those rules in the CONGRESSIONAL RECORD not later than March 1 of the first year of each Congress. On January 11, 1995, the Committee on Indian Affairs held a business meeting during which the members of the committee unanimously adopted rules to govern the procedures of the committee. Consistent with Standing Rule XXVI, those rules were printed in the CONGRESSIONAL RECORD on January 20, 1995. It was recently brought to my attention that rule 6(a) relating to quorums contains an error. As printed, the rule states that six members of the committee will constitute a quorum. The correct number should be nine members. On advice of the Senate Legal Counsel, today I am submitting for printing in the CONGRESSIONAL RECORD a corrected rule 6, as follows:

QUORUMS

Rule 6(a). Except as provided in subsections (b) and (c) nine (9) members shall constitute a quorum for the conduct of business of the committee. Consistent with Senate rules, a quorum is presumed to be present, unless the absence of a quorum is noted.

(b). A measure may be ordered reported from the Committee unless an objection is made by a member, in which case a recorded vote of the members shall be required.

(c). One member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the committee.●

THE 92D BIRTHDAY OF MIKE MANSFIELD

Mr. MCCAIN. Mr. President, the following has been cleared by the other side, and I would like to ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 88, a resolution to congratulate Mike Mansfield on his 92d birthday, submitted earlier today by Senators BAUCUS and BURNS; that the resolution and preamble be agreed to

en bloc; and the motion to reconsider be laid upon the table.

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

So the resolution (S. Res. 88) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 88

Whereas Mike Mansfield brought honor to the State of Montana as a professor, Congressman, and Senator during a period that spanned more than 40 years;

Whereas Mike Mansfield claims the distinction of being the youngest World War I veteran in the United States, and of having served as an enlisted man in the Navy, Army, and Marines, all before the age of 20;

Whereas Mike Mansfield served as Senate Majority Leader for a record 16 years;

Whereas Mike Mansfield was instrumental in passing the 26th Amendment to the Constitution, giving people age 18 to 20 the right to vote;

Whereas as a freshman Congressman, Mike Mansfield served as an East Asian adviser to President Franklin Delano Roosevelt during World War II, and later served as the United States Ambassador to Japan for over 11 years;

Whereas Mike Mansfield performed all of the above tasks to the highest possible standards, and is a shining example of integrity and public service to Montana and the United States; and

Whereas Mike Mansfield will celebrate his 92d birthday on Thursday, March 16, 1995: Now, therefore, be it

Resolved, That the Senate congratulates and sends the warmest birthday wishes to Mike Mansfield, a beloved former colleague of the United States Senate, on the grand occasion of his 92d birthday on Thursday, March 16, 1995.

AUTHORIZING TESTIMONY BY SENATE EMPLOYEE

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Senate Resolution 90, submitted earlier today regarding legal counsel; that the resolution be agreed to; that the preamble be agreed to; and that the motion to reconsider be laid upon the table.

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

So the resolution (S. Res. 90) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 90

Whereas, in the case of *United States* v. *Francisco M. Duran*, Cr. No. 94–447, pending in the United States District Court for the District of Columbia, a subpoena for testimony has been issued to Laura DiBiase, an employee of the Senate on the staff of Senator Campbell;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Laura DiBiase is authorized to produce records and to testify in the case of *United States* v. *Francisco M. Duran*, Cr. No. 94–447 (D.D.C.), except concerning matters for which a privilege should be asserted.

ORDERS FOR FRIDAY, MARCH 17, 1995

Mr. MCCAIN. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. on Friday, March 17, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; there then be controlled general debate on the line-item veto legislation, to be equally divided in the usual form.

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

PROGRAM

Mr. MCCAIN. Mr. President, for the information of all Senators, on Friday the Senate will be in controlled general debate on the line-item veto until approximately 3 p.m.; the Senate will also have controlled debate on the line-item veto on Monday until 5 p.m, at which time the Senate will begin consideration of the bill. Also, there will be no rollcall votes during Friday's and Monday's sessions of the Senate.

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

RECESS UNTIL 10 A.M. TOMORROW

Mr. MCCAIN. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:08 p.m., recessed until Friday, March 17, 1995, at 10 a.m.